

ST BRIDGET NURSERIES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31 DECEMBER 2002

Company Registration Number 1282821

REYNOLDS
Chartered Accountants and Registered Auditors
3 Southernhay West
Exeter
EX1 1JG



ST BRIDGET NURSERIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

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ST BRIDGET NURSERIES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

NG Langdon
RL Langdon
JM Flinn
A Tinlin

Company secretary

JM Flinn

Registered office

Old Rydon Lane
Exeter
Devon
EX2 7JY

Auditors

Reynolds
3 Southernhay West
Exeter
Devon
EX1 1JG

Bankers

National Westminster Bank plc
20 Fore Street
Topsham
Exeter
Devon
EX3 0JZ

Solicitors

Ford Simey
Hertford House
Southernhay Gardens
Exeter
Devon
EX1 1EJ

ST BRIDGET NURSERIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors present their report and the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The company is principally engaged in the operation of garden centres and as horticulturalists.

The company's results show a satisfactory trading result for the year.

The directors have confidence in the company's future prospects and are mindful of the need to control overheads.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2002	2001
	£	£
Dividends paid on ordinary shares	<u>200,000</u>	<u>14,525</u>

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary shares of £1 each	
	At	At
	31 December 2002	1 January 2002
NG Langdon	1,400	2,000
RL Langdon	2,300	2,300
JM Flinn	7,538	6,938
A Tinlin	<u>—</u>	<u>—</u>

GROUP FINANCIAL STATEMENTS

The company is, under the Companies Act 1985, exempt from preparing group financial statements as it is a small group.

ST BRIDGET NURSERIES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2002

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them on a consistent basis;
- make judgements and estimates that are prudent and reasonable;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

AUDITORS

A partner in Reynolds is, with two others, a trustee of a trust which holds 3,810 ordinary shares of the company for the benefit of Miss TR Flinn. A resolution to reappoint Reynolds as auditors for the ensuing year will be proposed at the annual general meeting in accordance with s385 of the Companies Act 1985.

Approved by the directors on 28 July 2003 and signed on their behalf by:



Mrs JM Flinn
Company secretary

Registered office:
Old Rydon Lane
Exeter
Devon
EX2 7JY

ST BRIDGET NURSERIES LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE COMPANY UNDER SECTION 247B OF
THE COMPANIES ACT 1985**

YEAR ENDED 31 DECEMBER 2002

We have examined the abbreviated financial statements which comprise the profit and loss account, balance sheet, cash flow statement and the related notes, together with the accounts of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

AUDITORS DUTY OF CARE TO THIRD PARTIES

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

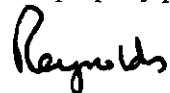
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Act, and the abbreviated financial statements on pages 6 to 7 are properly prepared in accordance with those provisions.



Reynolds
Chartered Accountants
and Registered Auditors
3 Southernhay West
Exeter
EX1 1JG

28 July 2003

ST BRIDGET NURSERIES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 £
GROSS PROFIT		430,331	465,339
Administrative expenses		386,449	362,217
Other operating income	3	(36,984)	(36,362)
OPERATING PROFIT	4	80,866	139,484
Income from shares in group undertakings	7	165,792	—
Interest receivable		19,423	26,077
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		266,081	165,561
Tax on profit on ordinary activities	8	24,847	38,818
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		241,234	126,743
Dividends	9	200,000	14,525
RETAINED PROFIT FOR THE FINANCIAL YEAR		41,234	112,218
Retained profit brought forward		1,837,791	1,725,573
Retained profit carried forward		1,879,025	1,837,791

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 16 form part of these financial statements.

ST BRIDGET NURSERIES LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	10	1,209,050	1,243,399
Investments	11	10,048	10,048
		<u>1,219,098</u>	<u>1,253,447</u>
CURRENT ASSETS			
Stocks	12	433,488	462,571
Debtors	13	18,232	58,240
Cash at bank and in hand		564,965	649,823
		<u>1,016,685</u>	<u>1,170,634</u>
CREDITORS: Amounts falling due within one year	14	<u>212,247</u>	<u>275,987</u>
NET CURRENT ASSETS		<u>804,438</u>	<u>894,647</u>
TOTAL ASSETS			
LESS CURRENT LIABILITIES		2,023,536	2,148,094
CREDITORS: Amounts falling due after more than one year	15	<u>115,713</u>	<u>281,505</u>
		<u>1,907,823</u>	<u>1,866,589</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	16	<u>13,750</u>	<u>13,750</u>
		<u>1,894,073</u>	<u>1,852,839</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	15,048	15,048
Profit and loss account		<u>1,879,025</u>	<u>1,837,791</u>
SHAREHOLDERS' FUNDS	19	<u>1,894,073</u>	<u>1,852,839</u>

These accounts are prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on 28 July 2003 and are signed on their behalf by:


 NG Langdon
 Director

The notes on pages 10 to 16 form part of these financial statements.

