

Company registration number 2188633 (England and Wales)

**ALBA TREES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

# ALBA TREES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	R Appleby T Ritchie
<b>Company number</b>	2188633
<b>Registered office</b>	4 Sloane Terrace London SW1X 9DQ
<b>Auditor</b>	MHA 6 St Colme Street Edinburgh EH3 6AD
<b>Business address</b>	Lower Winton Gladsmuir East Lothian EH33 2AL

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# ALBA TREES LIMITED

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# ALBA TREES LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 AUGUST 2025

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The directors present the strategic report and financial statements for the year ended 31 August 2025.

#### Principal activities

Alba Trees is a forestry nursery producing high quality cell-grown plants for commercial forestry and new native woodland creation, as well as the landscape, amenity and conservation sectors. Other markets include corporate promotions, E-Sales, gifting and the private sector.

#### Ownership

Since February 2023 Alba Trees has been wholly owned by Cibus Fund II LP, an investment fund specialising in sustainable food and agriculture. Cibus and Alba Trees have begun to expand existing production while focusing on best-in-class agronomy and precision technology to prioritise plant health, product quality and resource efficiency. A core focus is environmental sustainability and ensuring it is addressed at every level of the supply chain. This is at the centre of the company's future growth plans, aligning with the UK Government's ambitions to plant 30,000 Ha of new woodland per annum in order to reach net-zero greenhouse gas emissions by 2050.

#### Fair review of the business

Alba Trees remains the UK's largest producer of cell-grown trees for forestry. Cell-grown trees are a premium product within the Forestry sector with a longer and more versatile planting season. In the UK there has been a significant market shift towards planting more cell-grown trees.

There is continued focus on the importance of expanding tree planting in the UK to support sustainable forestry, biodiversity and nature-based initiatives towards Net Zero objectives. The long-term outlook for woodland creation in the UK therefore continues to be positive.

The recent trend for planting more broadleaf trees relative to timber schemes has continued. There is an increasing desire for diverse and resilient forests in the future, rather than conifer monoculture. Alba has anticipated that trend and moved its production to an even split between broadleaf and conifer.

Inflationary pressures have continued in 2025, particularly around wages, and as a result Alba has made significant investments in automation to support production efficiencies and margin stability going forwards.

Alba continues to offer accessories with tree sales – tree shelters, stakes, fertiliser, canes and planting tools. There has recently been a step change towards increased use of biodegradable tree shelters and Alba has been at the forefront of offering those new sustainable products. The market for biodegradable tree shelters has increased to ca. 20% of the market and is expected to grow further.

Biosecurity continues to be critical in preserving the health of UK tree stocks. The risk from imported pests and diseases continues to grow. Alba has held formal 'Plant Healthy' status for 4 years – the biosecurity benchmark in UK Horticulture.

#### Risks and uncertainties

##### Sales

Sales in 2025 retreated slightly from those achieved in 2024 primarily attributed to delays in forestry scheme approvals and adverse weather conditions impacting the planting season.

##### Capital Investment

The focus of Alba's investment in 2025 has been on replacement with some additional improvements. The pattern of proactive capital investment over recent years has created a foundation for future growth and has begun to yield improvements in production efficiencies during 2025. Alba will continue to investigate technology-driven improvements which would deliver improved plant health and yields.

##### Pests & Diseases

Preventing the circulation of new plant diseases remains a key imperative for the forestry sector. Alba has invested in people and processes which demonstrate its commitment to biosecurity.

# ALBA TREES LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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### Weather

As a business that primarily involves growing trees outdoors, weather will always present a risk to the business. However, high quality buildings and investment in improved surfacing and infrastructure means that Alba has significantly mitigated the risk of structural damage and business disruption from extreme weather events.

### Viability

The Directors consider that the risks detailed above have been and will continue to be successfully mitigated.

A fair assessment is that the core business will continue to be viable for a period of at least ten years. As the market leader in cell-grown production of Forestry trees, Alba is well placed to take advantage of the future direction of the market.

### Financial instruments

The directors believe the company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the value of assets, liabilities and the profit and loss of the company.

