

KNAP HILL NURSERY LIMITED

Company No : 251663

ACCOUNTS

for the year ended

31 March 1996



KNAP HILL NURSERY LIMITED

DIRECTORS M O Slocock
S M A Slocock

SECRETARY S M A Slocock

BUSINESS ADDRESS Barrs Lane
Knaphill
Woking
Surrey
GU21 2JW

REGISTERED OFFICE Barrs Lane
Knaphill
Woking
Surrey
GU21 2JW

ACCOUNTANTS Haines Watts
30 Camp Road
Farnborough
Hampshire
GU14 6EW

BANKERS Lloyds Bank plc
32 Commercial Way
Woking
Surrey
GU21 1ER

KNAP HILL NURSERY LIMITED

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KNAP HILL NURSERY LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and the accounts for the year ended 31st March 1996.

Principal activities and review of business activities

The principal activity of the company in the year under review was that of nursery operators.

The directors are satisfied with the results for the year.

Dividend and transfer to reserves

The Directors do not recommend payment of a dividend.

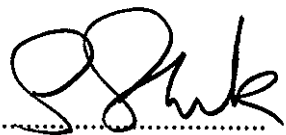
It is proposed that the loss of £ 89,314 is transferred to reserves.

Directors and their interests

The Directors at the Balance Sheet date and their interests in the company at that date and at the beginning of the year were as follows :

	Class of share	Number of shares	
		1996	1995
M O Slocock	Ordinary shares	100	100
	Deferred ordinary shares	1,000	1,000
S M A Slocock	Ordinary shares	nil	nil

This report was approved by the Board on 28.1.97 and signed on its behalf by:


.....
S M A Slocock
Secretary

KNAP HILL NURSERY LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1996

	Notes	1996 £	1995 as restated £
TURNOVER		9,900	240,490
Cost of sales		(35,049)	(315,596)
GROSS LOSS		<u>(25,149)</u>	<u>(75,106)</u>
Administrative expenses		(63,850)	(86,012)
		<u>(88,999)</u>	<u>(161,118)</u>
Other operating income		-	23,371
OPERATING (LOSS) / PROFIT	2	<u>(88,999)</u>	<u>(137,747)</u>
Interest payable	3	(315)	(23,136)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(89,314)</u>	<u>(160,883)</u>
Tax on loss on ordinary activities		-	-
LOSS FOR THE FINANCIAL YEAR	12	<u><u>(89,314)</u></u>	<u><u>(160,883)</u></u>

The company's operations, as indicated in the directors report, are all continuing.

KNAP HILL NURSERY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 1996 (continued)

	1996	1995 as restated
	£	£
Loss for the financial year	(89,314)	(160,883)
Prior year adjustment (as explained in note 17)	(85,800)	-
Total gains and losses recognised since last annual report	<u>(175,114)</u>	<u>(160,883)</u>

Note of historical cost profits and losses

	1996	1995 as restated
	£	£
Reported loss on ordinary activities before taxation	(89,314)	(160,883)
Realisation of property valuation gains of previous years	-	265,418
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revaluation amount	<u>5,565</u>	<u>5,565</u>
Historical cost (loss)/profit on ordinary activities before taxation	<u>(83,749)</u>	<u>110,100</u>
Historical cost for the year retained after taxation, minority interests, extraordinary items and dividends	<u>(83,749)</u>	<u>110,100</u>

KNAP HILL NURSERY LIMITED

BALANCE SHEET AS AT 31 MARCH 1996

		1996	1996	1995	1995
		£	£	as restated	as restated
	Notes			£	£
FIXED ASSETS					
Tangible assets	5		291,764		297,019
Investments	6		127		127
			<u>291,891</u>		<u>297,146</u>
CURRENT ASSETS					
Stocks	7	67,174		63,199	
Debtors and prepayments	8	173,766		370,311	
Cash at bank and in hand		-		37,587	
		<u>240,940</u>		<u>471,097</u>	
CREDITORS : Amounts falling due within one year	9	(50,944)		(1,038,634)	
		<u>(50,944)</u>		<u>(1,038,634)</u>	
NET CURRENT ASSETS			189,996		(567,537)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>481,887</u>		<u>(270,391)</u>
CREDITORS: amounts falling due after more than one year	10		(841,592)		-
TOTAL ASSETS LESS TOTAL LIABILITIES			<u>(359,705)</u>		<u>(270,391)</u>
CAPITAL AND RESERVES					
Called up share capital	11		37,400		37,400
Revaluation reserve	12		267,039		267,039
Profit and loss account	12		(664,144)		(574,830)
SHAREHOLDERS FUNDS			<u>(359,705)</u>		<u>(270,391)</u>
Equity interest	13		(359,705)		(270,391)
Non-equity interest			-		-
			<u>(359,705)</u>		<u>(270,391)</u>

The statements required to be made by the company's directors and the signature required by the Companies Act 1985, are given on the following page.

