

Company Registration No. 02466472 (England and Wales)

R DELAMORE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2014

SATURDAY



A3LO8DCY

A34

29/11/2014

#357

COMPANIES HOUSE

R DELAMORE LIMITED

COMPANY INFORMATION

Directors

W M Eady
J Banton
P Murray
C Finlay
F Hudepohl

Company number

02466472

Registered office

Station Road
Wisbech St Mary
Wisbech
Cambridgeshire
PE13 4RY

Independent Auditors

Saffery Champness
Unex House
Bourges Boulevard
Peterborough
Cambridgeshire
PE1 1NG

Bankers

The Royal Bank of Scotland
1st Floor
Conqueror House
Vision Park, Histon
Cambridge
CB24 9NL

R DELAMORE LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 22

R DELAMORE LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 MAY 2014

The directors present their strategic report for the period ended 31 May 2014.

Review of the business

The accounts report two spring sales seasons. Spring 2013 was a very challenging season for the horticultural industry with a cold and protracted winter which resulted in a delayed season and reduced sales across the whole industry. This followed an equally difficult Spring and Summer 2012 which was very wet and had a major impact on the industry as a whole. During this period the company suffered high levels of waste. Spring 2014 weather was more benign and the industry as a whole recovered although sales did not recover to levels in 2010 or 2011. Following the poor 2012 and 2013 seasons the business made further investments in IT to help manage waste and adjusted its business model to grow more production to order and reduce its exposure to speculative sales. As a result the business had significantly lower levels of waste in Spring 2014. The business has continued to invest in IT systems to assist management in the control of the day to day operations.

The key business risks and uncertainties associated with the group relate to the weather over the key spring sales season between February and May. Long periods of poor weather can significantly impact the total sales activity for the season. In order to help mitigate the impact management reviews both short and long term weather forecasts and the sales team keep in regular contact with customers to form a view on the progress of the season. Based on this information the management team manage production on a weekly basis and adjust production to match changes in future order book while allowing for controlled level of speculative sales.

In the 18 month period to 31 May 2014 R Delamore Limited made an operating profit excluding the impairment of fixed assets of £34,981 compared with a loss of £819,383 in the year to 30 November 2012. The cost of the impairments in the 18 month period was £342,575.

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

On behalf of the board


.....
W M Eady

Director

17/11/14
.....

R DELAMORE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MAY 2014

The directors present their report and financial statements for the 18 months ended 31 May 2014.

Principal activities

The principal activity of the company continued to be that of the production and distribution of young plants.

Results and dividends

The results for the period are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 December 2012:

W M Eady

J Banton

P Murray

C Finlay

(Appointed 3 December 2012)

K G Oakley

(Resigned 31 July 2014)

F Hudepohl

(Appointed 2 June 2014)

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

R DELAMORE LIMITED

**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

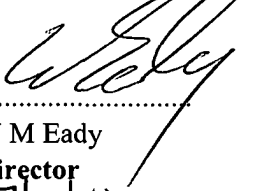
Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Going concern

The company meets its day-to-day working capital requirements through a £1m invoice discounting facility. The current facility is due for renewal on 1 May 2015 and is renewed on an annual basis. The company has considered its cashflow needs and expects the facility to be adequate to meet its requirements for the next 12 months. In addition to invoice discounting facility the company also has access to additional working capital funds from its parent company in order to allow it to meet its future growth plans. The company's forecasts and projections, taking into account future changes in trading performance, show the company should be able to operate within the levels of its current facilities. The directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. Thus they continue to adopt the going concern basis of accounting when preparing the accounts.

On behalf of the board



.....
W M Eady
Director
17/11/14
.....

R DELAMORE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF R DELAMORE LIMITED

We have audited the financial statements of R Delamore Limited for the 18 months ended 31 May 2014 set out on pages 6 to 22. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 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

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 31 May 2014 and of its loss for the period 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 matter prescribed by the Companies Act 2006

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

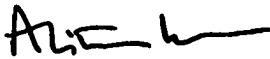
R DELAMORE LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF R DELAMORE LIMITED**

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.



