

Company Number: 03073194

Capital Gardens Limited

Directors' Report and Consolidated Financial Statements

for the Year Ended 31 December 2017

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Capital Gardens Limited

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Capital Gardens Limited

Company Information

Directors	C Campbell-Preston A Lamarche M C Dalrymple (Non Executive) E Schneider (Non Executive)
Company secretary	C Campbell-Preston
Registered office	The Garden Centre at Alexandra Palace Alexandra Palace Way London N22 7BB
Auditors	Hawsons Chartered Accountants Statutory Auditors Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL

Capital Gardens Limited

Directors' Report for the Year Ended 31 December 2017

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the company is the running of garden centres and a garden maintenance business.

Directors of the group

The directors who held office during the year were as follows:

C Campbell-Preston

A Lamarche

M C Dalrymple (Non Executive)

E Schneider (Non Executive)

Dividends

The directors do not recommend payment of a dividend (2016: £nil).

Disclosure of information to the auditors

The directors of the company who held office at the date of the approval of this Annual Report as set out above confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.


Small companies provision statement

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Reappointment of auditors

The auditors, Hawsons Chartered Accountants, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



C Campbell-Preston
Director

2 August 2018

Capital Gardens Limited

Statement of 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Capital Gardens Limited

Independent Auditor's Report to the Members of Capital Gardens Limited

Opinion

We have audited the financial statements of Capital Gardens Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Statement of Financial Position, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2017 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Capital Gardens Limited

Independent Auditor's Report to the Members of Capital Gardens Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Capital Gardens Limited

Independent Auditor's Report to the Members of Capital Gardens Limited

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hawsons

David Owens
Senior Statutory Auditor
For and on behalf of Hawsons Chartered Accountants
Statutory Auditor
Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL

7 August 2016

Capital Gardens Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2017

	2017 £	2016 £
Revenue	6,358,615	5,673,276
Cost of sales	<u>(3,009,791)</u>	<u>(2,722,290)</u>
Gross profit	3,348,824	2,950,986
Distribution costs	(163,577)	(95,071)
Administrative expenses	<u>(2,760,397)</u>	<u>(2,469,089)</u>
Operating profit	<u>424,850</u>	<u>386,826</u>
Profit before tax	424,850	386,826
Taxation	<u>(109,977)</u>	<u>(54,507)</u>
Profit for the financial year	<u>314,873</u>	<u>332,319</u>
Release preference share dividends	-	5,000
Movement on fair value of share based payments	<u>6,293</u>	<u>-</u>
Total comprehensive income for the year	<u>321,166</u>	<u>337,319</u>

The above results were derived from continuing operations.

Capital Gardens Limited

(Registration number: 03073194)

Consolidated Statement of Financial Position as at 31 December 2017

	Note	2017 £	2016 £
Non-Current Assets			
Intangible assets	4	-	-
Property, Plant and Equipment	5	<u>976,346</u>	<u>992,898</u>
		<u>976,346</u>	<u>992,898</u>
Current assets			
Inventories	7	764,801	705,130
Trade and other receivables	8	197,459	166,628
Cash at bank and in hand		<u>1,196,814</u>	<u>549,120</u>
		2,159,074	1,420,878
Creditors: Amounts falling due within one year	9	<u>(1,189,913)</u>	<u>(786,501)</u>
Net current assets		<u>969,161</u>	<u>634,377</u>
Total assets less current liabilities		1,945,507	1,627,275
Provisions for liabilities		<u>(36,312)</u>	<u>(39,246)</u>
Net assets		<u>1,909,195</u>	<u>1,588,029</u>
Equity			
Called up share capital		60,100	60,100
Retained earnings		<u>1,849,095</u>	<u>1,527,929</u>
Total equity		<u>1,909,195</u>	<u>1,588,029</u>

Approved and authorised by the Board and signed on its behalf by:



C Campbell-Preston

Director

2 August 2018

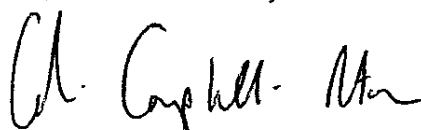
Capital Gardens Limited

(Registration number: 03073194) Statement of Financial Position as at 31 December 2017

	Note	2017 £	2016 £
Non-Current Assets			
Intangible assets	4	-	-
Property, Plant and Equipment	5	297,529	327,129
Investments	6	2	-
		<u>297,531</u>	<u>327,129</u>
Current assets			
Inventories	7	764,801	705,130
Trade and other receivables	8	889,215	849,384
Cash at bank and in hand		1,196,814	549,120
		<u>2,850,830</u>	<u>2,103,634</u>
Current liabilities	9	(1,117,192)	(786,051)
Net current assets		<u>1,733,638</u>	<u>1,317,583</u>
Total assets less current liabilities		2,031,169	1,644,712
Provisions for liabilities		<u>(36,312)</u>	<u>(39,246)</u>
Net assets		<u>1,994,857</u>	<u>1,605,466</u>
Equity			
Called up share capital		60,100	60,100
Retained earnings		<u>1,934,757</u>	<u>1,545,366</u>
Total equity		<u>1,994,857</u>	<u>1,605,466</u>

The company made a profit after tax for the financial year of £383,098 (2016 - profit of £338,761).

