

Company Registration No. 09183815

THE LITTLE GARDEN COMPANY LIMITED

Annual Report and Financial Statements

52 weeks ended 25 December 2016

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THE LITTLE GARDEN COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
52 weeks ended 25 December 2016

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THE LITTLE GARDEN COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

ANNUAL REPORT AND FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

DIRECTORS

J Halford
P A Utting
R J Thompson

REGISTERED OFFICE

Broadoak
Southgate Park
Bakewell Road
Peterborough
Cambridgeshire
PE2 6YS

AUDITOR

Deloitte LLP
Statutory Auditor
Cambridge, UK

THE LITTLE GARDEN COMPANY LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the 52 weeks ended 25 December 2016.

The directors have taken the small companies exemption contained in S414B of the Companies Act 2006 from the requirement to prepare a strategic report.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption in accordance with S415A of Companies Act 2006.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The Little Garden Company (LGC) is the wholly owned subsidiary of Parnell Lang Enterprises Limited (PLE). Its main trade is selling bird care and garden products directly to end consumers.

Profit before taxation for the period ended 25 December 2016 was £103,374 (2015: £15,404).

GOING CONCERN

The directors are satisfied with the financial performance and position of the group. They have prepared detailed forecasts which consider the funding and trading performance for a period of at least 12 months from signing the financial statements.

From a financial perspective the group is debt financed which is repayable in August 2020. Within the group there is intercompany debt owed from and to group entities all of which are repayable upon demand. The directors, who are common in the group, make commercial decisions across the group companies and, after due consideration, consider it appropriate to continue to prepare the financial statements on a going concern basis.

All directors of this company hold directorships in all the other holding group entities of Topco, Midco and Bidco, and three of the directors are directors in the trading UK subsidiary Gardman Limited, and the intermediary holding companies of GGML and Gardman Group. The directors of this entity are therefore able to strongly influence the decisions of the group, its trading, financing and future. It is on this basis that no letters of support have been provided from any group entity to any other as those charged with governance in the supporting company who could provide such letters are also directors in the entity which would rely upon it.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's recent trading activities exposed it to a number of financial risks including liquidity risk, interest rate risk, credit risk, and price risk. The directors consider credit risk to be the only financial risk to which it remains exposed. The directors of the company manage this risk by regularly reviewing the creditworthiness of counterparties.

DIRECTORS

The directors who served during the period and subsequently to the date of this report, unless otherwise stated, were:

J Halford	
M J J Little	(resigned 15 May 2017)
P A Utting	
R J Thompson	(appointed 15 May 2017)

DIRECTORS' INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

THE LITTLE GARDEN COMPANY LIMITED

DIRECTORS' REPORT

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

(1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and

(2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor of the company. A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board on



R J Thompson
Director

Date: 26/9/17

THE LITTLE GARDEN COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and Article 4 of the IAS regulation. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LITTLE GARDEN COMPANY LIMITED

We have audited the financial statements of The Little Garden Company Limited for 52 weeks ended 25 December 2016 which comprise the income statement, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibility Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 December 2016 and of its profit for the 52 weeks then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LITTLE GARDEN COMPANY LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report or from the requirement to prepare a strategic report.

Matthew Hall

Matthew Hall FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom

27th September 2017

THE LITTLE GARDEN COMPANY LIMITED

INCOME STATEMENT

52 weeks ended 25 December 2016

	Note	52 weeks ended 25 December 2016 £	Period 20 August 2014 to 27 December 2015 £
REVENUE	3	504,896	133,551
Cost of sales		(243,018)	(64,034)
GROSS PROFIT		261,878	69,517
Administrative expenses		(158,505)	(54,113)
OPERATING PROFIT	4	103,374	15,404
PROFIT BEFORE TAXATION		103,374	15,404
Taxation	6	-	-
PROFIT FOR THE PERIOD		103,374	15,404

All amounts relate to continuing operations.

There is no other income other than as stated above. Accordingly, no statement of comprehensive income is provided.

THE LITTLE GARDEN COMPANY LIMITED

BALANCE SHEET 25 December 2016

	Note	25 December 2016 £	27 December 2015 £
CURRENT ASSETS			
Trade and other receivables	7	118,878	15,504
NET CURRENT ASSETS, BEING TOTAL ASSETS		<u>118,878</u>	<u>15,504</u>
EQUITY			
Share capital	8	100	100
Retained earnings		118,778	15,404
TOTAL EQUITY		<u>118,878</u>	<u>15,504</u>

The financial statements of The Little Garden Company Limited, (company registration number 09183815), were approved by the Board of Directors and authorised for issue on 26/9/17