**Alistair Hunt (Senior Statutory Auditor)
for and on behalf of Saffery Champness**

20 November 2014

**Chartered Accountants
Statutory Auditors**

Unex House
Bourges Boulevard
Peterborough
Cambridgeshire
PE1 1NG

R DELAMORE LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MAY 2014**

		18 months ended 31 May 2014 £	Restated Year ended 30 November 2012 £
Turnover	2	10,953,878	6,627,897
Cost of sales		<u>(8,769,657)</u>	<u>(5,899,093)</u>
Gross profit		2,184,221	728,804
Distribution costs		(614,142)	(407,919)
Administrative expenses		(1,892,926)	(1,156,263)
Other operating income		<u>15,253</u>	<u>15,995</u>
Operating profit/(loss) before impairment of assets		34,981	(819,383)
Impairment of assets	3	<u>(342,575)</u>	<u>-</u>
Operating loss	3	(307,594)	(819,383)
Other interest receivable and similar income	4	3,256	2,636
Interest payable and similar charges	5	<u>(138,329)</u>	<u>(17,209)</u>
Loss on ordinary activities before impairment of assets and taxation		(100,092)	(833,956)
Impairment of assets	3	<u>(342,575)</u>	<u>-</u>
Loss on ordinary activities before taxation		(442,667)	(833,956)
Tax on loss on ordinary activities	6	<u>97,661</u>	<u>206,203</u>
Loss for the period	16	<u><u>(345,006)</u></u>	<u><u>(627,753)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 9 to 22 form part of these financial statements.

R DELAMORE LIMITED

**BALANCE SHEET
AS AT 31 MAY 2014**

	Notes	£	As at 31 May 2014 £	As at 30 November 2012 £
Fixed assets				
Intangible assets	7	-	-	225,614
Tangible assets	8	3,669,096	3,669,096	3,827,025
			<u>3,669,096</u>	<u>4,052,639</u>
Current assets				
Stocks	9	855,254	948,103	
Debtors	10	2,603,485	549,470	
Cash at bank and in hand		225,512	812	
		<u>3,684,251</u>	<u>1,498,385</u>	
Creditors: amounts falling due within one year	11	(1,870,118)	(1,453,097)	
Net current assets			<u>1,814,133</u>	<u>45,288</u>
Total assets less current liabilities			<u>5,483,229</u>	<u>4,097,927</u>
Creditors: amounts falling due after more than one year	12	(4,046,622)	(4,046,622)	(2,368,653)
Provisions for liabilities	13	(6,202)	(6,202)	(103,863)
Accruals and deferred income	14	(150,000)	(150,000)	-
			<u>1,280,405</u>	<u>1,625,411</u>
Capital and reserves				
Called up share capital	15	100,000	100,000	100,000
Share premium account	16	55,137	55,137	55,137
Other reserves	16	565,130	565,130	565,130
Profit and loss account	16	560,138	560,138	905,144
Shareholders' funds	17	1,280,405	<u>1,280,405</u>	<u>1,625,411</u>

The notes on pages 9 to 22 form part of these financial statements.

Approved by the Board and authorised for issue on17/11/14.....

.....
W M Eady
Director

Company Registration No. 02466472

R DELAMORE LIMITED

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MAY 2014**

	Notes	£	Period ended 31 May 2014 £	Year ended 30 November 2012 £
Net cash outflow from operating activities	22		(117,939)	(454,192)
Returns on investments and servicing of finance				
Interest received		3,256	2,636	
Interest paid		(138,329)	(17,209)	
Net cash outflow for returns on investments and servicing of finance			(135,073)	(14,573)
Capital expenditure				
Payments to acquire tangible assets		(444,617)	(220,510)	
Receipts from sales of tangible assets		320	-	
Net cash outflow for capital expenditure			(444,297)	(220,510)
Net cash outflow before management of liquid resources and financing			(697,309)	(689,275)
Financing				
New long term bank loan		2,240,000	320,000	
Other new long term loans		161,239	-	
Other new short term loans		50,000	80,000	
Government grant received		150,000	-	
Repayment of long term bank loan		(620,000)	(60,000)	
Repayment of other long term loans		-	(230,566)	
Capital element of hire purchase contracts		(30,364)	(25,134)	
Net cash inflow from financing			1,950,875	84,300
Increase/(decrease) in cash in the period	23, 24		1,253,566	(604,975)

R DELAMORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised once the risks and rewards of stocks have been passed onto the customer.

1.4 Goodwill

Goodwill is capitalised and amortised on a straight-line basis over 20 years. Goodwill is the difference between the amounts paid on the acquisition of the business and the aggregate fair value of its separable net assets.