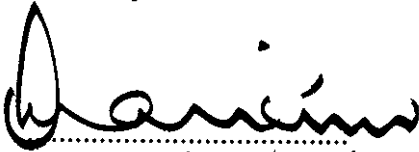
KNAP HILL NURSERY LIMITED

BALANCE SHEET AS AT 31 MARCH 1996 (continued)

In preparing these accounts:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A (1) of the Companies Act 1985:
- (b) No notice has been deposited under Section 249B (2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to the accounts, so far as applicable to the company.

The accounts were approved by the Board on 28.1.97 and were signed on its behalf by:


Director M O Slocock

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1996

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The accounts are prepared on a going concern basis dependent on the continued support of the directors.

1.2 CASH FLOW STATEMENT

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cash flow statement.

1.3 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.4 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost or valuation of the tangible assets over their estimated useful lives :-

Freehold buildings	2% of cost or valuation
Plant and machinery	15% reducing balance
Furniture, fixtures and equipment	15% reducing balance
Motor vehicles	25% reducing balance

1.5 STOCK

Stocks are valued at a discounted wholesale price.

1.6 FOREIGN CURRENCY

Transactions in foreign currencies are converted at the rates of exchange ruling on the date of settlement. All differences are taken to the profit and loss account.

1.7 DEFERRED TAXATION

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability is unlikely to crystallise.

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31 March 1996 (continued)

2. OPERATING LOSS

	1996	1995 as restated
	£	£
The operating loss is stated after charging :-		
Depreciation	8,815	12,710
Auditors' remuneration	-	3,700
Hire of equipment	934	164
and after crediting :-		
Exceptional item	-	30,070
Rents receivable	-	23,371
	<u> </u>	<u> </u>

For details on exceptional item see note 14.

3. INTEREST PAYABLE

	1996	1995
	£	£
On bank loan and overdraft and on loans repayable in full within five years	<u>315</u>	<u>23,136</u>
	<u>315</u>	<u>23,136</u>

4. DIRECTORS AND EMPLOYEES

	1996	1995
	£	£
Staff costs :-		
Wages and salaries	28,223	62,262
Social security costs	<u>1,787</u>	<u>3,490</u>
	<u>30,010</u>	<u>65,752</u>

The average monthly number of employees during the year was made up as follows :-

	1996 Number	1995 Number (weekly)
Administration	3	2
Nursery workers	6	17
Sales staff	3	3
	<u>12</u>	<u>22</u>

Directors' remuneration	<u>£ Nil</u>	<u>£ Nil</u>
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KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1996 (continued)

5. FIXED ASSETS

as restated

	Land & buildings (freehold) £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
COST OR VALUATION					
As at 1st April 1995	363,502	4,324	8,826	2,803	379,455
Additions	-	3,135	425	-	3,560
As at 31st March 1996	<u>363,502</u>	<u>7,459</u>	<u>9,251</u>	<u>2,803</u>	<u>383,015</u>
DEPRECIATION					
As at 1st April 1995	72,247	3,310	5,540	1,339	82,436
Charge for the year	<u>7,270</u>	<u>622</u>	<u>557</u>	<u>366</u>	<u>8,815</u>
As at 31 March 1996	<u>79,517</u>	<u>3,932</u>	<u>6,097</u>	<u>1,705</u>	<u>91,251</u>
Net Book Value at 31st March 1996	<u>283,985</u>	<u>3,527</u>	<u>3,154</u>	<u>1,098</u>	<u>291,764</u>
Net Book Value at 31st March 1995	<u>291,255</u>	<u>1,014</u>	<u>3,286</u>	<u>1,464</u>	<u>297,019</u>

The properties were revalued in 1985 by Thorntons Chartered Surveyor, on the basis of open market value for current use. The resulting surplus was credited to a revaluation reserve. No provision has been made for any potential capital gains liability on the disposal of the freehold property.

