

Co house

Company Registration No. 480603 (England and Wales)

**CLIFTON NURSERIES (HOLDINGS) LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR PERIOD ENDING 31 AUGUST 2003**



# **CLIFTON NURSERIES (HOLDINGS) LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	Lord Rothschild S H Williams F A Bromovsky	(Chairman)
<b>Secretary</b>	A W Ringshall	
<b>Registered office</b>	5a Clifton Villas Warwick Avenue London W9 2PH	
<b>Registered auditors</b>	Saffery Champness Chartered Accountants Lion House Red Lion Street London WC1R 4GB	
<b>Bankers</b>	Lloyds Bank Plc 39 Maida Vale London W9 1TR	
<b>Company number</b>	480603	

# **CLIFTON NURSERIES (HOLDINGS) LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 AUGUST 2003**

---

The directors submit their report and the financial statements for the period ended 31 August 2003.

### **Review of the business**

The company's principal activity during the period was the provision of management services to its subsidiary undertakings.

The company changed its year end in the period from 31 December 2003 to 31 August 2003 in line with other similar businesses in the sector.

### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 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. 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.

### **Results and dividends**

The loss for the period, after taxation, was £(23,064) (2002: profit £11,670). After deducting a proposed dividend of £nil (2002: £nil), this leaves a surplus of £296,264 (2002: £319,328) to be carried forward.

### **Directors and their interests**

The directors who served throughout the period were as follows:

P J C Troughton (Resigned 5 April 2004)  
Lord Rothschild  
S H Williams  
F A Bromovsky

S H Williams retires by rotation and, being eligible, offers himself for re-election.

Lord Rothschild has a beneficial interest in 600,775 (2002: 600,775) ordinary shares in the company.

None of the other directors had any interest in the share capital of the company or any other group company during the current period or preceding year. There were no schemes to benefit the directors by enabling them to buy shares in the company or any other group company.

# CLIFTON NURSERIES (HOLDINGS) LIMITED

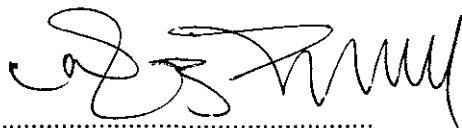
## DIRECTORS' REPORT FOR THE PERIOD ENDED 31 AUGUST 2003

---

### Auditors

In accordance with the Companies Act, 1985 a resolution will be proposed at the Annual General Meeting to re-appoint Saffery Champness as auditors and to authorise the directors to fix their remuneration.

By order of the board



.....  
A W Ringshall  
Secretary

22 September 2004

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS FOR THE PERIOD ENDED 31 AUGUST 2003

---

We have audited the statements on pages 5 to 15. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it or material inconsistencies with the financial statements.

### **Basis of audit opinion**

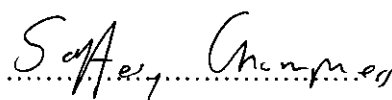
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 2003 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

**Saffery Champness**



Chartered Accountants  
**Registered Auditors**

Lion House  
Red Lion Street  
London  
WC1R 4GB

29.09.2004

**CLIFTON NURSERIES (HOLDINGS) LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 31 AUGUST 2003**

---

	Notes	8 months ending 31 August 2003 £	For the year ending 31 December 2002 £
Turnover	1	245,016	530,084
Operating expenses (net)	2	(268,116)	(530,351)
Operating (loss)		(23,100)	(267)
Interest receivable		36	225
(Loss) on ordinary activities before taxation	3	(23,064)	(42)
Taxation	5	-	11,712
(Loss)/profit for the financial period after taxation	11	(23,064)	11,670

---

The company had no recognised gains or losses other than the (loss)/profit for these two financial periods.

The notes on pages 9 to 15 form part of these financial statements.