Management review the carrying value of goodwill on an income generating basis on a regular basis and to the extent that assets no longer generate income to support their carrying value they are impaired.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land & buildings	5% - 12.5% on cost
Assets under course of construction	Not depreciated
Plant and machinery	10% - 25% on cost
Greenhouses	5% - 12.5% on cost
Motor vehicles	25% on cost

Freehold land is not depreciated.

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

R DELAMORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 MAY 2014

1 Accounting policies (continued)

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the minimum rate of the foreign exchange hedge. All differences are taken to profit and loss account.

1.10 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

1.11 Restatement of comparatives

In order to align the presentation of the accounting information to that used by management to manage the business the allocation of certain income and expenditure categories have been adjusted. This has resulted in the need to restate the comparative data on the same basis as the current year data.

2 Turnover

Geographical market

	18 months ended 31 May 2014 £	Restated Year ended 30 November 2012 £
United Kingdom	10,625,998	6,435,329
Europe	310,614	192,568
	<u>10,936,612</u>	<u>6,627,897</u>

R DELAMORE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014****3 Operating loss**

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Operating loss is stated after charging:		
Amortisation and impairment of intangible assets	225,614	18,558
Depreciation and impairment of tangible assets	602,151	363,915
Loss on disposal of tangible assets	75	-
and after crediting:		
Profit on foreign exchange transactions	<u>(3,557)</u>	<u>-</u>
Impairment of assets:		
Impairment of intangible assets	225,614	-
Impairment of tangible assets	46,856	-
Impairment of stocks	70,105	-
	<u>342,575</u>	<u>-</u>
Auditors' remuneration		
Fees payable to the company's auditor for the audit of the company's annual accounts	11,442	11,500
Preparation of statutory accounts	5,000	-
Other services	11,558	4,700
	<u>28,000</u>	<u>16,200</u>

4 Investment income

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Other interest	<u>3,256</u>	<u>2,636</u>

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

5 Interest payable

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
On bank loans and overdrafts	7,226	14,103
On other loans wholly repayable within five years	126,903	-
Hire purchase interest	4,200	3,106
	<u>138,329</u>	<u>17,209</u>

R DELAMORE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014****6 Taxation**

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Domestic current year tax		
U.K. corporation tax	-	-
Total current tax	-	-
Deferred tax		
Deferred tax credit current year	<u>(97,661)</u>	<u>(206,203)</u>
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	<u>(442,667)</u>	<u>(833,956)</u>
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2012 - 24.00%)	<u>(88,533)</u>	<u>(200,149)</u>
Effects of:		
Non deductible expenses	863	6
Capital allowances in excess of depreciation	119,801	82,958
Tax losses utilised	(37,230)	-
Unrelieved tax losses	-	122,471
Other tax adjustments	<u>5,099</u>	<u>(5,286)</u>
	<u>88,533</u>	<u>200,149</u>
Current tax charge for the period	<u>-</u>	<u>-</u>

The company has estimated losses of £324,214 (2012 - £510,365) available for carry forward against future trading profits.

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 December 2012 & at 31 May 2014	931,870
	<hr/>
Amortisation and impairment	
At 1 December 2012	706,256
Charge for the period	225,614
	<hr/>
At 31 May 2014	931,870
	<hr/>
Net book value	
At 31 May 2014	-
	<hr/> <hr/>
At 30 November 2012	225,614
	<hr/> <hr/>

Following a review of market conditions and the business's performance during 2012 and 2013 the directors took the view that the carrying value of the goodwill acquired on historical acquisitions was no longer appropriate and have consequently written the assets down to a nil value.

