

ASHLEA LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

Company Registration Number 3932453

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COMPANIES HOUSE

Baker Tilly Business Services Limited

Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

ASHLEA LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

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ASHLEA LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 JULY 2013

The board of directors	M S Carney R D Ford B J Tyrer P Jeffreys L Blair D P Carney W Dand G Knowles C H Morgan S Simpson
Company secretary	P Jeffreys
Business address	Scotland Road Carnforth Lancashire LA5 9RE
Registered office	Scotland Road Carnforth Lancashire LA5 9RE
Auditor	Baker Tilly Audit Limited Chartered Accountants Sumner House St Thomas's Road Chorley Lancashire PR7 1HP
Accountants	Baker Tilly Business Services Limited Sumner House St Thomas's Road Chorley Lancashire PR7 1HP

ASHLEA LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 JULY 2013

The directors present their report and the financial statements of the company for the year ended 31 July 2013

Principal activities and business review

The company's principal activity is that of contract landscaping work

During the year the company has continued to run its operations through the progression of ongoing contracts and the undertaking of additional contracts. Turnover decreased by around 16.4%, and the gross profit margin increased from 19.9% to 22.8%. In spite of the continued pressure on margin, the directors are of the strong belief that the performance of the business will continue to progress into the future and that the contracts in place will aid the future profitability of the company.

At the year end the company had shareholders' funds of £722k (2012 £788k) including distributable profits of £672k (2012 £738k). The directors therefore believe the company's position to be strong, especially as the company's current assets exceed its current liabilities by £503k (2012 £447k).

The directors have assessed the main risk facing the company as being the continuation of a deep and prolonged weakness in the UK economy. The directors believe that the strength of customer relationships and the strength of the company's financial position will help to mitigate the risk and enable the company to take advantage of the upturn when it comes.

Results and dividends

The profit for the year, after taxation, amounted to £94,207. Particulars of dividends paid are detailed in note 7 to the financial statements.

Financial risk management objectives and policies

The company finances its operations through retained profits.

The management's objectives are to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on surplus funds.

Hedge accounting is not used by the company.

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Where appropriate, the company's funds are held primarily in short term variable rate deposit accounts. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance market as they arise.

ASHLEA LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 JULY 2013

Directors

The directors who served the company during the year were as follows

M S Carney
R D Ford
B J Tyrer
P Jeffreys
L Blair
D P Carney
W Dand
G Knowles
C H Morgan
S Simpson

Directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, 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 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


ASHLEA LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 JULY 2013

Auditor

Baker Tilly Audit Limited (formerly RSM Tenon Audit Limited) are deemed to be reappointed under section 487(2) of the Companies Act 2006

Registered office
Scotland Road
Carnforth
Lancashire
LA5 9RE

Signed on behalf of the directors



P Jeffreys
Director

Approved by the directors on 11 March 2014

ASHLEA LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHLEA LIMITED
YEAR ENDED 31 JULY 2013

We have audited the financial statements of Ashlea Limited for the year ended 31 July 2013 on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 3, 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 [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

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 July 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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 year for which the financial statements are prepared is consistent with the financial statements.

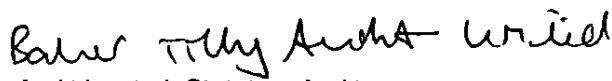
ASHLEA LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHLEA
LIMITED *(continued)*
YEAR ENDED 31 JULY 2013

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

Christopher Moss, Senior Statutory Auditor
For and on behalf of


Baker Tilly Audit Limited, Statutory Auditor
Chartered Accountants
St Thomas's Road
Chorley
Lancashire
PR7 1HP

Prior to 30 September 2013 Baker Tilly Audit Limited was named RSM Tenon Audit Limited