### Key performance indicators

The Board measures the performance of the company through the review of a number of key performance indicators. These are discussed at Board meetings and are as follows:

- Sales volume
- Unit price
- Labour cost and productivity
- Cash flow

### Promoting the success of the company

Alba has made a significant commitment to ESG over the last year, and this is a key consideration when assessing both new and existing activity. Alba has achieved Planet Mark certification.

### Use of Plastics

Over recent years Alba has focused on minimising its own usage of plastics and promoted sustainable and biodegradable alternatives to customers where possible, specifically around biodegradable tree shelters, alongside recycling of plastic tree shelters.

### Use of Peat

Alba has now successfully made the transition to fully peat-free growing for 2025, significantly ahead of UK targets.

On behalf of the board

T Ritchie

**Director**

20 March 2026

# ALBA TREES LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2025

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The directors present their report and financial statements for the year ended 31 August 2025.

#### 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.

#### Directors

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

R Appleby

T Ritchie

C Turner

B Avery

(Resigned 3 October 2025)

(Resigned 30 May 2025)

#### Auditor

The auditor, MHA, previously traded through the legal entity Macintyre Hudson LLP. In response to regulatory changes, Macintyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP. In accordance with the company's articles, a resolution proposing that MHA be reappointed as auditor of the company will be put at a General Meeting.

#### Statement of directors' responsibilities

The directors are responsible for preparing the annual 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **ALBA TREES LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2025***

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#### **Statement of disclosure to auditor**

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 auditor is 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 auditor is aware of that information.

#### **Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium sized companies exemption.

On behalf of the board

T Ritchie

**Director**

20 March 2026

# ALBA TREES LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA TREES LIMITED

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### Opinion

We have audited the financial statements of Alba Trees Limited (the 'company') for the year ended 31 August 2025 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2025 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.

### 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 company 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# ALBA TREES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ALBA TREES LIMITED (CONTINUED)

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **ALBA TREES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF ALBA TREES LIMITED (CONTINUED)**

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##### **Use of our report**

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.

**Iain Binnie**  
**(Senior Statutory Auditor)**  
**for and on behalf of MHA, Statutory Auditor**  
**Edinburgh, United Kingdom**  
**20 March 2026**

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

## ALBA TREES LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
<b>Turnover</b>	<b>3</b>	9,363,712	9,781,208
Cost of sales		(7,422,932)	(7,677,987)
<b>Gross profit</b>		1,940,780	2,103,221
Distribution costs		(693,745)	(601,110)
Administrative expenses		(1,051,534)	(1,092,384)
Other operating income		122,395	147,974
<b>Operating profit</b>	<b>4</b>	317,896	557,701
Interest receivable and similar income	<b>8</b>	659	113
Interest payable and similar expenses	<b>9</b>	(69,566)	(79,125)
<b>Profit before taxation</b>		248,989	478,689
Tax on profit	<b>10</b>	(41,413)	(212,132)
<b>Profit for the financial year</b>		207,576	266,557

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

# ALBA TREES LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	£	2025 £	£	2024 £
<b>Fixed assets</b>					
Intangible assets	11		9,520		18,730
Tangible assets	12		4,436,938		5,131,881
Investments	13		3,197		3,197
			<u>4,449,655</u>		<u>5,153,808</u>
<b>Current assets</b>					
Stocks	14	8,232,832		7,546,840	
Debtors	15	345,151		628,620	
Cash at bank and in hand		144		1,323	
			<u>8,578,127</u>	<u>8,176,783</u>	
<b>Creditors: amounts falling due within one year</b>	16	(2,005,423)		(1,904,047)	
<b>Net current assets</b>			<u>6,572,704</u>		<u>6,272,736</u>
<b>Total assets less current liabilities</b>			<u>11,022,359</u>		<u>11,426,544</u>
<b>Creditors: amounts falling due after more than one year</b>	17	(1,185,626)		(1,665,946)	
<b>Deferred taxation</b>	20	(452,923)		(584,364)	
<b>Net assets</b>			<u>9,383,810</u>		<u>9,176,234</u>
<b>Capital and reserves</b>					
Called up share capital	23		1,735,512		1,735,512
Profit and loss reserves			7,648,298		7,440,722
<b>Equity</b>			<u>9,383,810</u>		<u>9,176,234</u>

The financial statements were approved by the board of directors and authorised for issue on 20 March 2026 and are signed on its behalf by:

T Ritchie  
Director

Company Registration No. 2188633

## ALBA TREES LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2025

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	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 September 2023</b>	1,735,512	7,174,165	8,909,677
<b>Year ended 31 August 2024:</b>			
Profit and total comprehensive income for the year	-	266,557	266,557
<b>Balance at 31 August 2024</b>	1,735,512	7,440,722	9,176,234
<b>Year ended 31 August 2025:</b>			
Profit and total comprehensive income for the year	-	207,576	207,576
<b>Balance at 31 August 2025</b>	1,735,512	7,648,298	9,383,810

# ALBA TREES LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		816,804		1,340,585
Interest paid			(69,566)		(79,125)
Income taxes paid			(57,040)		(273,129)
			<u>          </u>		<u>          </u>
<b>Net cash inflow from operating activities</b>			690,198		988,331
<b>Investing activities</b>					
Purchase of tangible fixed assets		(395,996)		(652,232)	
Proceeds from disposal of tangible fixed assets		18,514		10,000	
Interest received		659		113	
		<u>          </u>		<u>          </u>	
<b>Net cash used in investing activities</b>			(376,823)		(642,119)
<b>Financing activities</b>					
Repayment of bank loans		(173,829)		(176,878)	
Payment of finance leases obligations		(239,396)		(86,573)	
		<u>          </u>		<u>          </u>	
<b>Net cash used in financing activities</b>			(413,225)		(263,451)
<b>Net (decrease)/increase in cash and cash equivalents</b>			<u>          </u>		<u>          </u>
			(99,850)		82,761
Cash and cash equivalents at beginning of year			(205,415)		(288,176)
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			(305,265)		(205,415)
			<u>          </u>		<u>          </u>
<b>Relating to:</b>					
Cash at bank and in hand			144		1,323
Bank overdrafts included in creditors payable within one year			(305,409)		(206,738)
			<u>          </u>		<u>          </u>

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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### 1 Accounting policies

#### Company information

Alba Trees Limited is a public company limited by shares and incorporated in England and Wales. The registered office is 4 Sloane Terrace, London, SW1X 9DQ.

#### 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 company is entitled to take advantage of the medium-sized companies regime under section 465 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 under the historical cost convention. The principal accounting policies adopted are set out below.

The immediate parent undertaking, by way of its 100% shareholding in the company, is Cibus Fund II LP.

#### 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 is the amount attributable to the sale of plants and associated planting supplies and is stated net of value added tax. An analysis by geographical market is given in note 3.

#### 1.4 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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:

Software	5 years
Website development	5 years

#### 1.5 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:

Land	Nil
Nursery development	3 to 25 years
Plant and office equipment	3 to 25 years
Tree growing containers	5 to 25 years
Motor vehicles	3 to 5 years
Assets under construction	Nil

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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### 1 Accounting policies

(Continued)

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.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

### 1.6 Stocks

Stock is valued at the lower of cost and net realisable value in the ordinary course of business.

The cost of growing stock includes direct materials, direct wages and attributable overheads, including relevant depreciation and grant releases, based on a normal level of activity.

### 1.7 Cash and cash equivalents

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

### 1.8 Financial instruments

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 balance sheet 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.

#### **Debtors**

Debtors with no stated interest rate and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

#### **Creditors**

Creditors with no stated interest rate payable within one year are recognised at transaction price.

All interest bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable. After initial recognition they are measured at amortised cost.

### 1.9 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 profit and loss account 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.

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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### 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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. 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.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as an expense in the period in which they are incurred.

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.

#### **1.11 Retirement benefits**

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

#### **1.12 Leases and hire purchase contracts**

Rentals payable under operating leases, including any lease incentives received, are charged to profit and loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Assets obtained under hire purchase contracts are capitalised as tangible assets and depreciated over their useful life. Obligations under such agreements are included in creditors net of the finance charges 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.

#### **1.13 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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised as income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

#### **1.14 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 in the period are included in profit or loss.

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### 2 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.

#### **Stock valuation and provision**

The value of stock is determined using estimates and judgements by the directors. The stock valuation policy involves making assumptions about the number of saleable trees held in any production batch at any point. Due to the lengthy cultivation process the stock is subject to significant uncertainty and year to year volatility and therefore the directors rely on historic data from previous production batches to build up agreed valuation parameters for each species. Stock records are updated at stock counts to record outliers from these predictions.

