

KNAP HILL NURSERY LIMITED

Company No : 251663

ACCOUNTS

for the year ended

31 March 1997



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 1997.

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 profit of £384,835 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 :

		Number of shares	
		1997	1996
M O Slocock	Class of share		
	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 21st January 1998 and signed on its behalf by:



S M A Slocock
Secretary

KNAP HILL NURSERY LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

		1997	1996
	Notes	£	£
TURNOVER		10,902	9,900
Cost of sales		(27,097)	(35,049)
GROSS LOSS		<u>(16,195)</u>	<u>(25,149)</u>
Administrative expenses		(49,892)	(63,850)
		<u>(66,087)</u>	<u>(88,999)</u>
Exceptional item	2	451,500	-
OPERATING PROFIT	2	<u>385,413</u>	<u>(88,999)</u>
Interest payable	3	(578)	(315)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>384,835</u>	<u>(89,314)</u>
Tax on profit on ordinary activities		-	-
PROFIT FOR THE YEAR	12	<u><u>384,835</u></u>	<u><u>(89,314)</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 1997

	1997	1996
	£	£
Profit for the financial year	384,835	(89,314)
Prior year adjustment (as explained in note 16)	-	(85,800)
Total gains and losses recognised since last annual report	<u>384,835</u>	<u>(175,114)</u>

Note of historical cost profits and losses

	1997	1996
	£	£
Reported profit on ordinary activities before taxation	384,835	(89,314)
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 profit on ordinary activities before taxation	<u>390,400</u>	<u>(83,749)</u>
Historical cost profit for the year retained after taxation, minority interests, extraordinary items and dividends	<u>390,400</u>	<u>(83,749)</u>

KNAP HILL NURSERY LIMITED

BALANCE SHEET AS AT 31 MARCH 1997

		1997	1997	1996	1996
		£	£	£	£
	Notes				
FIXED ASSETS					
Tangible assets	5		284,465		291,764
Investments	6		127		127
			<u>284,592</u>		<u>291,891</u>
CURRENT ASSETS					
Stocks	7	68,380		67,174	
Debtors and prepayments	8	2,669		173,766	
		<u>71,049</u>		<u>240,940</u>	
CREDITORS : Amounts falling due within one year	9	(30,468)		(50,944)	
NET CURRENT ASSETS			<u>40,581</u>		<u>189,996</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>325,173</u>		<u>481,887</u>
CREDITORS: amounts falling due after more than one year	10		(300,043)		(841,592)
TOTAL ASSETS LESS TOTAL LIABILITIES			<u>25,130</u>		<u>(359,705)</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		(279,309)		(664,144)
SHAREHOLDERS FUNDS			<u>25,130</u>		<u>(359,705)</u>
Equity interest	13		25,130		(359,705)
Non-equity interest			-		-
			<u>25,130</u>		<u>(359,705)</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

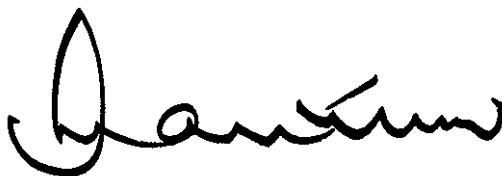
BALANCE SHEET AS AT 31 MARCH 1997 (continued)

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 21st January '98 and signed on their behalf by:

M O Slocock
Director



KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1997

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.

1.8 OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31 March 1997 (continued)

2. OPERATING LOSS

	1997	1996
	£	£
The operating loss is stated after charging :-		
Depreciation	8,767	8,815
Hire of equipment	65	934
Operating lease: land and buildings	5,000	5,000
	<u> </u>	<u> </u>
after crediting :-		
Exceptional item	451,500	-
	<u> </u>	<u> </u>

Exceptional item

This represents an amount of £451,500 written off from the directors current account as it is considered irrecoverable.