Date 14/03/14

ASHLEA LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JULY 2013

	Note	2013 £	2012 £
Turnover	2	7,509,285	8,980,235
Cost of sales		(5,797,067)	(7,193,486)
Gross profit		1,712,218	1,786,749
Administrative expenses		(1,591,916)	(1,563,589)
Operating profit	3	120,302	223,160
Interest receivable		3,052	3,324
Profit on ordinary activities before taxation		123,354	226,484
Tax on profit on ordinary activities	6	(29,147)	(66,464)
Profit for the financial year		94,207	160,020

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 18 form part of these financial statements

ASHLEA LIMITED
Registered Number 3932453

BALANCE SHEET

31 JULY 2013

	Note	2013 £	£	2012 £	£
Fixed assets					
Intangible assets	8		138,042		157,762
Tangible assets	9		81,219		183,196
Investments	10		2,001		2,001
			<u>221,262</u>		<u>342,959</u>
Current assets					
Debtors	11	1,687,984		1,586,400	
Cash at bank and in hand		897,363		1,175,306	
			<u>2,585,347</u>	<u>2,761,706</u>	
Creditors: Amounts falling due within one year	12	(2,082,720)		(2,314,983)	
Net current assets			502,627		446,723
Total assets less current liabilities			<u>723,889</u>		<u>789,682</u>
Creditors: Amounts falling due after more than one year	13		(2,000)		(2,000)
			<u>721,889</u>		<u>787,682</u>
Capital and reserves					
Called-up share capital	19		28,917		28,917
Share premium account	20		12,008		12,008
Other reserves	21		9,076		9,076
Profit and loss account	22		671,888		737,681
Shareholders' funds	23		<u>721,889</u>		<u>787,682</u>

These accounts were approved by the directors and authorised for issue on 11 March 2014 and are signed on their behalf by



M S Carney
Director



P Jeffreys
Director

The notes on pages 9 to 18 form part of these financial statements

1 Accounting policies

All fixed assets are initially recorded at cost. Cost is defined as the purchase invoice price plus any amounts included in bringing the assets into use.

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

1 Accounting policies (continued)

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Plant & Machinery	- 20% straight line
Motor Vehicles	- 25% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Fixed asset investments

Fixed asset investments are stated at cost, less any impairment for diminution in value

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2013	2012
	£	£
United Kingdom	<u>7,509,285</u>	<u>8,980,235</u>

3. Operating profit

Operating profit is stated after charging/(crediting)

	2013	2012
	£	£
Amortisation of intangible assets	19,720	19,720
Depreciation of owned fixed assets	69,705	109,698
Profit on disposal of fixed assets	(28,829)	(3,034)
Auditors remuneration	5,345	5,345
Management charges payable	187,000	204,000
Operating leases plant and machinery	<u>106,629</u>	<u>63,485</u>

Within auditor's remuneration of £5,345 (2012 £5,345) is £2,030 (2012 £2,030) relating to the audit of the holding company

4 Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2013	2012
	No	No
Number of production staff	56	60
Number of administrative staff	27	28
	<u>83</u>	<u>88</u>

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	1,964,802	1,993,870
Social security costs	189,783	180,010
Other pension costs	54,137	52,231
	<u>2,208,722</u>	<u>2,226,111</u>

The company operates a defined contribution scheme for the benefit of its employees. During the year, the company contributed £54,137 (2012 £52,231) to the scheme.

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

5 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2013	2012
	£	£
Remuneration receivable	628,835	600,640
Value of company pension contributions to money purchase schemes	41,738	42,675
	<u>670,573</u>	<u>643,315</u>

Remuneration of highest paid director

	2013	2012
	£	£
Total remuneration (excluding pension contributions)	83,655	80,201
Value of company pension contributions to money purchase schemes	10,800	10,800
	<u>94,455</u>	<u>91,001</u>

The number of directors on whose behalf the company made pension contributions was as follows

	2013	2012
	No	No
Money purchase schemes	<u>9</u>	<u>10</u>

6 Taxation on ordinary activities

(a) Analysis of charge in the year

	2013	2012
	£	£
UK Corporation tax	<u>29,147</u>	<u>66,464</u>

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

6 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2012 - 24%)