The company aims to sell the majority of stock within 12 months of the tree reaching saleable condition and provision is made in the overall stock valuation to take account of lower viable levels for trees held for longer than this period. The directors believe this is a prudent policy given the historic data at the current point in time.

#### **Fixed asset depreciation**

The depreciation charge for relevant plant and equipment is calculated and allocated to stock based on rates set by management. These rates and calculations are based on judgements and estimates relating to the life of the assets. Management review the useful life of assets at appropriate intervals and adjust rates accordingly.

#### 3 Turnover

##### Turnover analysed by geographical market

	2025	2024
	£	£
United Kingdom	9,362,949	9,580,649
European Union Countries	763	200,559
	<u>9,363,712</u>	<u>9,781,208</u>

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 4 Operating profit

	2025	2024
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	733,020	733,613
Depreciation of tangible fixed assets held under hire purchase contracts	182,871	86,866
(Profit)/loss on disposal of fixed assets	(18,514)	(10,000)
Amortisation of intangible assets	9,210	9,261
Impairment of stocks recognised or reversed	358,013	404,774
Operating lease charges	54,999	51,925
	<u>          </u>	<u>          </u>

Fixed asset depreciation, less government grants released, is added to the maturing tree stock and released when the stock is drawn for sale. This accounts for the difference between the profit and loss charge and the amount recorded in fixed assets. Government grants released from stock to the profit and loss account during the financial year total £197,176 (2024: £167,778).

### 5 Auditor's remuneration

	2025	2024
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the company's financial statements	14,750	14,000
	<u>          </u>	<u>          </u>

### 6 Employees

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

	2025	2024
	Number	Number
Directors	1	1
Production	82	106
Sales	4	3
Administration	4	3
	<u>          </u>	<u>          </u>
	91	113
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	2,705,463	3,101,927
Social security costs	295,555	259,960
Pension costs	102,075	101,295
	<u>          </u>	<u>          </u>
	3,103,093	3,463,182
	<u>          </u>	<u>          </u>

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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<b>7</b>	<b>Directors' remuneration</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	Remuneration for qualifying services	106,021	107,712
	Company pension contributions to defined contribution schemes	7,142	12,873
		<u>113,163</u>	<u>120,585</u>
		<u><u>113,163</u></u>	<u><u>120,585</u></u>
<b>8</b>	<b>Interest receivable and similar income</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	<b>Interest income</b>		
	Interest on bank deposits	659	113
		<u>659</u>	<u>113</u>
		<u><u>659</u></u>	<u><u>113</u></u>
<b>9</b>	<b>Interest payable and similar expenses</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank loans	19,518	65,372
	Interest on hire purchase contracts	50,048	13,753
		<u>69,566</u>	<u>79,125</u>
		<u><u>69,566</u></u>	<u><u>79,125</u></u>
<b>10</b>	<b>Taxation</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	160,496	64,884
	Adjustments in respect of prior periods	12,358	14,492
	Total current tax	<u>172,854</u>	<u>79,376</u>
		<u><u>172,854</u></u>	<u><u>79,376</u></u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(131,441)	113,903
	Adjustment in respect of prior periods	-	18,853
	Total deferred tax	<u>(131,441)</u>	<u>132,756</u>
		<u><u>(131,441)</u></u>	<u><u>132,756</u></u>
	Total tax charge	<u><u>41,413</u></u>	<u><u>212,132</u></u>

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# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of taxation as follows:

	2025 £	2024 £
Profit before taxation	248,989	478,689
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2024: 25.00%)	62,247	119,672
Tax effect of expenses that are not deductible in determining taxable profit	1,726	5,080
Adjustments in respect of prior years	12,358	14,492
Research and development tax credit	(30,599)	-
Deferred tax adjustments in respect of prior years	-	18,853
Depreciation in excess of capital allowances	181,090	54,035
Other fixed asset differences, adjustments & movements	(53,968)	-
Deferred tax movement	(131,441)	-
Taxation charge for the year	41,413	212,132

