

Registered number 00416607

Rowlinson Garden Products Limited

**Annual Report
and Financial Statements**

For the year ended 30 April 2011



CLB
coopers
Chartered Accountants
Delivering solutions through excellence

ROWLINSON GARDEN PRODUCTS LIMITED

Company Information

Directors	K P Douglas R J Rowlinson C D Firth
Company secretary	W St J Kiernan
Company number	00416607
Registered office	Coppice Road Willaston Nantwich Cheshire CW5 6QH
Auditor	CLB Coopers Ship Canal House 98 King Street Manchester M2 4WU

ROWLINSON GARDEN PRODUCTS LIMITED

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ROWLINSON GARDEN PRODUCTS LIMITED

Directors' report For the year ended 30 April 2011

The directors present their report and the financial statements for the year ended 30 April 2011

Directors' responsibilities statement

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 judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Principal activities

The principal activity of the company during the year was the manufacture and merchandising of timber garden products.

Business review

Despite the continuing difficult economic climate, the company returned to profitability during 2011. The directors are confident that this trend will continue in the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £664,705 (2010: loss of £579,966).

The directors have not recommended a dividend.

Directors

The directors who served during the year were

K P Douglas
R J Rowlinson
C D Firth

ROWLINSON GARDEN PRODUCTS LIMITED

Directors' report
For the year ended 30 April 2011

Financial instruments

The company holds various financial instruments such as trade debtors and trade creditors which arise directly from the company's operations

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business

Interest rate risk

The company is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on bank overdrafts and loans

Credit risk

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the board

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary

Currency risk

The company's principal foreign currency exposures arise from trading with overseas companies. The company manages these exposures by the use of foreign currency forward contracts

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Auditor

The auditor, CLB Coopers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf



W St J Kiernan
Secretary

Date 20 October 2011

ROWLINSON GARDEN PRODUCTS LIMITED

Independent auditor's report to the shareholders of Rowlinson Garden Products Limited

We have audited the financial statements of Rowlinson Garden Products Limited for the year ended 30 April 2011, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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. 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 directors' report to identify material inconsistencies with the audited financial statements. 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 30 April 2011 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ROWLINSON GARDEN PRODUCTS LIMITED

Independent auditor's report to the shareholders of Rowlinson Garden Products Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



David Clift (Senior statutory auditor)

for and on behalf of
CLB Coopers

Statutory Auditors and Chartered Accountants

Ship Canal House
98 King Street
Manchester
M2 4WU

20 October 2011

ROWLINSON GARDEN PRODUCTS LIMITED

Profit and loss account For the year ended 30 April 2011

	Note	2011 £	2010 £
Turnover	2	12,010,038	7,850,169
Cost of sales		(10,306,065)	(6,975,914)
Gross profit		1,703,973	874,255
Distribution costs		(467,013)	(322,057)
Administrative expenses		(526,063)	(1,097,578)
Operating profit/(loss)	3	710,897	(545,380)
Interest payable and similar charges	6	(45,829)	(34,586)
Profit/(loss) on ordinary activities before taxation		665,068	(579,966)
Tax on profit/(loss) on ordinary activities	7	(363)	-
Profit/(loss) for the financial year		664,705	(579,966)

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

The notes on pages 7 to 14 form part of these financial statements

ROWLINSON GARDEN PRODUCTS LIMITED

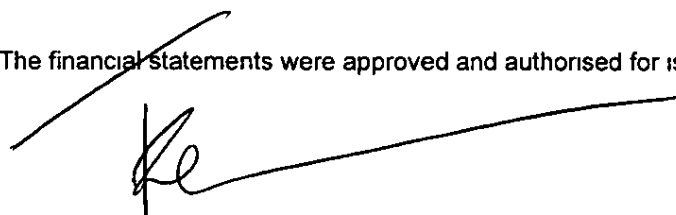
Registered number 00416607

Balance sheet

As at 30 April 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		1,010,315		1,013,214
Investments	9		21,216		21,216
			<u>1,031,531</u>		<u>1,034,430</u>
Current assets					
Stocks	10	3,490,146		2,607,487	
Debtors	11	6,332,967		3,490,482	
Cash at bank and in hand		10,647		1,978	
		<u>9,833,760</u>		<u>6,099,947</u>	
Creditors' amounts falling due within one year	12	<u>(6,606,580)</u>		<u>(4,228,651)</u>	
Net current assets			<u>3,227,180</u>		<u>1,871,296</u>
Total assets less current liabilities			<u>4,258,711</u>		<u>2,905,726</u>
Creditors' amounts falling due after more than one year	13		<u>(4,089,593)</u>		<u>(3,401,313)</u>
Net assets/(liabilities)			<u>169,118</u>		<u>(495,587)</u>
Capital and reserves					
Called up share capital	14		20,000		20,000
Profit and loss account	15		149,118		(515,587)
Shareholders' funds/(deficit)	16		<u>169,118</u>		<u>(495,587)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


R J Rowlinson
 Director

Date 20 October 2011

The notes on pages 7 to 14 form part of these financial statements

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standards 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2.5% straight line
Plant and machinery	-	10% straight line
Motor vehicles	-	25% straight line

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

1 Accounting policies (continued)

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

1.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

1.12 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company

All turnover arose within the United Kingdom

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	74,145	90,116
Auditor's remuneration	7,100	7,100
(Profit)/loss on sale of tangible assets	(11,613)	(1,745)
Waiver of intergroup indebtedness	(500,000)	-
	<u> </u>	<u> </u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

