Company Registration No. 02466472 (England and Wales)

Volmary Limited

(formerly R Delamore Limited)

Annual report and financial statements for the year ended 31 December 2015

Volmary Limited
(formerly R Delamore Limited)
Company information

Directors	Wayne Eady Christopher Finlay Frank Hudepohl James Banton
Company number	02466472
Registered office	Station Road Wisbech St Mary Wisbech Cambridgeshire PE13 4RY
Independent auditors	Saffery Champness Suite C, Unex House Bourges Boulevard Peterborough Cambridgeshire PE1 1NG

Volmary Limited
(formerly R Delamore Limited)
Contents

Volmary Limited
(formerly R Delamore Limited)
Strategic report
For the year ended 31 December 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Review of the business

The accounts report the financial year ended 31 December 2015. The comparatives are for the 7 month period ended 31 December 2014 which presents the seasonal loss that ordinarily occurs in the business in that period. The table below shows results for the year and the comparable annualised results to 31 December 2014. Management have been working to drive down production costs and remove waste from the business during 2015.

	Year to 31 Dec 2015	Five months 31 May 2014	Seven months 31 Dec 2014	Annualised 31 Dec 2014
Turnover	6,296,581	4,812,398	1,317,400	6,129,798
Gross profit	1,119,110	1,447,577	(454,695)	992,882
EBITDA	392,617	1,052,562	(1,014,251)	38,311

On 3 July 2015 the entire share capital of the Company's holding company Delamore Holdings Limited was acquired by Volmary Gmbh. The Company's ultimate parent company is now Volmary Gmbh. The Company and Volmary Gmbh are working to maximise the strategic benefits of the acquisition and management believe this will further help improve profitability in 2016 and beyond.

On 22 December 2015 the Company changed its bank to Santander UK plc.

The key business risks and uncertainties associated with the group relate to the weather over the key spring sales season between February and June. 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 the future order book while allowing for a controlled level of speculative sales. During 2015 management reduced further its reliance on speculative sales and the associated risks of waste. The biggest risk occurs at the end of the season when there is less opportunity to adjust production if demand is suddenly depressed due to adverse market conditions.

The Company's operations expose it to degrees of financial risk that include credit risk, liquidity risk and interest rate risk.

Credit risk - the company mainly trades with long standing customers. The nature of these relationships assists management in controlling its credit risk in addition to the normal credit management process. In order to minimise risk the Company insures its debtors.

Liquidity risk - the directors control and monitor the company's cashflow on a weekly basis.

Interest rate risk - the company is exposed to interest rate fluctuations as the rate payable on its facilities are linked to the bank base rate. The directors carefully monitor cashflow to ensure that liabilities can be met as they fall due.

Foreign exchange rate risk - the company can be exposed to foreign currency risks. The directors monitor foreign exchange rate fluctuations and take out forward contracts to manage this risk when considered appropriate.

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

On behalf of the board

Wayne Eady
Director
27 July 2016

The directors present their report and financial statements for the year ended 31 December 2015.

Principal activities

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

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Wayne Eady	
Christopher Finlay	
Frank Hudepohl	
James Banton	
Paul Murray	(Resigned 3 July 2015)

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditors

Saffery Champness have expressed their willingness to continue in office.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually 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 it day-to-day working capital requirements through a £3m working capital facility. The current facility is due for renewal in December 2016 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 the working capital 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

Wayne Eady
Director
27 July 2016

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

We have audited the financial statements of Volmary Limited for the year ended 31 December 2015 set out on pages 8 to 32. 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), including Financial Reporting Standard 102.