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

8 Tangible fixed assets

	Freehold land & buildings	Assets under course of construction	Plant and machinery	Greenhouses	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 December 2012	654,489	-	1,220,373	4,586,354	189,056	6,650,272
Additions	205,049	155,526	84,042	-	-	444,617
Disposals	-	-	(7,211)	-	-	(7,211)
At 31 May 2014	<u>859,538</u>	<u>155,526</u>	<u>1,297,204</u>	<u>4,586,354</u>	<u>189,056</u>	<u>7,087,678</u>
Depreciation						
At 1 December 2012	80,072	-	764,116	1,819,564	159,495	2,823,247
On disposals	-	-	(6,816)	-	-	(6,816)
Impairment	26,895	-	19,961	-	-	46,856
Charge for the period	18,965	-	211,191	295,578	29,561	555,295
At 31 May 2014	<u>125,932</u>	<u>-</u>	<u>988,452</u>	<u>2,115,142</u>	<u>189,056</u>	<u>3,418,582</u>
Net book value						
At 31 May 2014	<u>733,606</u>	<u>155,526</u>	<u>308,752</u>	<u>2,471,212</u>	<u>-</u>	<u>3,669,096</u>
At 30 November 2012	<u>574,417</u>	<u>-</u>	<u>456,257</u>	<u>2,766,790</u>	<u>29,561</u>	<u>3,827,025</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Motor vehicles	Total
	£	£	£
Net book values			
At 31 May 2014	<u>12,658</u>	<u>-</u>	<u>12,658</u>
At 30 November 2012	<u>20,253</u>	<u>29,561</u>	<u>49,814</u>
Depreciation charge for the period			
At 31 May 2014	<u>7,595</u>	<u>29,561</u>	<u>37,156</u>
At 30 November 2012	<u>-</u>	<u>25,340</u>	<u>25,340</u>

Included in cost of land and buildings is freehold land of £401,642 as at 31 May 2014 (£401,642 as at 30 November 2012) which is not depreciated.

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

9 Stocks

	As at 31 May 2014 £	As at 30 November 2012 £
Finished goods and goods for resale	<u>855,254</u>	<u>948,103</u>

10 Debtors

	As at 31 May 2014 £	As at 30 November 2012 £
Trade debtors	2,442,934	372,174
Other debtors	-	51,863
Prepayments and accrued income	<u>160,551</u>	<u>125,433</u>
	<u>2,603,485</u>	<u>549,470</u>

11 Creditors: amounts falling due within one year

	As at 31 May 2014 £	As at 30 November 2012 £
Bank loans and overdrafts	224,000	1,108,866
Net obligations under hire purchase contracts	5,357	26,451
Trade creditors	1,088,838	197,820
Taxes and social security costs	332,467	14,133
Accruals and deferred income	<u>219,456</u>	<u>105,827</u>
	<u>1,870,118</u>	<u>1,453,097</u>

R DELAMORE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014****12 Creditors: amounts falling due after more than one year**

	As at 31 May 2014 £	As at 30 November 2012 £
Bank loans	1,736,000	260,000
Amounts owed to parent undertaking	2,253,713	2,092,474
Net obligations under hire purchase contracts	6,909	16,179
LEP loan	50,000	-
	<u>4,046,622</u>	<u>2,368,653</u>
Analysis of loans		
Wholly repayable within five years	<u>4,263,713</u>	<u>2,432,474</u>
	4,263,713	2,432,474
Included in current liabilities	<u>(224,000)</u>	<u>(80,000)</u>
	<u>4,039,713</u>	<u>2,352,474</u>
Loan maturity analysis		
In more than one year but not more than two years	232,000	260,000
In more than two years but not more than five years	<u>1,554,000</u>	<u>-</u>

A guarantee has been provided to the company's bankers in respect of the total bank facilities available to the company and its parent company, Delamore Holdings Limited. Security has been provided in respect of this guarantee by way of fixed and floating charges over the assets of the company and its parent company, Delamore Holdings Limited. First legal charge is held over certain freehold property.

Net obligations under hire purchase contracts

Repayable within one year	5,357	26,451
Repayable between one and five years	6,909	16,179
	<u>12,266</u>	<u>42,630</u>
Included in liabilities falling due within one year	<u>(5,357)</u>	<u>(26,451)</u>
	<u>6,909</u>	<u>16,179</u>

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 December 2012	103,863
Profit and loss account	(97,661)
	<hr/>
Balance at 31 May 2014	<u>6,202</u>

The deferred tax liability is made up as follows:

	As at 31 May 2014 £	As at 30 November 2012 £
Accelerated capital allowances	75,445	221,247
Other timing differences	(4,400)	-
Tax losses available	(64,843)	(117,384)
	<hr/>	<hr/>
	<u>6,202</u>	<u>103,863</u>

14 Accruals and deferred income

	Government grants £
Grants received during the period	150,000
	<hr/>
Balance at 31 May 2014	<u>150,000</u>

