

**Taylorred Investments Limited**

**Annual report and financial  
statements**

**Registered number 9458725**

**For the period from incorporation on 22  
February 2015 to 31 December 2015**

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## Contents

Directors and advisors	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements	5
Independent auditor's report to the members of Taylorred Investments Limited	6
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	10
Notes	11

## **Directors and advisors**

### **Directors**

J Halford  
G Grainger

### **Secretary**

AM Seaborn

### **Administrative and registered office**

HI Coventry Place  
Blackpole Trading Estate  
Worcester  
WR3 8SG

### **Auditor**

KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

### **Bankers**

The Royal Bank of Scotland plc  
79/83 Colmore Row  
Birmingham  
B3 2AP

### **Solicitors**

Freeths  
6 Bennetts Hill  
Birmingham  
B2 5ST

## Strategic report

### Principal activities

The principal activity of the company during the year was the provision of wooden and other related garden products and services to its customers via the internet. Operations are centered in Worcestershire.

### Business overview and outlook

The company was incorporated on the 22<sup>nd</sup> February 2015, and within the first year of trading, the company turned over £7,853,000, delivering a gross profit of £3,157,000 (40%). Following operating expenses, the company made a profit before taxation of £307,000 and had net assets of £192,000 at the year end.

A positive first year performance and order bank at the end of 2015 provided a strong start point for 2016 and further growth.

### Principal risks and uncertainties

Principal risks arise from the uncertainty of the weather and competitor activity.

Approved and signed on behalf of the Board on 26 September 2016.



G Grainger  
Director

## Directors' report

The directors present their report and the audited financial statements of the company for the period from incorporation on 25 February 2015 to 31 December 2015.

### Change of name

The company was incorporated under the name of Willoughby Timber Products Limited and changed the name to Taylored Investments Limited on 6 March 2015.

### Directors

The directors who served during the period are as follows:

J Halford (appointed 22 February 2015)  
G Grainger (appointed 22 February 2015)

### Dividends

The directors do not recommend the payment of a dividend.

### Financial instruments

The company uses financial instruments including cash, borrowings and debt factoring from the group, the main purpose of which are to raise finance for the company's activities. It is the company's policy not to enter into trading of a speculative nature in respect of financial instruments.

### Price risk

The company is exposed to price risk on its raw material purchases.

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the company. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit, using information supplied by independent rating agencies where available. At the balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

### Cash flow and liquidity risk

Liquidity risk is the risk that the company may not be able to meet its financial obligations as they fall due. The company ensures that there are sufficient levels of committed facilities, cash and cash equivalents to ensure that the company is, at all times, able to meet its financial commitments. Liquidity risk is managed by continuous monitoring of forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The company has no significant interest bearing assets and consequently, its income and cash flows are largely independent of changes in market interest rates. All interest bearing borrowings comprising of bank overdrafts and bank loans have variable interest rates based upon the bank base rate and are therefore subject to fluctuations in such rates. The company does not use interest rate swaps or other instruments to manage its interest rate exposure.

### Political and charitable donations

The company made no political or charitable donations or incurred any political expenditure during the period.

### Going concern

As set out more fully in note 1 of the accounting policies, the directors believe that the company will be able to continue to pay its debts as they fall due and have, therefore, prepared the financial statements on a going concern basis.

## **Directors' report** *(continued)*

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

On 20 April 2016, KPMG LLP were appointed auditor.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

Approved and signed on behalf of the Board on 26 September 2016



**G. Grainger**  
Director

## **Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including *FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



**KPMG LLP**

One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH  
United Kingdom

## **Independent auditor's report to the members of Taylored Investments Limited**

We have audited the financial statements of Taylored Investments Limited for the period from incorporation on 22 February 2015 to 31 December 2015 set out on pages 8 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including *FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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' responsibilities statement set out on page 5, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 31 December 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic report, 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 Taylored Investments 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.



Simon Purkess (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

30 September 2016

**Profit and loss account**

*for the period from incorporation on 22 February 2015 to 31 December 2015*

	<i>Note</i>	<b>Period ended 31 December 2015 £000</b>
<b>Turnover</b>	<i>1,2</i>	<b>7,853</b>
<b>Cost of sales</b>		<b>(4,696)</b>
		<hr/>
<b>Gross profit</b>		<b>3,157</b>
<b>Administrative expenses</b>		<b>(2,850)</b>
		<hr/>
<b>Operating profit, being profit on ordinary activities before taxation</b>	<i>3</i>	<b>307</b>
<b>Taxation</b>	<i>5</i>	<b>(115)</b>
		<hr/>
<b>Profit for the financial period</b>		<b>192</b>
		<hr/>

All amounts relate to continuing operations.

The notes on pages 11 to 18 form an integral part of these financial statements.

**Balance sheet**  
*as at 31 December 2015*

	Note	2015 £000	£000
<b>Fixed assets</b>			
Intangible assets	6		60
Tangible fixed assets	7		66
			<u>126</u>
<b>Current assets</b>			
Debtors	8	376	
Cash at bank and in hand		205	
		<u>581</u>	
<b>Creditors: Amounts falling due within one year</b>	9	<u>(515)</u>	
<b>Net current assets</b>			<u>66</u>
<b>Total assets less current liabilities, being net assets</b>			<u>192</u>
<b>Capital and reserves</b>			
Called up share capital			192
Profit and loss account			<u>192</u>
<b>Shareholders' deficit</b>			<u>192</u>

The notes on pages 11 to 18 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 26 September 2016 and were signed on its behalf by:

  
G Grainger  
Director

Company number: 9458725

## Statement of changes in equity

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at incorporation			
<b>Total comprehensive income for the period</b>			
Profit or loss		427	427
		<u>427</u>	<u>427</u>
Total comprehensive income for the period		427	427
		<u>427</u>	<u>427</u>
<b>Balance at 31 December 2015</b>		<b>427</b>	<b>427</b>
		<u><u>427</u></u>	<u><u>427</u></u>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Taylorred Investments Limited (the "company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, Forest Garden Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Forest Garden Group Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Forest Garden Group Limited, the company's ultimate parent undertaking. Forest Garden Group Limited has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

#### 1.3 Basic financial instruments

##### *Trade and other debtors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Trade and other creditors*

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- plant and equipment 5 years
- fixtures and fittings 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### 1.5 Intangible assets, goodwill and negative goodwill

##### Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

#### 1.7 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

#### 1.8 Turnover

Turnover comprises amounts invoiced in respect of goods supplied during the year, including value added tax. Turnover arises primarily in the UK and the directors consider there to be only one business segment, being the manufacture of timer products for the retail garden sector.

#### 1.9 Expenses

##### Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### 1.11 Impairment excluding stocks and deferred tax assets

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### *Non-financial assets*

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs, the company tests the impairment of goodwill by determining the recoverable amount of the entity in its entirety, including the integrated acquired operations.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

## Notes (continued)

### 2 Turnover

	Period ended 31 December 2015 £000
Sale of goods	7,853

### 3 Auditor's remuneration

	Period ended 31 December 2015 £000
Audit of these financial statements	5

Amounts paid to the company's auditors in respect of services to the company other than the audit of the company's financial statements have not been disclosed as this information is disclosed on a consolidated basis in the financial statements of Forest Garden Group Limited.

All costs have been borne by other group companies in the current period.

### 4 Staff numbers and costs

The company had no employees during the period.

### 5 Taxation

#### *Total tax expense recognised in the profit and loss account*

	Period ended 31 December 2015 £000	£000
<i>Current tax</i>		
UK corporation tax	118	
Total current tax charge		118
<i>Deferred tax (note 8)</i>		
Origination and reversal of timing differences	(3)	
Total deferred tax		(3)
Tax on profit on ordinary activities		115



## Notes (continued)

### 5 Taxation (continued)

#### Reconciliation of effective tax rate

	2015 £000
Profit for the year	192
Total tax expense	115
	<hr/>
Profit excluding taxation	307
Tax using the UK corporation tax rate of 20.11%	62
Fixed asset differences	5
Non-deductible expenses	48
	<hr/>
	115
	<hr/>

The directors recognise an asset in relation to deferred taxation only to the extent that its utilisation can be forecast, with reasonable certainty, in the foreseeable future.

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2015 has been calculated based on these rates.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax.

### 6 Intangible fixed assets

	Goodwill £000
<i>Cost</i>	
On incorporation	-
Transfer from subsidiary undertaking	80
	<hr/>
At end of period	80
	<hr/>
<i>Amortisation</i>	
On incorporation	-
Amortisation for the period	20
	<hr/>
At end of period	20
	<hr/>
<i>Net book value</i>	
At 31 December 2015	60
	<hr/>

## Notes (continued)

### 7 Tangible fixed assets

	Plant, machinery and fixtures and fittings £000
<i>Cost</i>	
On incorporation	5
Transfer from subsidiary undertaking	91
Additions	<u>96</u>
At end of period	<u>96</u>
<i>Depreciation</i>	
On incorporation	30
Charge for the period	<u>30</u>
At end of period	<u>30</u>
<i>Net book value</i>	
At 31 December 2015	<u>66</u>

### 8 Debtors

	2015 £000
Other debtors	65
Amounts owed by group undertakings	308
Deferred tax asset	3
	<u>376</u>

Deferred tax asset is attributable to the difference between accumulated depreciation and capital allowances.

### 9 Creditors

	2015 £000
Trade creditors	202
Corporation tax	118
Other creditors	195
	<u>515</u>

## Notes (continued)

### 10 Share capital

2015  
£000

*Allotted, called up and fully paid*  
1 ordinary share of £1 each

### 11 Contingent liabilities

There is a cross-guarantee in respect of bank loans and facilities for all members of the group. At 31 December 2015, the group position was a liability of £4.8 million.

### 12 Leasing commitments

Annual commitments under non-cancellable operating leases was as follows:

	2015 £000
Lease which expire:	
Within one year	16
Between two and five years	48
	<u>64</u>

### 13 Related party transactions

As the company is a wholly owned subsidiary of Forest Garden Group Limited, the company has taken advantage of the exemption contained in FRS 102 and has, therefore, not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Forest Garden Group Limited, within which this company is included, can be obtained from the address given in note 16.

### 14 Hive up of trade and assets

On 7 April 2015, the trade and assets of Taylored Investments LLP ("TI LLP") were transferred to Taylored Investments Limited ("TI Limited").

The transaction has been accounted for using hive up accounting, bringing the trade and assets of TI LLP in TI Limited at their historical values. The book values as recorded on transfer are given in the table below:

	Book value £000
Intangible assets	80
Tangible assets	5
Stock	1
Debtors	104
Cash	62
Creditors	(487)
	<u>235</u>

**Notes** *(continued)*

**15 Ultimate controlling party**

The company's immediate parent company is FG Investments Limited.

At 31 December 2015, the directors consider Forest Garden Group Limited to be the ultimate parent company. The largest group in which the results of the company are consolidated is that headed by Forest Garden Group Limited, incorporated in England and Wales. The consolidated financial statements of these groups are available to the public and may be obtained from:

Companies House  
Crown Way  
Cardiff  
CF14 3UZ