ST BRIDGET NURSERIES LIMITED**CASH FLOW STATEMENT****YEAR ENDED 31 DECEMBER 2002**

	2002		2001	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		167,545		129,172
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Income from group undertakings	165,792		—	
Interest received	<u>19,423</u>		<u>26,077</u>	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		185,215		26,077
TAXATION		(39,365)		(30,206)
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets	(26,780)		(32,964)	
Receipts from sale of fixed assets	<u>85</u>		<u>400</u>	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(26,695)		(32,564)
EQUITY DIVIDENDS PAID		(200,000)		(14,525)
CASH INFLOW BEFORE FINANCING		<u>86,700</u>		<u>77,954</u>
FINANCING				
Repayment of long-term creditors	<u>(165,792)</u>		<u>—</u>	
NET CASH OUTFLOW FROM FINANCING		(165,792)		—
(DECREASE)/INCREASE IN CASH		<u><u>(79,092)</u></u>		<u><u>77,954</u></u>

The notes on pages 10 to 16 form part of these financial statements.

ST BRIDGET NURSERIES LIMITED

CASH FLOW STATEMENT (continued)

YEAR ENDED 31 DECEMBER 2002

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002	2001
	£	£
Operating profit	80,866	139,484
Depreciation	60,540	61,341
Loss on disposal of fixed assets	504	815
Decrease/(increase) in stocks	29,084	(15,754)
Decrease/(increase) in debtors	40,008	(9,183)
Decrease in creditors	(43,457)	(47,531)
Net cash inflow from operating activities	167,545	129,172

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2002		2001	
	£	£	£	£
(Decrease)/increase in cash in the period	(79,092)		77,954	
Net cash outflow from long-term creditors	<u>165,792</u>		<u>—</u>	
		86,700		77,954
Change in net funds		86,700		77,954
Net funds at 1 January 2002		342,646		264,692
Net funds at 31 December 2002		<u>429,346</u>		<u>342,646</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 January 2002 £	Cash flows £	At 31 December 2002 £
Net cash:			
Cash in hand and at bank	649,823	(84,858)	564,965
Overdrafts	(25,672)	5,765	(19,907)
	<u>624,151</u>	<u>(79,093)</u>	<u>545,058</u>
Debt:			
Debt due after 1 year	(281,505)	165,793	(115,712)
Net funds	<u>342,646</u>	<u>86,700</u>	<u>429,346</u>

The notes on pages 10 to 16 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold land	-	not depreciated
Buildings	-	2% or 4% per annum on cost
Plant and machinery	-	15% per annum on the reducing balance
Motor vehicles	-	15% per annum on the reducing balance
Computer equipment	-	20% per annum on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for the benefit of one of the directors and some employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

ST BRIDGET NURSERIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. TURNOVER

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

An analysis of turnover is given below:

	2002	2001
	£	£
United Kingdom	<u>2,047,349</u>	<u>2,063,529</u>

3. OTHER OPERATING INCOME

	2002	2001
	£	£
Rent receivable	33,030	32,206
Other operating income	3,954	4,156
	<u>36,984</u>	<u>36,362</u>

ST BRIDGET NURSERIES LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2002****4. OPERATING PROFIT**

Operating profit is stated after charging:

	2002	2001
	£	£
Depreciation	60,540	61,341
Loss on disposal of fixed assets	504	815
Auditors' remuneration		
- as auditors	6,250	6,250
- for other services	4,697	5,848
Operating lease costs:		
Land and buildings	<u>30</u>	<u>30</u>

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No	No
Number of production staff	42	44
Number of administrative staff	7	7
Number of management staff	<u>5</u>	<u>5</u>
	<u>54</u>	<u>56</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	597,390	576,981
Social security costs	42,341	41,279
Other pension costs	4,617	5,574
Director's pension costs	<u>478</u>	<u>478</u>
	<u>644,826</u>	<u>624,312</u>

6. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	54,969	51,549
Value of company pension contributions to money purchase schemes	<u>478</u>	<u>478</u>
	<u>55,447</u>	<u>52,027</u>

ST BRIDGET NURSERIES LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2002**

6. DIRECTORS' EMOLUMENTS *(continued)*

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

7. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2002	2001
	£	£
Dividend received from subsidiary undertaking	<u>165,792</u>	<u>-</u>

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 19.25% (2001 - 20%)	24,724	39,242
Over/under provision in prior year	<u>123</u>	<u>(424)</u>
Total current tax	<u>24,847</u>	<u>38,818</u>

9. DIVIDENDS

The following dividends have been paid in respect of the year:

	2002	2001
	£	£
Dividend paid on ordinary shares	<u>200,000</u>	<u>14,525</u>

ST BRIDGET NURSERIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
COST					
At 1 January 2002	1,336,311	523,426	84,234	28,860	1,972,831
Additions	—	25,535	—	1,245	26,780
Disposals	—	(4,991)	—	—	(4,991)
At 31 December 2002	<u>1,336,311</u>	<u>543,970</u>	<u>84,234</u>	<u>30,105</u>	<u>1,994,620</u>
DEPRECIATION					
At 1 January 2002	268,520	365,290	69,376	26,246	729,432
Charge for the year	29,495	27,464	2,224	1,357	60,540
On disposals	—	(4,402)	—	—	(4,402)
At 31 December 2002	<u>298,015</u>	<u>388,352</u>	<u>71,600</u>	<u>27,603</u>	<u>785,570</u>
NET BOOK VALUE					
At 31 December 2002	<u>1,038,296</u>	<u>155,618</u>	<u>12,634</u>	<u>2,502</u>	<u>1,209,050</u>
At 31 December 2001	<u>1,067,791</u>	<u>158,136</u>	<u>14,858</u>	<u>2,614</u>	<u>1,243,399</u>

Included in freehold property is land at a cost of £414,200 which is not depreciated.

Capital commitments

	2002 £
Contracted but not provided for in the financial statements	<u>80,000</u>

11. INVESTMENTS

	£
COST	
At 1 January 2002 and 31 December 2002	<u>10,048</u>
NET BOOK VALUE	
At 31 December 2002	<u>10,048</u>
At 31 December 2001	<u>10,048</u>

St Bridget Nurseries Limited owns 100% of the issued share capital of Robert Veitch & Son Limited, a company incorporated in England. Robert Veitch & Son Limited does not trade.

ST BRIDGET NURSERIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

12. STOCKS

	2002	2001
	£	£
Stock	<u>433,488</u>	<u>462,571</u>

13. DEBTORS

	2002	2001
	£	£
Trade debtors	7,196	9,921
Other debtors	1,718	18,541
Prepayments	9,318	29,778
	<u>18,232</u>	<u>58,240</u>

14. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Bank overdraft	19,907	25,672
Trade creditors	102,656	134,070
Other creditors including taxation and social security:		
Corporation tax	24,724	39,242
PAYE and social security	10,476	11,703
VAT	15,394	12,510
Director's current account (see note 17)	<u>10,753</u>	<u>23,251</u>
	61,347	86,706
Accruals	<u>28,337</u>	<u>29,539</u>
	<u>212,247</u>	<u>275,987</u>

15. CREDITORS: Amounts falling due after more than one year

	2002	2001
	£	£
Amounts due to group undertakings	<u>115,713</u>	<u>281,505</u>

ST BRIDGET NURSERIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

16. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002	2001
	£	£
Excess of taxation allowances over depreciation on fixed assets	13,750	13,750
	<u>13,750</u>	<u>13,750</u>

17. TRANSACTIONS WITH DIRECTORS

Transactions

The company occupies land owned by the Langdon family rent free.

The company owed JM Flinn £10,753 at 31 December 2002. The movement on this account is shown in note 14.

18. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid:

	2002		2001
	No	£	No
			£
Ordinary shares of £1 each	<u>15,048</u>	<u>15,048</u>	<u>15,048</u>

ST BRIDGET NURSERIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit for the financial year	241,234	126,743
Dividends	(200,000)	(14,525)
	<u>41,234</u>	<u>112,218</u>
Opening shareholders' equity funds	1,852,839	1,740,621
Closing shareholders' equity funds	<u>1,894,073</u>	<u>1,852,839</u>