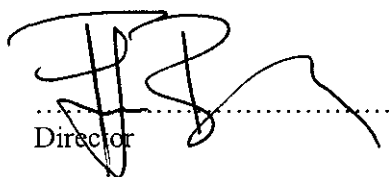
# CLIFTON NURSERIES (HOLDINGS) LIMITED

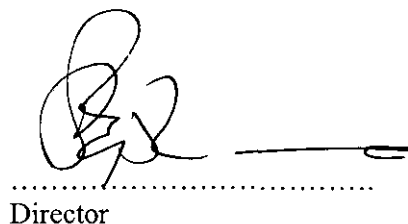
## BALANCE SHEET 31 AUGUST 2003

	Notes	£	2003 £	2002 £	£
<b>Fixed assets</b>					
Tangible assets	6		94,919		86,167
Investments	7		2,923		2,923
			<u>97,842</u>		<u>89,090</u>
<b>Current assets</b>					
Debtors	8	1,369,160		1,411,262	
Cash at bank and in hand		4,666		4,414	
		<u>1,373,826</u>		<u>1,415,676</u>	
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	9	(175,404)		(185,438)	
<b>Net current assets</b>			<u>1,198,422</u>		<u>1,230,238</u>
			<u>1,296,264</u>		<u>1,319,328</u>
<b>Capital and reserves</b>					
Called up share capital	10		1,000,000		1,000,000
Profit and loss account	11		296,264		319,328
<b>Equity shareholders' funds</b>	14		<u>1,296,264</u>		<u>1,319,328</u>

The notes on pages 9 to 15 form part of these financial statements.

Approved by the board on 22 September 2004

  
.....  
Director

  
.....  
Director

**CLIFTON NURSERIES (HOLDINGS) LIMITED****CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 AUGUST 2003**

	Notes	2003 £	2002 £
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1</b>	14,303	(130,336)
<b>Return on investments and servicing of financing</b>			
Interest received		36	225
<b>Taxation</b>			
Corporation tax received		-	25,397
<b>Capital expenditure</b>			
Receipts from sale of tangible fixed assets		-	588
Payments to acquire tangible fixed assets		14,087	-
		(14,087)	588
<b>Equity dividends received</b>		-	100,000
<b>Increase/(decrease) in cash</b>	<b>2</b>	252	(4,126)
<b>Reconciliation of net cashflow to movement in net funds</b>			
<b>Increase/(decrease) in net funds</b>	<b>3</b>	252	(4,126)

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2003

1	<b>Reconciliation of operating (loss) to net cashflow from operating activities</b>	<b>2003</b> <b>£</b>	<b>2002</b> <b>£</b>
	Operating (loss)	(23,100)	(267)
	Depreciation charges	5,335	6,540
	Decrease)/(increase) in debtors	42,102	(103,507)
	(Decrease) in creditors	(10,034)	(33,102)
	<b>Net cash inflow/(outflow) from operating activities</b>	<b>14,303</b>	<b>(130,336)</b>
2	<b>Analysis of changes in cash during the period</b>	<b>2003</b> <b>£</b>	<b>2002</b> <b>£</b>
	Balance at 1 January	4,414	8,540
	Net cash inflow/(outflow)	252	(4,126)
	<b>Balance at 31 August</b>	<b>4,666</b>	<b>4,414</b>
3	<b>Analysis of changes in net funds</b>		
	<b>At</b>		<b>At</b>
	<b>1 January</b>		<b>31 August</b>
	<b>2003</b>	<b>Cashflow</b>	<b>2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>
	Cash at bank and in hand	4,414	4,666
	<b>Total</b>	<b>4,414</b>	<b>4,666</b>

**ACCOUNTING POLICIES  
FOR THE PERIOD ENDED 31 AUGUST 2003**

---

**A Basis of accounting**

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

**B Fixed assets and depreciation**

Depreciation is provided on all tangible fixed assets other than freehold land, at annual rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life. The rates are as follows:

Short leasehold buildings	Over life of the lease
Freehold buildings	2% on original cost;
Fixtures and equipment	15% to 25% on the written down values; and
Motor vehicles	33% on the written down values.

**C Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted. This is in accordance with the requirements of FRS19 – Deferred Tax.

**D Turnover**

Turnover represents the invoiced amount of goods sold and services supplied net of value added tax.

**E Pension scheme**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The costs of these contributions are charged annually in the profit and loss account in accordance with FRS17.