Approved and authorised by the Board and signed on its behalf by:



C Campbell-Preston

Director

2 August 2018

Capital Gardens Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2017

	Share capital £	Retained earnings £	Total £
At 1 January 2017	60,100	1,527,929	1,588,029
Profit for the year	-	314,873	314,873
Other comprehensive income	-	6,293	6,293
Total comprehensive income	-	321,166	321,166
At 31 December 2017	<u>60,100</u>	<u>1,849,095</u>	<u>1,909,195</u>

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 January 2016	86,500	1,500,000	145,660	1,732,160
Profit for the year	-	-	332,319	332,319
Other comprehensive income	-	(1,500,000)	1,505,000	5,000
Total comprehensive income	-	(1,500,000)	1,837,319	337,319
Purchase of own share capital	(26,400)	-	(455,050)	(481,450)
31 December 2016	<u>60,100</u>	<u>-</u>	<u>1,527,929</u>	<u>1,588,029</u>

The notes on pages 12 to 18 form an integral part of these financial statements.

Capital Gardens Limited

Statement of Changes in Equity for the Year Ended 31 December 2017

	Share capital £	Retained earnings £	Total £
At 1 January 2017	60,100	1,545,366	1,605,466
Profit for the year	-	383,098	383,098
Other comprehensive income	-	6,293	6,293
Total comprehensive income	-	389,391	389,391
At 31 December 2017	60,100	1,934,757	1,994,857

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 January 2016	86,500	1,500,000	156,655	1,743,155
Profit for the year	-	-	338,761	338,761
Other comprehensive income	-	(1,500,000)	1,505,000	5,000
Total comprehensive income	-	(1,500,000)	1,843,761	343,761
Purchase of own share capital	(26,400)	-	(455,050)	(481,450)
At 31 December 2016 31 December 2016	60,100	-	1,545,366	1,605,466

The notes on pages 12 to 18 form an integral part of these financial statements.

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

Capital Gardens Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given on page 1 of these financial statements.

The financial statements are presented in sterling, which is the functional currency of the company.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102, section 1A - 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that, as disclosed in the accounting policies, certain items are shown at fair value

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2017.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the Statement of Profit and Loss include the results of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Revenue recognition

Revenue arises from the sale of goods and services, net of value added tax, to outside customers at invoiced amounts. Revenue is recognised when goods or services are received by the customer.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the entity's identifiable assets and liabilities.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 20 years

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	Not depreciated
Feehold property improvements	2% straight line
Leasehold properties	Over the life of the lease
Leasehold property improvements	10%-20% straight line basis
Fixtures and fittings	20% straight line basis
Plant and machinery	20%-33.3% straight line basis
Motor vehicles	20%-25% straight line basis
Office equipment	33.3% straight line basis

Fixed asset investments

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 Accounting policies (continued)

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Inventories

Inventories are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving inventories. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the Statement of Financial Position date.

Deferred tax is measured at the rates that are expected to apply in the periods when timing differences are expected to reverse, based on the tax rates and law enacted at the Statement of Financial Position date.

Operating leases

Rentals payable under operating leases are charged in the Statement of Profit and Loss on a straight line basis over the lease term.

Pensions

The group operates a defined contribution scheme. Contributions are recognised in the Statement of Profit and Loss in the period in which they become payable in accordance with rules of the scheme.

2 Profit attributable to members of the company

Capital Gardens Limited has not presented a company profit and loss account as permitted by Section 408 of the Companies Act 2008.

The profit retained for the year of the parent company amounted to £419,721 (2016: £1,388,711).

3 Employees

The average number of persons employed by the group (including directors) during the year was as follows:

	2017	2016
	No.	No.
Employees	<u>88</u>	<u>88</u>

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

4 Intangible assets

Group

	Goodwill £
Cost or valuation	
At 1 January 2017	76,188
Disposals	<u>(75,188)</u>
At 31 December 2017	<u>1,000</u>
Amortisation	
At 1 January 2017	76,188
Amortisation eliminated on disposals	<u>(75,188)</u>
At 31 December 2017	<u>1,000</u>
Carrying amount	
At 31 December 2017	<u>-</u>
At 31 December 2016	<u>-</u>

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

5 Property, plant and equipment

Group	Freehold land and buildings £	Leasehold properties and improvements £	Furniture, fittings and equipment £	Motor vehicles £	Office equipment £	Plant and machinery £	Total £
Cost or valuation							
At 1 January 2017	758,251	2,306,405	56,429	250,017	25,528	1,169,703	4,566,333
Additions	-	-	48,823	3,690	2,848	23,395	78,756
At 31 December 2017	758,251	2,306,405	105,252	253,707	28,376	1,193,098	4,645,089
Depreciation							
At 1 January 2017	90,656	2,131,420	56,429	214,511	25,528	1,054,891	3,573,435
Charge for the year	2,008	26,750	1,821	17,717	79	46,933	95,308
At 31 December 2017	92,664	2,158,170	58,250	232,228	25,607	1,101,824	3,668,743
Carrying amount							
At 31 December 2017	665,587	148,235	47,002	21,479	2,769	91,274	976,346
At 31 December 2016	667,595	174,985	-	35,506	-	114,812	992,898

Included within the net book value of Freehold land and buildings above is £664,850 (2016 - £664,850) of land and buildings that are not depreciated.