3. INTEREST PAYABLE

	1997	1996
	£	£
On bank loan and overdraft and on loans repayable in full within five years	<u>578</u>	<u>315</u>
	578	315
	<u> </u>	<u> </u>

4. DIRECTORS AND EMPLOYEES

	1997	1996
	£	£
Staff costs :-		
Wages and salaries	26,954	28,223
Social security costs	<u>1,745</u>	<u>1,787</u>
	28,699	30,010
	<u> </u>	<u> </u>

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

	1997 Number	1996 Number
Administration	3	3
Nursery workers	6	6
Sales staff	0	3
	<u>9</u>	<u>12</u>
	<u> </u>	<u> </u>
Directors' remuneration	£ Nil	£ Nil
	<u> </u>	<u> </u>

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1997 (continued)

5. FIXED ASSETS

	Land & buildings (freehold) £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
COST OR VALUATION					
As at 1st April 1996	363,502	7,459	9,251	2,803	383,015
Additions	-	1,111	357	-	1,468
As at 31st March 1997	363,502	8,570	9,608	2,803	384,483
DEPRECIATION					
As at 1st April 1996	79,517	3,932	6,097	1,705	91,251
Charge for the year	7,270	695	527	275	8,767
As at 31 March 1997	86,787	4,627	6,624	1,980	100,018
Net Book Value at 31st March 1997	276,715	3,943	2,984	823	284,465
Net Book Value at 31st March 1996	283,985	3,527	3,154	1,098	291,764

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 (1996 £ 85,238), and the accumulated depreciation based on historical cost would be £48,889 (1996 £47,184).

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1997 (continued)

6.	INVESTMENTS	1997	1996
	Other investments other than loans		
		£	£
	Cost or valuation		
	at 1 April 1996 and		
	at 31 March 1997	127	127
		<u> </u>	<u> </u>
	Net book value		
	at 1 April 1996 and		
	at 31 March 1997	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	1997	1996
		£	£
	Growing stock	68,380	67,174
		<u> </u>	<u> </u>

8.	DEBTORS	1997	1996
		£	£
	Trade debtors	411	-
	Other debtors	990	172,516
	Prepayments and accrued income	1,268	1,250
		<u>2,669</u>	<u>173,766</u>
		<u> </u>	<u> </u>

9.	CREDITORS : amounts falling due within one year	1997	1996
		£	£
	Overdraft	7,598	2,938
	Trade creditors	7,729	9,090
	Taxes and social security costs	435	1,616
	Other creditors	13,731	36,940
	Accruals	975	360
		<u>30,468</u>	<u>50,944</u>
		<u> </u>	<u> </u>

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1997 (continued)

10. CREDITORS : amounts falling due after more than one year	1997 £	1996 £
Directors' loan accounts	300,043	841,592

11. SHARE CAPITAL	1997 £	1996 £
Authorised		
34,000 Deferred Ordinary shares of £1 each	34,000	34,000
15,000 Ordinary shares of £1 each	15,000	15,000
	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	3,400	3,400
	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 1997 £	profit and loss account 1997 £	total 1997 £
Retained losses at 1st April 1996	267,039	(664,144)	(397,105)
Retained profit for the financial year	-	384,835	384,835
Retained losses at 31st March 1997	267,039	(279,309)	(12,270)

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS	1997 £	1996 £
Profit for the financial year	384,835	(89,314)
Opening shareholders' funds	(359,705)	(270,391)
Closing shareholders' funds	25,130	(359,705)

KNAP HILL NURSERY LIMITED

Notes to the Accounts for the year ended 31st March 1997 (continued)

14. TRANSACTIONS WITH DIRECTORS

Included in other creditors is a balance of £11,484 (1996 £135,971 other debtors), owed by a business, Slocock Nurseries in which M O Slocock and S M A Slocock are partners.

15. FINANCIAL COMMITMENTS

At 31 March 1997 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	1997	1996
	£	£
Expiry date:		
Within one year	-	-
Between two and five years	-	-
In over five years	<u>5,000</u>	<u>5,000</u>
	<u>£ 5,000</u>	<u>5,000</u>

16. PRIOR YEAR ADJUSTMENT Comparatives

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 affect 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.

17. RELATED PARTY TRANSACTIONS

During the year an amount of £451,500 was deemed irrecoverable on the director's loan account for M O Slocock and was written off during the year (see note 2). Also during the year there were net funds of £45,922 loaned to the company and an amount of £135,971 owing from Slocock Nurseries, was cleared by a transfer of funds from the director's loan account. As at the end of the year there was an amount due from the company of £300,043.