#### 11 Intangible fixed assets

	Software £	Website development £	Total £
<b>Cost</b>			
At 1 September 2024 and 31 August 2025	32,560	13,745	46,305
<b>Amortisation and impairment</b>			
At 1 September 2024	22,225	5,350	27,575
Amortisation charged for the year	6,512	2,698	9,210
At 31 August 2025	28,737	8,048	36,785
<b>Carrying amount</b>			
At 31 August 2025	3,823	5,697	9,520
At 31 August 2024	10,335	8,395	18,730

## ALBA TREES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

12 Tangible fixed assets	Land	Nursery development	Assets under construction	Plant and office equipment	Tree growing containers	Motor vehicles	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 September 2024	308,996	5,386,702	33,250	2,600,349	2,114,697	11,989	10,455,993
Additions	39,342	62,352	114,070	43,475	119,522	17,235	395,996
Disposals	-	(98,775)	-	(8,000)	-	-	(106,775)
Transfers	-	20,991	(20,991)	-	-	-	-
At 31 August 2025	348,338	5,371,270	126,329	2,635,824	2,234,219	29,234	10,745,214
<b>Depreciation and impairment</b>							
At 1 September 2024	-	2,471,412	-	1,555,616	1,295,684	1,400	5,324,112
Depreciation charged in the year	-	511,090	-	258,992	316,159	4,698	1,090,939
Eliminated in respect of disposals	-	(98,775)	-	(8,000)	-	-	(106,775)
At 31 August 2025	-	2,883,727	-	1,806,608	1,611,843	6,098	6,308,276
<b>Carrying amount</b>							
At 31 August 2025	348,338	2,487,543	126,329	829,216	622,376	23,136	4,436,938
At 31 August 2024	308,996	2,915,290	33,250	1,044,733	819,013	10,599	5,131,881

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 12 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under hire purchase contracts.

	2025 £	2024 £
Plant and office equipment	857,400	943,565
Tree growing containers	154,439	197,681
	<u>1,011,839</u>	<u>1,141,246</u>

### 13 Fixed asset investments

	2025 £	2024 £
Unlisted investments	<u>3,197</u>	<u>3,197</u>

#### Movements in fixed asset investments

	Investments £
<b>Cost or valuation</b>	
At 1 September 2024 & 31 August 2025	<u>3,197</u>
<b>Carrying amount</b>	
At 31 August 2025	<u>3,197</u>
At 31 August 2024	<u>3,197</u>

### 14 Stocks

	2025 £	2024 £
Resale stock	377,054	409,076
Raw materials	363,937	526,924
Own grown stock	7,491,841	6,610,840
	<u>8,232,832</u>	<u>7,546,840</u>

## ALBA TREES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

15 Debtors	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	222,392	454,387
Corporation tax recoverable	109,870	65,188
Other debtors	-	37,465
Prepayments and accrued income	12,889	71,580
	<u>345,151</u>	<u>628,620</u>

16 Creditors: amounts falling due within one year	2025	2024
Notes	£	£
Bank loans and overdrafts	18 389,346	376,055
Obligations under hire purchase contracts	19 267,393	267,393
Trade creditors	502,771	532,263
Corporation tax	160,496	-
Other taxation and social security	80,079	66,821
Government grants	21 210,155	194,650
Other creditors	173,689	156,712
Accruals and deferred income	221,494	310,153
	<u>2,005,423</u>	<u>1,904,047</u>

Bank of Scotland PLC holds a standard security over Lower Winton, Gladsmuir, East Lothian, EH33 2AL. Bank loans are secured by a debenture over the whole assets of the company.

17 Creditors: amounts falling due after more than one year	2025	2024
Notes	£	£
Bank loans	18 191,943	280,392
Obligations under hire purchase contracts	19 433,770	673,166
Government grants	21 559,913	712,388
	<u>1,185,626</u>	<u>1,665,946</u>

## ALBA TREES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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18	Loans	2025	2024
		£	£
	Bank loans	275,880	449,709
	Bank overdrafts	305,409	206,738
		<u>581,289</u>	<u>656,447</u>
	Payable within one year	389,346	376,055
	Payable between one and five years	191,943	280,392
		<u>581,289</u>	<u>656,447</u>

Interest is charged at 1.45% and 2.76% over the Bank of England base rate, and fixed at 4% in respect of the bank loans provided by Bank of Scotland PLC.