R DELAMORE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014****15 Share capital**

	As at 31 May 2014 £	As at 30 November 2012 £
Allotted, called up and fully paid		
90,000 Ordinary 'A' shares of 50p each	45,000	45,000
110,000 Ordinary shares of 50p each	55,000	55,000
	<u>100,000</u>	<u>100,000</u>

16 Statement of movements on reserves

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 December 2012	55,137	565,130	905,144
Loss for the period	-	-	(345,006)
	<u>55,137</u>	<u>565,130</u>	<u>560,138</u>
Balance at 31 May 2014			
	<u>55,137</u>	<u>565,130</u>	<u>560,138</u>
Other reserves			
Reserves provided for by the Articles of Association			
Balance at 1 December 2012 & at 31 May 2014		<u>565,130</u>	

17 Reconciliation of movements in shareholders' funds

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Loss for the financial period	(345,006)	(627,753)
Opening shareholders' funds	<u>1,625,411</u>	<u>2,253,164</u>
Closing shareholders' funds	<u>1,280,405</u>	<u>1,625,411</u>

R DELAMORE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

18 Capital commitments	2014	2012
	£	£
At 31 May 2014 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	<u>62,851</u>	<u>-</u>

19 Employees**Number of employees**

The average monthly number of employees (including directors) during the period was:

	18 months ended 31 May 2014 Number	Year ended 30 November 2012 Number
Production and distribution	93	92
Sales	7	9
Administration	5	4
	<u>105</u>	<u>105</u>

Employment costs

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Wages and salaries	2,465,005	1,774,981
Social security costs	194,439	140,679
	<u>2,659,444</u>	<u>1,915,660</u>

20 Control

R Delamore Limited is a 100% owned subsidiary of Delamore Holdings Limited, a company registered in Scotland. Group consolidated accounts are prepared by Delamore Holdings Limited.

The ultimate controlling party is Finby Ltd, a company registered in Jersey.

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

21 Post balance sheet events

Before the year end, R Delamore Limited agreed to acquire the UK trade, business and assets of Volmary GmbH, a deal that was finalised on 2 June 2014. The assets were acquired at book value amounting to £38,243 on acquisition. On the same day Volmary GmbH provided a loan of £750,000 to the company.

22 Reconciliation of operating loss to net cash outflow from operating activities

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Operating loss	(307,594)	(819,383)
Depreciation of tangible assets	602,151	363,915
Amortisation of intangible assets	225,614	18,558
Loss on disposal of tangible assets	75	-
Decrease/(increase) in stocks	92,849	(28,846)
(Increase)/decrease in debtors	(2,054,015)	167,999
Increase/(decrease) in creditors within one year	1,322,981	(156,435)
Net cash outflow from operating activities	<u>(117,939)</u>	<u>(454,192)</u>

23 Analysis of net debt

	1 December 2012 £	Cash flow £	Other non- cash changes £	31 May 2014 £
Net cash:				
Cash at bank and in hand	812	224,700	-	225,512
Bank overdrafts	(1,028,866)	1,028,866	-	-
	<u>(1,028,054)</u>	<u>1,253,566</u>	<u>-</u>	<u>225,512</u>
Debt:				
Finance leases	(42,630)	30,364	-	(12,266)
Debts falling due within one year	(80,000)	(144,000)	-	(224,000)
Debts falling due after one year	(2,352,474)	(1,687,239)	-	(4,039,713)
	<u>(2,475,104)</u>	<u>(1,800,875)</u>	<u>-</u>	<u>(4,275,979)</u>
Net debt	<u>(3,503,158)</u>	<u>(547,309)</u>	<u>-</u>	<u>(4,050,467)</u>

R DELAMORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 MAY 2014**

24 Reconciliation of net cash flow to movement in net debt

	18 months ended 31 May 2014 £	Year ended 30 November 2012 £
Increase/(decrease) in cash in the period	1,253,566	(604,975)
Cash inflow from increase in debt and lease financing	(1,800,875)	(84,300)
Change in net debt resulting from cash flows	(547,309)	(689,275)
Non-cash movement	-	(20,253)
Movement in net debt in the period	(547,309)	(709,528)
Opening net debt	(3,503,158)	(2,793,630)
Closing net debt	(4,050,467)	(3,503,158)

25 Related party relationships and transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.