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 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

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 December 2015 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

27 July 2016

Chartered Accountants
Statutory Auditors

Suite C, Unex House
Bourges Boulevard
Peterborough
Cambridgeshire
PE1 1NG

Volmary Limited
(formerly R Delamore Limited)
Income statement
For the year ended 31 December 2015

	Notes		Year ended 31 December 2015 £		Restated 7 month period ended 31 December 2014 £
Turnover	3		6,296,581		1,317,400
Cost of sales			(5,177,471)		(1,772,095)
Gross profit/(loss)			1,119,110		(454,695)
Distribution costs			(338,651)		(110,325)
Administrative expenses			(921,682)		(749,160)
Other operating income			154,407		100,258
Earnings before interest, tax, depreciation and amortisation		392,617		(1,014,251)	
Depreciation, amortisation, impairment and loss on disposal of fixed assets		(379,433)		(199,671)	
Operating profit/(loss)	4		13,184		(1,213,922)
Interest receivable and similar income	7		8		1,208
Interest payable and similar charges	8		(157,806)		(68,584)
Loss before taxation			(144,614)		(1,281,298)
Taxation	9		200,000		6,202
Profit/(loss) for the financial year/period			55,386		(1,275,096)
Total comprehensive income for the year/period			55,386		(1,275,096)

The income statement has been prepared on the basis that all operations are continuing operations.

Volmary Limited
(formerly R Delamore Limited)
Statement of financial position
As at 31 December 2015

	Notes	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	10		2,240		-
Tangible assets	11		3,935,054		4,446,474
			3,937,294		4,446,474
Current assets					
Stocks	13	1,039,953		997,788	
Debtors	14	927,962		737,554	
Cash at bank and in hand		436,372		90,538	
		2,404,287		1,825,880	
Creditors: amounts falling due within one year	15	(1,401,882)		(1,242,952)	
Intercompany liability	15	(1,912,772)		(2,220,084)	
Net current liabilities			(910,367)		(1,637,156)
Total assets less current liabilities			3,026,927		2,809,318
Creditors: amounts falling due after more than one year	16		(2,966,232)		(2,804,009)
Net assets			60,695		5,309
Capital and reserves					
Called up share capital	22		100,000		100,000
Share premium account			55,137		55,137
Other reserves			565,130		565,130
Profit and loss reserves			(659,572)		(714,958)
Total shareholders' equity			60,695		5,309
Post balance sheet release of intercompany liability	24		1,912,772		
			1,973,467		

Volmary Limited
(formerly R Delamore Limited)
Statement of financial position (continued)
As at 31 December 2015

The financial statements were approved by the board of directors and authorised for issue on 27 July 2016 and are signed on its behalf by:

Wayne Eady
Director

Company Registration No. 02466472

Volmary Limited
(formerly R Delamore Limited)
Statement of changes in equity
For the year ended 31 December 2015

	Notes	Share capital	Share premium account	Other reserves	Profit and loss reserves	Total
		£	£	£	£	£
Balance at 1 June 2014		100,000	55,137	565,130	560,138	1,280,405
Period ended 31 December 2014:						
Loss and total comprehensive income for the 7 month period		-	-	-	(1,275,096)	(1,275,096)
Balance at 31 December 2014		100,000	55,137	565,130	(714,958)	5,309
Year ended 31 December 2015:						
Loss and total comprehensive income for the year		-	-	-	55,386	55,386
Balance at 31 December 2015		100,000	55,137	565,130	(659,572)	60,695

Other reserves
Reserves provided for by the Articles of Association

Balance at 1 January 2015 & at 31 December 2015	565,130

Volmary Limited
(formerly R Delamore Limited)
Statement of cash flows
For the year ended 31 December 2015

	Notes	£	Year ended 31 December 2015 £	£	7 months ended 31 December 2014 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		35,172		(85,150)
Interest paid			(157,806)		(68,584)
Net cash outflow from operating activities			(122,634)		(153,734)
Investing activities					
Purchase of intangible assets		(2,240)		-	
Purchase of tangible fixed assets		(45,263)		(593,899)	
Proceeds on disposal of tangible fixed assets		38		500	
Interest received		8		1,208	
Net cash used in investing activities			(47,457)		(592,191)
Financing activities					
Proceeds from borrowings		-		750,000	
Proceeds of new bank loans		2,100,000		-	
Repayment of bank loans		(1,848,000)		(112,000)	
Payment of finance leases obligations		(131,610)		(27,049)	
Net cash generated from financing activities			120,390		610,951
Net decrease in cash and cash equivalents			(49,701)		(134,974)
Cash and cash equivalents at beginning of year			90,538		225,512
Cash and cash equivalents at end of year			40,837		90,538
Relating to:					
Cash at bank and in hand			436,372		90,538
Bank overdrafts included in creditors payable within one year			(395,535)		-