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>123,354</u>	<u>226,484</u>
Profit on ordinary activities by rate of tax	24,671	54,356
Effects of		
Expenses not deductible for tax purposes	244	111
Difference between capital allowances and depreciation	4,232	14,350
Marginal relief	-	(6,176)
Tax chargeable at higher rates	-	3,823
Total current tax (note 6(a))	<u>29,147</u>	<u>66,464</u>

(c) Factors that may affect future tax charges

A reduction in the UK Corporation Tax rate from 24% to 23% was substantively enacted on 17 July 2012

During the year it was announced that the UK Corporation Tax rate will reduce to 21% with effect from 1 April 2014 and to 20% from 1 April 2015. These additional reductions in the UK Corporation Tax rate had not been substantively enacted at the balance sheet date and as such no further adjustment to current or deferred tax has been made for the year ended 31 July 2013. It has not yet been possible to quantify the full anticipated effect of future tax reductions, although this will further reduce the company's future current tax charge accordingly.

7. Dividends

Equity dividends

	2013	2012
	£	£
Paid during the year		
Dividends paid	<u>160,000</u>	<u>200,000</u>

During the year, 4 equal dividends of £40,000 each were paid, at £5 53 pence per share (2012 £200,000 was paid at £6 91 per share respectively)

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

8 Intangible fixed assets

	Goodwill £
Cost	
At 1 August 2012 and 31 July 2013	<u>394,402</u>
Amortisation	
At 1 August 2012	236,640
Charge for the year	<u>19,720</u>
At 31 July 2013	<u>256,360</u>
Net book value	
At 31 July 2013	<u>138,042</u>
At 31 July 2012	<u>157,762</u>

9 Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Total £
Cost			
At 1 August 2012	659,641	295,461	955,102
Additions	10,957	–	10,957
Disposals	<u>(20,050)</u>	<u>(228,230)</u>	<u>(248,280)</u>
At 31 July 2013	<u>650,548</u>	<u>67,231</u>	<u>717,779</u>
Depreciation			
At 1 August 2012	555,409	216,497	771,906
Charge for the year	39,282	30,423	69,705
On disposals	<u>(20,050)</u>	<u>(185,001)</u>	<u>(205,051)</u>
At 31 July 2013	<u>574,641</u>	<u>61,919</u>	<u>636,560</u>
Net book value			
At 31 July 2013	<u>75,907</u>	<u>5,312</u>	<u>81,219</u>
At 31 July 2012	<u>104,232</u>	<u>78,964</u>	<u>183,196</u>

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

10. Investments

	Shares in group undertakings £
Cost	
At 1 August 2012 and 31 July 2013	<u>2,001</u>
Net book value	
At 31 July 2013 and 31 July 2012	<u>2,001</u>

The company owns 100% of the issued ordinary share capital of Ashlea Landscaping Limited, a company incorporated in England and Wales, which was dormant throughout the year

The company owns 100% of the ordinary share capital of Ashlea Trustee Limited, a company incorporated in England and Wales, which has been dormant since incorporation

Aggregate capital and reserves

	2013 £	2012 £
Ashlea Landscaping Limited	2,000	2,000
Ashlea Trustee Limited	1	1

Profit and (loss) for the year

	2013 £	2012 £
Ashlea Landscaping Limited	—	—
Ashlea Trustee Limited	—	—

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

11. Debtors

	2013 £	2012 £
Trade debtors	439,109	434,832
Amounts recoverable on contracts	851,728	788,708
Other debtors	253,246	240,607
Prepayments and accrued income	143,901	122,253
	<u>1,687,984</u>	<u>1,586,400</u>

Included within trade debtors and amounts recoverable on contracts are balances of £189,907 (2012 £191,874) which are due in more than one year

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

12. Creditors Amounts falling due within one year

	2013 £	2012 £
Trade creditors	821,883	828,619
Amounts owed to group undertakings	–	17,000
Corporation tax	29,165	66,464
Other taxation and social security	182,944	342,000
Other creditors	467,352	471,830
Accruals and deferred income	581,376	589,070
	<u>2,082,720</u>	<u>2,314,983</u>