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

5 Property, plant and equipment (continued)

Company

	Land and buildings £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 January 2017	2,179,641	154,374	1,133,880	3,467,895
Additions	-	-	56,171	56,171
At 31 December 2017	<u>2,179,641</u>	<u>154,374</u>	<u>1,190,051</u>	<u>3,524,066</u>
Depreciation				
At 1 January 2017	2,003,291	118,868	1,018,606	3,140,765
Charge for the year	26,750	16,487	42,535	85,772
At 31 December 2017	<u>2,030,041</u>	<u>135,355</u>	<u>1,061,141</u>	<u>3,226,537</u>
Carrying amount				
At 31 December 2017	<u>149,600</u>	<u>19,019</u>	<u>128,910</u>	<u>297,529</u>
At 31 December 2016	<u>176,350</u>	<u>35,506</u>	<u>115,273</u>	<u>327,129</u>

Included within the net book value of land and buildings above is £Nil (2016 - £Nil) in respect of freehold land and buildings and £149,600 (2016 - £176,350) in respect of long leasehold land and buildings.

6 Investments

Company

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	
		2017	2016
Subsidiary undertakings			
Cap G (Investments) Limited	Ordinary	100%	100%
Capital Garden Landscapes Limited	Ordinary	100%	100%
Neal's Nurseries Limited	Ordinary	100%	100%
Capital Christmas Trees	Ordinary	100%	100%

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

6 Investments (continued)

The principal activity of Cap G (Investments) Limited is that of a dormant company.

The principal activity of Capital Gardens Landscapes Limited is that of a dormant company.

The principal activity of Neal's Nurseries Limited is that of a dormant company.

The principal activity of Capital Christmas Trees Limited is the sale of Christmas trees.

Pursuant to section 479A of the Companies Act 2006, the accounts for Cap G (Investments) Limited (Company number: 02428003) for the 2017 financial year, which are included in the consolidated financial statements of Capital Gardens Limited, have not been audited. This is permitted on the basis that Capital Gardens Limited guarantees all the outstanding liabilities to which Cap G (Investments) Limited is subject to as at the year end under section 479C.

Pursuant to section 479A of the Companies Act 2006, the accounts for Capital Gardens Landscapes Limited (Company number: 01776244) for the 2017 financial year, which are included in the consolidated financial statements of Capital Gardens Limited, have not been audited. This is permitted on the basis that Capital Gardens Limited guarantees all the outstanding liabilities to which Capital Gardens Landscapes Limited is subject to as at the year end under section 479C.

Pursuant to section 479A of the Companies Act 2006, the accounts for Neal's Nurseries Limited (Company number: 00561211) for the 2017 financial year, which are included in the consolidated financial statements of Capital Gardens Limited, have not been audited. This is permitted on the basis that Capital Gardens Limited guarantees all the outstanding liabilities to which Neal's Nurseries Limited is subject to as at the year end under section 479C.

7 Inventories

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Goods held for resale	764,801	705,130	764,801	705,130

8 Trade and other receivables

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade receivables	55,993	62,908	55,993	62,908
Other receivables	42,725	15,088	734,481	697,844
Prepayments and accrued income	98,741	88,632	98,741	88,632
	197,459	166,628	889,215	849,384

9 Trade and other payables

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Due within one year				
Trade payables	627,382	372,067	390,097	372,067
Corporation tax	113,000	87,800	113,000	87,800
Other taxes and social security	169,760	156,945	148,748	156,945
Other payables	30,000	-	230,087	-
Accruals and deferred income	249,771	169,689	235,260	169,239
	1,189,913	786,501	1,117,192	786,051

Security

On 31 March 2016 Barclays Bank PLC secured a fixed and floating charge over the assets of the company.

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

10 Obligations under leases and hire purchase contracts

Group and company

Operating leases

The total of future minimum lease payments is as follows:

	2017	2016
	£	£
Not later than one year	114,718	106,130
Later than one year and not later than five years	424,520	424,520
Later than five years	129,658	235,788
	<u>668,896</u>	<u>766,438</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £140,480 (2016 - £140,893).

11 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £42,777 (2016 - £32,759).

Contributions totalling £4,398 (2016 - £4,168) were payable to the scheme at the year end and are included in trade and other payables.

12 Directors' advances, credits and guarantees

During the year the company issued a short-term loan of £5,000 to one of its directors. The loan was repaid in full within 3 months of its advance during the year. No interest was charged on the loan. There were no equivalent transactions in the prior year.