19	Hire purchase contracts	2025	2024
		£	£
	Future minimum lease payments due under hire purchase contracts:		
	Within one year	325,029	268,906
	In two to five years	471,522	672,701
		<u>796,551</u>	<u>941,607</u>
	Less: future finance charges	(95,388)	(1,048)
		<u>701,163</u>	<u>940,559</u>
	<b>Hire purchase contracts capital repayment analysis</b>		
	Current liabilities	267,393	267,393
	Non-current liabilities	433,770	673,166
		<u>701,163</u>	<u>940,559</u>

Hire purchase obligations are secured against the assets to which the contract relates.

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 20 Deferred taxation

Deferred taxation liabilities are attributable to the following:

	2025	2024
	£	£
<b>Balances:</b>		
Accelerated capital allowances	457,555	587,270
Short term timing differences	(4,632)	(2,906)
	<u>452,923</u>	<u>584,364</u>
		<b>2025</b>
		£
<b>Movements in the year:</b>		
Balance at 1 September 2024		584,364
Credit to profit or loss		(131,441)
		<u>452,923</u>

### 21 Government grants

	2025	2024
	£	£
Arising from government grants	770,068	907,038
	<u>770,068</u>	<u>907,038</u>
Included in the financial statements as follows:		
Current liabilities	210,155	194,650
Non-current liabilities	559,913	712,388
	<u>770,068</u>	<u>907,038</u>

### 22 Retirement benefit schemes

	2025	2024
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	102,076	101,295
	<u>102,076</u>	<u>101,295</u>

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.

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 23 Share capital

	2025	2024	2025	2024
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary shares of £1 each	1,735,512	1,735,512	1,735,512	1,735,512

### 24 Operating lease commitments

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

	2025	2024
	£	£
Within one year	20,000	20,000
Between one and five years	28,333	48,333
	<u>48,333</u>	<u>68,333</u>

### 25 Events after the reporting date

On 3 February 2026, the company completed the acquisition of the business and assets of Christies (Fochabers) Limited (in administration), a tree nursery. The acquisition occurred after the year end date of 31 August 2025 and therefore represents a nonadjusting event, as the conditions giving rise to the transaction did not exist at the reporting date. The total consideration for the acquisition was £2.6m, comprised of cash payable on completion. At the date these financial statements were authorised for issue, it was not practicable to provide a reliable estimate of the fair value of the identifiable assets and liabilities of Christies (Fochabers) Limited (in administration) as the purchase price allocation exercise is ongoing. Further financial information relating to the acquisition will be provided in next year's financial statements.

# ALBA TREES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 26 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025 £	2024 £
Aggregate compensation	113,162	120,585

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchases 2025 £	Purchases 2024 £
Other related parties	4,301	-

### 27 Cash generated from operations

	2025 £	2024 £
Profit after taxation	207,576	266,557
<b>Adjustments for:</b>		
Taxation charged	41,413	212,132
Finance costs	69,566	79,125
Investment income	(659)	(113)
Gain on disposal of tangible fixed assets	(18,514)	(10,000)
Amortisation and impairment of intangible assets	9,210	9,261
Depreciation and impairment of tangible fixed assets	1,090,939	1,016,008
<b>Movements in working capital:</b>		
Increase in stocks	(685,992)	(388,210)
Decrease/(increase) in debtors	328,151	(203,880)
(Decrease)/increase in creditors	(87,916)	104,802
(Decrease)/increase in government grants	(136,970)	254,903
<b>Cash generated from operations</b>	<b>816,804</b>	<b>1,340,585</b>

## ALBA TREES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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28 Analysis of changes in net debt

	2025 £
<b>Opening net debt</b>	
Cash at bank and in hand	(205,415)
Borrowings excluding overdrafts	(449,709)
Obligations under hire purchase contracts	(940,559)
	<hr/>
	(1,595,683)
<b>Changes in net debt arising from:</b>	
Cash flows of the entity	313,375
	<hr/>
<b>Closing net debt as analysed below</b>	(1,282,308)
	<hr/> <hr/>
<b>Closing net debt</b>	
Cash at bank and in hand	(305,265)
Borrowings excluding overdrafts	(275,880)
Obligations under hire purchase contracts	(701,163)
	<hr/>
	(1,282,308)
	<hr/> <hr/>

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