1 Accounting policies

Company information

Volmary Limited is a company limited by shares incorporated in England and Wales. The registered office is Station Road, Wisbech St Mary, Wisbech, Cambridgeshire, PE13 4RY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Volmary Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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 Accounting policies (continued)

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life, and shall be amortised on a systematic basis over its life.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Goodwill is amortised on a straight-line basis over 10 years.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks	20% on cost

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (continued)

1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.10 Financial assets

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1 Accounting policies (continued)

1.11 Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

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

Current tax

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

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1 Accounting policies (continued)

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Critical accounting judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Depreciation

The company accounts for depreciation in accordance with FRS 102. The depreciation expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgments are made on the estimated useful life of the assets which are regularly reviewed to reflect the changing environment.

Stock

The company accounts for stocks in accordance with FRS 102. Judgements are made on the overheads attributed to the cost of production. Management believe that amounts apportioned are fair and reflective of the cost to produce finished produce. These judgements are reviewed regularly to reflect the changing environment.

The company also includes a provision for stock wastage. Management review the level and condition of stocks against the amount and timing of expected future sales to calculate an expected level of lost stock through wastage, which is provided for in the financial statements.

Bad debts

The company accounts for bad debts in accordance with FRS 102. Judgements are made on which balances within trade debtors require to be provided for. Management believe that provisions made are fair and reflective of their expectation of recoverability. These judgements are reviewed regularly to reflect the changing environment.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	Year 2015 £	7 month 2014 £
Turnover		
Sales of goods	6,296,581	1,317,400

Turnover analysed by geographical market	Year 2015 £	7 months 2014 £
United Kingdom	6,194,460	1,291,133
Europe	102,121	26,267
	6,296,581	1,317,400

4 Operating profit/(loss)

Operating profit/(loss) for the year/period is stated after charging/ (crediting):	Year 2015 £	7 month 2014 £
Exchange (gains)	(137,793)	(46,049)
Government grants released	(7,500)	-
Fees payable to the company's auditors for the audit of the company's financial statements	12,800	12,800
Depreciation of owned tangible fixed assets	341,836	190,239
Depreciation of tangible fixed assets held under finance leases	37,597	9,432
(Profit)/loss on disposal of tangible fixed assets	(46,323)	252
Cost of stocks recognised as an expense	3,168,066	959,462
Impairment of stocks recognised or reversed	(86,225)	(63,437)
Impairment of trade debtors recognised or reversed	(1,693)	(1,259)
Other income credited to cost of sales	(252,253)	-

The company has changed the allocation of the depreciation charges of certain assets to cost of sales from administrative costs. The comparative in the income statement has been amended to reflect this resulting in an increase in cost of sales of £178,095.

5 Auditors' remuneration

	2015	2014
Fees payable to the company's auditor and its associates:	£	£
For audit services		
Audit of the company's financial statements	12,800	12,800

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015 Number	2014 Number
Production and distribuition	83	89
Sales	14	9
Administration	6	4
	103	102

Their aggregate remuneration comprised:

	2015	2014
	£	£
Wages and salaries	1,728,190	881,964
Social security costs	132,363	70,438
Pension costs	15,982	12,163
	1,876,535	964,565

7 Interest receivable and similar income

	2015	2014
	£	£
Interest income		
Other interest income	8	1,208

8 Interest payable and similar charges

	2015	2014
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	120,442	54,932
Interest on finance leases and hire purchase contracts	14,260	1,155
Other interest	23,104	12,497
	157,806	68,584

9 Taxation

	2015	2014
	£	£
Domestic current year tax		
U.K. corporation tax	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(200,000)	(6,202)