Signed on behalf of the Board of Directors



R J Thompson
Director

THE LITTLE GARDEN COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY 52 weeks ended 25 December 2016

	Share capital £	Retained earnings £	Total equity £
Shares issued at incorporation	100	-	100
Profit for the period	-	15,404	15,404
	<hr/>	<hr/>	<hr/>
Balance at 27 December 2015	100	15,404	15,504
	<hr/>	<hr/>	<hr/>
Balance as at 28 December 2015	100	15,404	15,504
	<hr/>	<hr/>	<hr/>
Profit for the period	-	103,374	103,374
	<hr/>	<hr/>	<hr/>
Balance at 25 December 2016	100	118,778	118,878
	<hr/>	<hr/>	<hr/>

THE LITTLE GARDEN COMPANY LIMITED

CASH FLOW STATEMENT **52 weeks ended 25 December 2016**

	52 weeks ended 25 December 2016 £	Period 20 August 2014 to 27 December 2015 £
Cash flow from operating activities		
Profit before taxation	103,374	15,504
Increase in receivables	(103,374)	(15,504)
Net cash used in operating activities	-	-
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	-	-

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

1. ACCOUNTING POLICIES

The Little Garden Company Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

The financial statements are prepared in accordance with applicable IFRS including standards and interpretations issued by the International Accounting Standards Board as adopted by the EU. The financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies below.

The preparation of the financial statements requires estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If, in the future, such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

Going concern

The directors are satisfied with the financial performance and position of the group. They have prepared detailed forecasts which consider the funding and trading performance for a period of at least 12 months from signing the financial statements.

From a financial perspective the group is debt financed which is repayable in August 2020. Within the group there is intercompany debt owed from and to group entities all of which are repayable upon demand. The directors, who are common in the group, make commercial decisions across the group companies and, after due consideration, consider it appropriate to continue to prepare the financial statements on a going concern basis.

All directors of this company hold directorships in all the other holding group entities of Topco, Midco and Bidco, and three of the directors are directors in the trading UK subsidiary Gardman Limited, and the intermediary holding companies of GGML and Gardman Group. The directors of this entity are therefore able to strongly influence the decisions of the group, its trading, financing and future. It is on this basis that no letters of support have been provided from any group entity to any other as those charged with governance in the supporting company who could provide such letters are also directors in the entity which would rely upon it.

Turnover

Revenue comprises the fair value of consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Revenue is shown net of value added tax, estimated returns, rebates and discounts. Revenue is recognised when the company has delivered products to the customer, the customer has accepted the products and recoverability of the related receivable is reasonably assured.

Taxation

Current tax

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

1. ACCOUNTING POLICIES (Continued).

Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive or directly in equity respectively. Where current or deferred tax arises from the initial account for a business combination, the tax effect is included in the accounting for the business combination.

Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions, when the instrument expires or when it is cancelled. Financial instruments are classified as cash and cash equivalents (including bank overdrafts), trade receivables, trade creditors, intercompany receivables, borrowings (including obligations under finance leases) and other payables (including accruals, taxation and social security and current tax liabilities).

Non-derivative financial assets are categorised as “loans and receivables” and non-derivative financial liabilities are categorised as “other financial liabilities”.

Loans and receivables

Loans and receivables, as categorised above, are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Other financial liabilities

Other financial liabilities, as categorised above, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

1. ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. These are recognised in the income statement when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the asset is impaired. Changes in the carrying amount of the receivable are recognised in the income statement.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, including redeemable notes classified as AFS and finance lease receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

1. ACCOUNTING POLICIES (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have not made any critical judgements or estimations in the process of applying the company's accounting policies when compiling the financial statements.

2. ADOPTION OF NEW AND REVISED STANDARDS

Amendments to IFRSs and the new Interpretations that are mandatorily effective for the current year

In the current year, the company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 26 December 2017. The Company is in the process of assessing the impact of these standards on its financial statements.

Amendments to IFRS 10, IFRS 12 and IAS 28 (Dec 2014)	<i>Investment Entities: Applying the consolidation exception</i>
Amendments to IAS 1 (Dec 2014)	<i>Disclosure Initiative</i>
Annual Improvements to IFRSs: 2012-2014 Cycle (Sept 2014)	<i>Annual Improvements to IFRSs: 2012-2014 Cycle</i>
Amendments to IAS 27 (Aug 2014)	<i>Equity Method in Separate Financial Statements</i>
Amendments to IAS 16 and IAS 41 (Jun 2014)	<i>Agriculture: Bearer Plants</i>
Amendments to IAS 16 and IAS 38 (May 2014)	<i>Clarification of Acceptable Method of Depreciation and Amortisation</i>
Clarifications to IFRS 15 (Apr 2016)	<i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i>
IFRS 16	<i>Leases</i>
IFRS 9	<i>Financial Instruments</i>
Amendments to IFRS 11, (May 2014)	<i>Accounting for Acquisitions of Interest in Joint Operation</i>

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS 52 weeks ended 25 December 2016

3. REVENUE

The revenue and profit before taxation is attributable to that of seed wholesale and retail sales. Turnover is wholly attributable to sales within the United Kingdom.