The historical cost of the assets included at valuation at the balance sheet date is £85,238 (1995 £ 85,238), and the accumulated depreciation based on historical cost would be £47,184 (1995 £45,479).

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1996 (continued)

6. INVESTMENTS	1996	1995
Other investments other than loans		
	£	£
Cost or valuation		
at 1 April 1995 and		
at 31 March 1996	127	127
	<u> </u>	<u> </u>
Net book value		
at 1 April 1995 and		
at 31 March 1996	127	127
	<u> </u>	<u> </u>

The investment is an unlisted deposit with the Farmers and Grocers Industries Limited in order to facilitate discounted supplies.

7. STOCKS	1996	1995
	£	£
Growing stock	67,174	63,199
	<u> </u>	<u> </u>

8. DEBTORS	1996	1995
	£	£
Other debtors	172,516	369,061
Prepayments and accrued income	<u>1,250</u>	<u>1,250</u>
	<u>173,766</u>	<u>370,311</u>

Comparative 'trade debtors' have been restated as 'other debtors'. This is because this amount was incorrectly analysed last year.

9. CREDITORS : amounts falling due within one year	1996	1995
	£	£
Overdraft	2,938	-
Trade creditors	9,090	10,625
Taxes and social security costs	1,616	1,279
Directors' current accounts	-	1,024,998
Other creditors	36,940	-
Accruals	<u>360</u>	<u>1,732</u>
	<u>50,944</u>	<u>1,038,634</u>

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1996 (continued)

10. CREDITORS : amounts falling due after more than one year	1996 £	1995 £
Directors' loan accounts	841,592	-

11. SHARE CAPITAL	1996 £	1995 £
Authorised		
34,000 Deferred Ordinary shares of £1 each	34,000	34,000
15,000 Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>
	49,000	49,000
Allotted, called up and fully paid		
34,000 Deferred Ordinary shares of £1 each	34,000	34,000
3,400 Ordinary shares of £1 each	<u>3,400</u>	<u>3,400</u>
	37,400	37,400

Deferred ordinary shares have no voting rights and no rights to any dividends. On winding up, they are entitled to the amount paid up on those shares, only if there are sufficient amounts to distribute after having first paid an initial sum of £100 to the holders of each ordinary share. The balance of any distributable amount is then to be distributed among the ordinary shareholders in proportion to their shareholding.

12. RESERVES	revaluation reserve 1996 £	profit and loss account 1996 £	total 1996 £
Retained losses at 1st April 1995 as previously stated	446,801	(668,792)	(221,991)
Prior year adjustment (note 17)	-	(85,800)	(85,800)
Prior year transfer of realised profits (note 17)	<u>(179,762)</u>	<u>179,762</u>	-
Retained losses at 1 April 1995 as restated	267,039	(574,830)	(307,791)
Retained loss for the financial year	-	<u>(89,314)</u>	<u>(89,314)</u>
Retained losses at 31st March 1996	267,039	(664,144)	(397,105)

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS	1996 £	1995 as restated £
Loss for the financial year	(89,314)	(160,883)
Opening shareholders' funds (originally £(184,591) before deducting prior year adjustment of £85,800)	<u>(270,391)</u>	<u>(109,508)</u>
Closing shareholders' funds	<u>(359,705)</u>	<u>(270,391)</u>

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1996 (continued)

14. EXCEPTIONAL ITEM

Comparative as restated

During the year, the garden centre stocks and land were sold, realising a profit on disposal of the land of £30,070. Stocks were sold at cost.

15. TRANSACTIONS WITH DIRECTORS

Included in other debtors is a balance of £135,971 (1995 £139,055), owed by a business in which M O Slocock and S M A Slocock are partners.

16. FINANCIAL COMMITMENTS

At 31 March 1996 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	1996	1995
	£	£
Expiry date:		
Within one year	-	-
Between two and five years	-	-
In over five years	<u>5,000</u>	<u>-</u>
	<u>£ 5,000</u>	<u>-</u>

17. PRIOR YEAR ADJUSTMENT

The prior year adjustment is to correct accounting errors in the treatment of the disposal of land and buildings in the years 1992 and 1995. The net effect of these adjustments has been to restate the results by an amount of £85,800, representing an increase in retained losses. Fixed assets have also been restated by this same amount.

There has also been a prior period adjustment to transfer an amount of realised profits from the revaluation reserve to the profit and loss reserve of £179,762 in respect of these transactions.