9 Taxation (continued)

The charge for the year can be reconciled to the loss per the income statement as follows:

	2015 £	2014 £
Loss before taxation	(144,614)	(1,281,298)
Expected tax charge based on a corporation tax rate of 20.00% (2014 - 20.00%)	(28,923)	(256,260)
Tax effect of expenses that are not deductible in determining taxable profit	1,443	789
Gains not taxable	(9,265)	-
Tax effect of utilisation of tax losses not previously recognised	(31,401)	-
Unutilised tax losses carried forward	-	275,799
Change in unrecognised deferred tax assets	(200,000)	-
Depreciation on assets not qualifying for tax allowances	4,524	2,631
Depreciation in excess of capital allowances	63,854	(23,159)
Other tax adjustments	(232)	(6,002)
Tax expense for the year	(200,000)	(6,202)

10 Intangible fixed assets

	Trademarks £
Cost	
At 1 January 2015	-
Additions	2,240
At 31 December 2015	2,240
Amortisation and impairment	
At 1 January 2015 and 31 December 2015	-
Carrying amount	
At 31 December 2015	2,240
At 31 December 2014	-

11 Tangible fixed assets

	Freehold land & buildings	Assets under course of construction	Plant and machinery	Green-houses	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2015	859,538	23,274	2,354,400	4,586,354	226,725	8,050,291
Additions	-	12,629	25,834	-	6,800	45,263
Disposals	(200,819)	-	(50,328)	(384,548)	-	(635,695)
Reclassification	-	(35,903)	(8,520)	44,423	-	-
At 31 December 2015	658,719	-	2,321,386	4,246,229	233,525	7,459,859
Depreciation and impairment						
At 1 January 2015	139,199	-	1,014,250	2,256,917	193,451	3,603,817
Depreciation charged in the year	22,743	-	105,263	243,043	8,384	379,433
Eliminated in respect of disposals	(26,895)	-	(47,002)	(384,548)	-	(458,445)
At 31 December 2015	135,047	-	1,072,511	2,115,412	201,835	3,524,805
Carrying amount						
At 31 December 2015	523,672	-	1,248,875	2,130,817	31,690	3,935,054
At 31 December 2014	720,339	23,274	1,340,150	2,329,437	33,274	4,446,474

The carrying value of land and buildings comprises:

	2015	2014
	£	£
Freehold land	200,823	374,747

11 Tangible fixed assets (continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £37,597 (2014 - £9,432) for the year.

	2015	2014
	£	£
Plant and machinery	477,558	507,621
Motor vehicles	25,740	33,274
	503,298	540,895

12 Financial instruments

	2015	2014
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	605,987	534,664
Carrying amount of financial liabilities		
Measured at amortised cost	6,125,342	6,093,274

13 Stocks

	2015	2014
	£	£
Finished goods and goods for resale	1,039,953	997,788

14 Debtors

	2015	2014
Amounts falling due within one year:	£	£
Trade debtors	574,642	452,907
Other debtors	75,074	145,022
Prepayments and accrued income	78,246	139,625
	727,962	737,554
Deferred tax asset (note 19)	54,013	-
	781,975	737,554
Amounts falling due after one year:		
Deferred tax asset (note 19)	145,987	-
Total debtors	927,962	737,554

Trade debtors disclosed above are measured at amortised cost.

15 Creditors: amounts falling due within one year

	Notes	2015	2014
		£	£
Loans and overdrafts	17	570,202	224,000
Obligations under finance leases	18	131,610	131,610
Trade creditors		559,748	699,072
Amount due to parent undertaking	24	1,912,772	2,220,084
Other taxation and social security		13,044	23,771
Government grants	20	7,500	7,500
Other creditors		-	50,837
Accruals and deferred income		119,778	106,162
		3,314,654	3,463,036

16 Creditors: amounts falling due after more than one year

	Notes	2015 £	2014 £
Loans and overdrafts	17	2,725,333	2,424,000
Obligations under finance leases	18	105,899	237,509
Government grants	20	135,000	142,500
		2,966,232	2,804,009

17 Loans and overdrafts

	2015 £	2014 £
Bank loans	2,100,000	1,848,000
Bank overdrafts	395,535	-
Other loans	800,000	800,000
	3,295,535	2,648,000
Payable within one year	570,202	224,000
Payable after one year	2,725,333	2,424,000

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.