	52 weeks ended 25 December 2016 £	Period 20 August 2014 to 27 December 2015 £
Sale of goods	<u>504,896</u>	<u>133,551</u>

4. OPERATING PROFIT

The company has no employees. The directors of the company receive no remuneration for their services to the company.

Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

Auditor's remuneration is borne by the trading subsidiary, Gardman Limited in both the current and prior period.

5. EXPENSES BY NATURE

	52 weeks ended 25 December 2016 £	Period 20 August 2014 to 27 December 2015 £
Raw materials and consumables used	243,017	64,034
Transportation, carriage and packing	144,104	41,995
Other expenses	<u>14,402</u>	<u>12,118</u>
	<u>401,523</u>	<u>118,147</u>

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS 52 weeks ended 25 December 2016

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of credit in the period

	52 weeks ended 25 December 2016 £	Period 20 August 2014 to 27 December 2015 £
Current tax		
UK corporation tax at 20% (2015 - 20.25%)	-	-
Total current tax	-	-
Deferred taxation		
Current year – origination and reversal of timing differences	-	-
Total tax credit	-	-

b) Factors affecting the tax credit for the period

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	52 weeks ended 25 December 2016 £	Period 20 August 2014 to 27 December 2015 £
Profit on ordinary activities before tax	103,374	15,404
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK at 20% (2015 - 20.25%)	20,933	3,119
Effects of:		
Group relief received not paid for	(20,933)	(3,119)
Tax current credit for the year	-	-

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 19%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

7. TRADE AND OTHER RECEIVABLES

	25 December 2016 £	27 December 2015 £
Amounts owed by group companies	118,878	15,504
Total trade and other receivables	<u>118,878</u>	<u>15,504</u>

All of the other receivables balance above is deemed to be current. There is no bad debt provision.

8. CALLED UP SHARE CAPITAL

	25 December 2016 £	27 December 2015 £
Allotted, issued and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. FINANCIAL INSTRUMENTS

Categories of financial instruments	25 December 2016 £	27 December 2015 £
Carrying value of financial assets:		
Trade and other receivables	<u>118,878</u>	<u>15,504</u>
Loans and receivables at amortised cost	118,878	15,504
Total financial assets	<u>118,878</u>	<u>15,504</u>

Interest rate sensitivity analysis

The directors consider that there would be an insignificant movement in the company's loss for the year if interest rates had been 0.5% higher/lower as there are no borrowings in the company.

Foreign currency sensitivity analysis

The company is not exposed to significant foreign currency fluctuations.

Maturity of financial assets

Intercompany balances have no specified repayment date.

Credit risk

In the opinion of the directors, the only financial instrument that is subject to credit risk is the trade and other receivables. The directors believe that there was no exposure to credit risk at year-end.

THE LITTLE GARDEN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 25 December 2016

9. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

The company's activities expose it to a number of financial risks including liquidity risk, foreign currency risk, interest rate risk, credit risk, cash flow risk and price risk. The use of financial derivatives is governed by the group's policies approved by the board which provide principles on the use of financial derivatives to manage these risks. The company does not use derivative financial instruments for speculative purposes. Where the company has entered into financial derivative contracts to mitigate financial risks, they are included below under the relevant risk heading.

Foreign currency risk

The company does not make significant purchases denominated in foreign currency.

Interest rate risk

Interest is charged on the company's borrowing balances at variable rates; given the current low level of interest rates, the directors do not consider it necessary to mitigate the interest rate risk.

10. RELATED PARTY TRANSACTIONS

The directors are the key management personnel of the company; their emoluments are included in note 4.

As at the balance sheet date the company was owed the balance of £15,504 (2015: £15,504) from Parnell Lang Enterprises Limited who are also the immediate parent company. The company was also owed the balance of £103,374 (2015: nil) from Gardman Limited. During the year the company's costs of sales as shown on page 7 were all purchases from a fellow group company, Gardman Limited.

11. ULTIMATE AND CONTROLLING PARTY

The ultimate parent company and controlling party is Gardeden Topco Limited, a company incorporated in the United Kingdom, which is also the smallest and largest group for which consolidated financial statements are prepared. Copies of the company accounts for Gardeden Topco Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The controlling investor is Rutland Fund III LP which is managed by Rutland Partners LLP.