There is a Supported Unlimited Cross Company Guarantee held between Ashlea Landscaping Holdings Limited and Ashlea Limited, dated 30 September 2010

Debenture loans held in the parent company, Ashlea Landscaping Holdings Limited, are secured by a debenture incorporating a guarantee from Ashlea Limited

13 Creditors Amounts falling due after more than one year

	2013 £	2012 £
Amounts owed to group undertakings	<u>2,000</u>	<u>2,000</u>

14 Deferred taxation

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows

	2013 £	2012 £
Excess of depreciation over taxation allowances	<u>21,909</u>	<u>17,388</u>

At 31 July 2013 a deferred tax asset of £21,909 (2012 £17,388) was not recognised in the financial statements due to the uncertainty of when this will crystallise. Deferred tax has been calculated at a rate of 23%

15 Derivatives

The company holds no financial instruments that fall to be classed as derivatives

16. Commitments under operating leases

At 31 July 2013 the company had annual commitments under non-cancellable operating leases as set out below

	Other 2013 £	Other 2012 £
Operating leases which expire		
Within 1 year	51,529	–
Within 2 to 5 years	50,301	68,859
	<u>101,830</u>	<u>68,859</u>

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

17. Contingencies

The company have entered into performance bonds in the normal course of business amounting to £nil (2012 £117,083)

18 Related party transactions

The company has taken advantage of the exemption under paragraph 3 of Financial Reporting Standard 8, "Related Party Disclosures", not to disclose transactions during the year with other group undertakings

Included within creditors falling due after one year are balances due to Ashlea Landscaping Limited of £2,000 (2012 £2,000) Also included within other creditors falling due within one year are balances due to Ashlea Landscaping Holdings Limited of £nil (2012 £17,000)

During the year rent of £37,000 (2012 £37,000) was paid to trusts held by the directors and their spouses Rent was paid at market value

During the year gardening work was undertaken for certain directors of the company Work was undertaken for R D Ford totalling £2,903 (2012 £3,216), P Jeffreys totalling £nil (2012 £92) and M S Carney totalling £nil (2012 £1,304) This work was charged at cost by the company In addition, a vehicle was sold by the company to P Jeffreys for £16,750 (2012 £nil)

19. Share capital

Authorised share capital:

	2013	2012
	£	£
28,917 Ordinary shares of £1 each	28,917	28,917
20,925 Preference shares of £1 each	20,925	20,925
	<u>49,842</u>	<u>49,842</u>

Allotted, called up and fully paid

	2013	£	2012	£
	No		No	
Ordinary shares of £1 each	<u>28,917</u>	<u>28,917</u>	<u>28,917</u>	<u>28,917</u>

20. Share premium account

There was no movement on the share premium account during the financial year

At the year end the balance was £12,008 (2012 £12,008)

21 Other reserves

	2013	2012
	£	£
Capital redemption reserve	<u>9,076</u>	<u>9,076</u>

ASHLEA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

22 Profit and loss account

	2013	2012
	£	£
Balance brought forward	737,681	777,661
Profit for the financial year	94,207	160,020
Equity dividends	(160,000)	(200,000)
Balance carried forward	<u>671,888</u>	<u>737,681</u>

23 Reconciliation of movements in shareholders' funds

	2013	2012
	£	£
Profit for the financial year	94,207	160,020
Equity dividends	(160,000)	(200,000)
Net reduction to shareholders' funds	(65,793)	(39,980)
Opening shareholders' funds	787,682	827,662
Closing shareholders' funds	<u>721,889</u>	<u>787,682</u>

24 Ultimate parent company

The entire share capital of the company is held by Ashlea Landscaping Holdings Limited, the ultimate parent company. Ashlea Landscaping Holdings Limited is the only undertaking preparing group accounts including the accounts of this company.

25 Control

The company was under the control of the directors of Ashlea Landscaping Holdings Limited throughout the entire period.