The bank loan is repayable over 6 years in instalments of £41,667 per quarter from March 2016. The interest rate in respect of this loan facility is held at 1.75% above LIBOR.

Included in other loans is a loan of £750,000 from the company's ultimate parent company which carries an interest rate of 3% over EURIBOR. The loan is repayable in instalments of £20k per quarter from 31 March 2018 with the balance due on 31 December 2022. The lender has a debenture over the company's assets ranking after the first legal charge held by the company's bankers.

Other loans also includes include an LEP loan for £50,000. The LEP loan carries interest at fixed rate of 1.46% per annum and is repayable in instalments of £8K in March 2016, £15K in March 2017 and £27K in March 2018. Interest is repayable with the capital elements. Interest accrues from 1 January 2014.

18 Finance lease obligations

	2015	2014
Future minimum lease payments due under finance leases:	£	£
Within one year	131,610	131,610
In two to five years	105,899	237,509
	237,509	369,119

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2015	Assets 2014
Balances:	£	£
Tax losses	200,000	-

	2015
Movements in the year:	£
Liability at 1 January 2015	-
Credit to profit and loss	(200,000)
Liability/(Asset) at 31 December 2015	(200,000)

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Deferred tax is not recognised in respect of tax losses of £339,225 as there is not sufficient certainty that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

20 Government grants

Deferred income is included in the financial statements as follows:

	2015	2014
	£	£
Current liabilities	7,500	7,500
Non-current liabilities	135,000	142,500
	142,500	150,000

The deferred income shown in the balance sheet relates to a government grant received which is being released to the income statement over a period of 20 years.

The grant was received to help fund the construction of the Fenland School of Horticulture which is based at R Delamore Ltd's Station Road site and is operated by the company for training horticultural staff and local school children.

21 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £15,982 (2014 - £12,163).

22 Share capital

	2015	2014
	£	£
Ordinary share capital		
Issued 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
	100,000	100,000

The rights attaching to the respective classes of shares can be found in the company's articles of association. All share capital is owned by Delamore Holdings Limited at the balance sheet date, therefore the respective rights of the shares do not affect where income or capital is distributed.

23 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015	2014
	£	£
Within one year	20,700	10,290
Between two and five years	26,513	17,870
	47,213	28,160

24 Events after the reporting date

At the balance sheet date the company owed £1,912,772 to its parent company, Delamore Holdings Limited. On 25 April 2016 the company was released from this debt.

25 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel, including directors, is as follows.

	Year	7 months
	2015	2014
	£	£
Aggregate compensation	55,541	6,981

Transactions with related parties
No guarantees have been given or received.

26 Controlling party

At the year end R Delamore Limited was a 100% owned subsidiary of Delamore Holdings Limited, a company registered in Scotland.

The ultimate controlling party is Volmary GmbH, a company registered in Germany.

27 Cash generated from operations

	Year 2015 £	7 months 2014 £
Profit/(loss) for the year/period after tax	55,386	(1,275,096)
Adjustments for:		
Taxation credited	(200,000)	(6,202)
Finance costs	157,806	68,584
Investment income	(8)	(1,208)
(Gain)/loss on disposal of tangible fixed assets	(46,323)	252
Depreciation and impairment of tangible fixed assets	379,433	199,671
Movements in working capital:		
(Increase) in stocks	(42,165)	(142,534)
(Increase)/decrease in debtors	(66,873)	1,865,931
(Decrease) in creditors	(194,584)	(794,548)
(Decrease) in deferred income	(7,500)	-
Cash generated from/(absorbed by) operations	35,172	(85,150)