4. Staff costs

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	986,684	1,127,553
Social security costs	76,597	86,278
Other pension costs	14,995	21,151
	<u>1,078,276</u>	<u>1,234,982</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No
Number of production staff	29	33
Number of selling and administrative staff	12	16
	<u>41</u>	<u>49</u>

5. Directors' remuneration

	2011 £	2010 £
Emoluments	<u>186,259</u>	<u>178,752</u>
Company pension contributions to defined contribution pension schemes	<u>6,986</u>	<u>6,986</u>

During the year retirement benefits were accruing to 2 directors (2010 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £108,854 (2010 £107,137)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,848 (2010 £3,848)

6. Interest payable and similar charges

	2011 £	2010 £
Interest payable on bank borrowings	165	144
Other similar charges payable	45,664	34,442
	<u>45,829</u>	<u>34,586</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

7. Taxation

	2011 £	2010 £
Adjustments in respect of prior periods	363	-
Tax on profit/loss on ordinary activities	363	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 higher than) the standard rate of corporation tax in the UK of 28% (2010 28%) The differences are explained below

	2011 £	2010 £
Profit/loss on ordinary activities before tax	665,068	(579,966)
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 28%)	186,219	(162,390)
Effects of		
Expenses not deductible for tax purposes	687	132
Difference between capital allowances and depreciation	(5,509)	19,221
Utilisation of tax losses	(41,397)	-
Adjustments to tax charge in respect of prior periods	363	-
Intercompany loans written off	(140,000)	-
Losses group relieved	-	143,037
Current tax charge for the year (see note above)	363	-

Factors that may affect future tax charges

At 30 April 2011, there are losses available to carry forward and set against future trading profits amounting to £475,538 (2010 £623,385)

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

8. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 May 2010	1,092,317	451,935	105,240	1,649,492
Additions	-	1,800	71,509	73,309
Disposals	-	-	(65,202)	(65,202)
At 30 April 2011	1,092,317	453,735	111,547	1,657,599
Depreciation				
At 1 May 2010	200,756	349,878	85,644	636,278
Charge for the year	32,964	28,143	13,038	74,145
On disposals	-	-	(63,139)	(63,139)
At 30 April 2011	233,720	378,021	35,543	647,284
Net book value				
At 30 April 2011	858,597	75,714	76,004	1,010,315
At 30 April 2010	891,561	102,057	19,596	1,013,214

9. Fixed asset investments

	£
Cost and net book value	
At 1 May 2010 and 30 April 2011	21,216

The company owns the entire issued ordinary share capital of Rowlinson (Wirebound Containers) Limited, a dormant company which is incorporated in England and Wales

In the opinion of the directors the aggregate value of the company's investment in the subsidiary undertaking is not less than the amount included in the balance sheet

10. Stocks

	2011 £	2010 £
Raw materials	186,936	149,198
Work in progress	192,048	139,547
Finished goods	3,111,162	2,318,742
	3,490,146	2,607,487

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

11. Debtors

	2011 £	2010 £
Trade debtors	6,074,927	3,214,780
Amounts owed by group undertakings	85,026	17,231
Other debtors	12,440	-
Prepayments and accrued income	160,574	258,108
Corporation tax repayable	-	363
	<u>6,332,967</u>	<u>3,490,482</u>

12. Creditors. Amounts falling due within one year

	2011 £	2010 £
Overdraft	75,642	466,201
Trade creditors	2,047,390	1,395,358
Amounts owed to group undertakings	24,454	59,631
Social security and other taxes	740,211	348,048
Invoice discounting advances	3,296,417	1,448,355
Other creditors	94	119
Accruals and deferred income	422,372	510,939
	<u>6,606,580</u>	<u>4,228,651</u>

Invoice discounting advances are secured on the trade debts of the company

The company has granted fixed and floating charges on its assets to secure the bank overdraft

13 Creditors Amounts falling due after more than one year

	2011 £	2010 £
Amounts owed to group undertakings	<u>4,089,593</u>	<u>3,401,313</u>

14. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

15 Reserves

	Profit and loss account £
At 1 May 2010	(515,587)
Profit for the year	664,705
At 30 April 2011	<u>149,118</u>

16. Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' (deficit)/funds	(495,587)	84,379
Profit/(loss) for the year	664,705	(579,966)
Closing shareholders' funds/(deficit)	<u>169,118</u>	<u>(495,587)</u>

17. Guarantees and financial commitments

	2011 £	2010 £
HM Revenue and Customs guarantees with recourse	<u>80,000</u>	<u>80,000</u>
Outstanding forward exchange contracts	<u>1,023,767</u>	<u>64,434</u>

18. Contingencies

The company has guaranteed bank borrowings of certain fellow group undertakings. The aggregate amount outstanding under these arrangements at the balance sheet date was £34,428 (2010 £66,028)

19. Operating lease commitments

At 30 April 2011 the company had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Expiry date.		
Within 1 year	29,813	277
Between 2 and 5 years	<u>7,667</u>	<u>37,203</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2011

20. Related party transactions

As a subsidiary undertaking, the company has taken full advantage of the exemption under Financial Reporting Standards 8 'Related Party Disclosures' from disclosing transactions with other members of the group headed by Rowlinson Group Holdings Limited

Consolidated financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ

21. Ultimate parent undertaking and controlling party

The directors regard Rowlinson Group Holdings Limited, a company incorporated in England and Wales, as the ultimate parent company. Rowlinson Group Holdings Limited is under the control of R J Rowlinson, the sole director and shareholder of that company