**F Leased assets and obligations**

Where assets are financed by leasing agreements that give rights approximating to ownership (“finance leases”), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Depreciation on the relevant assets is charged in the profit and loss account. Lease payments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account using the annuity method.

All other leases are “operating leases”, and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2003

### 1 Turnover

The analysis of turnover by geographical market and the analysis of turnover and profit before taxation by class of business has not been given. The whole of the company's results relate to continuing operations.

### 2 Operating expenses (net)

	8 months ending 31 August 2003 £	Year ended 31 December 2002 £
Administrative expenses	271,444	535,343
Other operating income	(3,328)	(4,992)
	<u>268,116</u>	<u>530,351</u>

### 3 Loss on ordinary activities before taxation

	8 months ending 31 August 2003 £	Year ended 31 December 2002 £
Loss on ordinary activities before taxation is stated after charging:		
Depreciation charge for the period	5,335	6,540
Operating lease rentals:		
- Hire of plant and machinery	3,148	4,720
Auditors' remuneration	8,320	4,000
	<u>16,703</u>	<u>15,260</u>

### 4 Employees

Staff costs during the period were:	8 months ending 31 August 2003 £	Year ended 31 December 2002 £
Wages and salaries	153,857	323,973
Social security costs	18,666	24,153
Other pension costs	5,458	95,459
	<u>177,981</u>	<u>443,585</u>

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2003

4	<b>Employees (continued)</b>	<b>8 months ending 31 August 2003 £</b>	<b>Year ended 31 December 2002 £</b>
	The average number of persons, including executive directors, employed during the period was:	<b>Number</b>	<b>Number</b>
	Office and management	10	10
	<b>Directors' remuneration</b>	<b>8 months ending 31 August 2003 £</b>	<b>Year ended 31 December 2002 £</b>
	Staff costs include the following remuneration in respect of directors:		
	Emoluments	54,872	113,558
	Pension contributions (under a money purchase scheme)	6,000	90,024
		<u>60,872</u>	<u>203,582</u>
5	<b>Taxation</b>	<b>8 months ending 31 August 2003 £</b>	<b>Year ended 31 December 2002 £</b>
	UK corporation tax	-	-
	Adjustments in respect of prior periods	-	(11,712)
	Current tax charge/(credit) on ordinary activities	-	(11,712)
	<b>Factors affecting tax charge for the period</b>		
	(Loss) on ordinary activities before tax	(23,064)	(42)
	(Loss) on ordinary activities multiplied by standard rate of UK corporation tax of 30% (2002: 30%)	(6,919)	(13)
	Effects of:		
	Expenses not deductible for tax purposes	690	51
	Capital allowances	(849)	(1,833)
	Depreciation	1,601	1,962
	Group relief – current period	-	(338)
	Unutilised losses	5,477	
	Expensive leased cars – net disallowed costs		171
	UK corporation tax	-	-

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2003

### 6 Tangible fixed assets

	Short Leasehold £	Freehold Land and buildings £	Fixtures and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
1 January 2003	-	119,402	35,607	22,900	177,909
Additions	12,500	-	1,587	-	14,087
<b>31 August 2003</b>	<u>12,500</u>	<u>119,402</u>	<u>37,194</u>	<u>22,900</u>	<u>191,996</u>
<b>Depreciation</b>					
1 January 2003	-	42,498	31,808	17,436	91,742
Charge for the year	-	1,600	2,532	1,203	5,335
<b>31 August 2003</b>	<u>-</u>	<u>44,098</u>	<u>34,340</u>	<u>18,639</u>	<u>97,077</u>
<b>Net book value</b>					
<b>31 August 2003</b>	<u>12,500</u>	<u>75,304</u>	<u>2,854</u>	<u>4,261</u>	<u>94,919</u>
<b>31 December 2002</b>	<u>-</u>	<u>76,904</u>	<u>3,799</u>	<u>5,464</u>	<u>86,167</u>

Included in the cost of Freehold Land and buildings is an amount of £39,000 in respect of land (2002: £39,000) which is not depreciated.

### 7 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
1 January 2003 and 31 August 2003	<u>2,923</u>

### Group interests

All of the following companies are registered in England and Wales and the group interest is 100% of the ordinary share capital.

**Subsidiary undertaking:**  
Clifton Nurseries Limited  
Waddesdon Gardens Limited  
Clifton Landscape and Design Limited  
Clifton Little Venice Limited

**Nature of business:**  
Retail garden centre  
Retail and wholesale garden centre  
Dormant  
Dormant

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2003

### 7 Fixed asset investments (continued)

The company is not required to prepare group financial statements because it qualifies as a medium sized group under the Companies Act 1985.

For each subsidiary undertaking, the aggregate amount of share capital and reserves and the profit or loss for the period are as follows:

Subsidiary undertaking:	Share capital and reserves £	Profit/(Loss) for the period after taxation £
Clifton Nurseries Limited	(138,058)	(470,609)
Waddesdon Gardens Limited	41,219	43,703
Clifton Landscape and Design Limited	2	-
Clifton Little Venice Limited	100	-

### 8 Debtors

	2003 £	2002 £
--	-----------	-----------

Amounts falling due within one year:

Amount owed by subsidiary undertakings	1,368,053	1,409,903
Other debtors	1,107	1,359
	<u>1,369,160</u>	<u>1,411,262</u>

### 9 Creditors

	2003 £	2002 £
--	-----------	-----------

Amounts falling due within one year:

Amount owed to subsidiary undertakings	16,304	16,304
Accruals	59,100	69,134
Proposed dividend	100,000	100,000
	<u>175,404</u>	<u>185,438</u>

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2003

10	Share capital	2003 £	2002 £
	Authorised Equity: Ordinary shares of £1 each	5,000,000	5,000,000
	Allotted, called up and fully paid Equity: Ordinary shares of £1 each	1,000,000	1,000,000
11	Reserves	2003 £	2002 £
	Profit and loss account: At 1 January	319,328	307,658
	(Loss)/profit for the financial period	(23,064)	11,670
	At 31 August	296,264	319,328

### 12 Contingent Liabilities

The company has a group overdraft facility of £500,000. At 31 August 2003, the group had an agreed informal agreement with the bank and the group indebtedness to the bank was £485,240.

The company has given a limited guarantee of £200,000 each in respect of the bank borrowings of its subsidiaries, Clifton Nurseries Limited and Waddesdon Gardens Limited.

The company has also given a first legal charge to the bank over the freehold land and buildings at 3 Warwick Place.

### 13 Commitments under operating leases

	Land and buildings		Other assets	
	2003 £	2002 £	2003 £	2002 £
At 31 August the company had annual commitments under non-cancellable operating leases as follows:				
Expiring less than one year	-	-	-	2,360
Expiring between two and five years	-	-	-	-
Expiring over five years	-	-	-	-

# CLIFTON NURSERIES (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2003

### 14 Reconciliation of movements on shareholders' funds

	8 Months ending 31 August 2003 £	Year ended 31 December 2003 £
(Loss)/Profit for the financial period	(23,064)	11,670
Shareholders' funds at 1 January	1,319,328	1,307,658
<b>Shareholders' funds at 31 August</b>	<b>1,296,264</b>	<b>1,319,328</b>

### 15 Related party transactions

The company has been controlled throughout the period by its ultimate parent undertaking, The Trustees of the Emily & Amelia Trust.

The company, together with Clifton Nurseries Limited and Waddesdon Gardens Limited, are all managed by the same management team and as such, they have purchased goods and services from third parties on each other's behalf. The cost of purchases are fully re-charged between the relevant related parties and no profits are made on these transactions.

The company charged Clifton Nurseries Limited £211,640 (2002: £486,762) and Waddesdon Gardens Limited £33,376 (2002: £37,536) in management fees based on normal commercial terms and at arm's length.

Current account balances with related parties were interest free. At the period end, the balances with related parties were:

	8 Months ending 31 August 2003 £	Due from/(to) Year ended 31 December 2003 £
Clifton Nurseries Limited	995,382	990,611
Waddesdon Gardens Limited	372,669	419,292
Clifton Little Venice Limited	(5,902)	(5,902)
Clifton Landscape and Design Limited	(10,300)	(10,300)