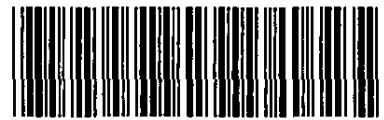


**GALEGROVE LIMITED**

**REPORT AND ACCOUNTS**

**30 JULY 2011**

WEDNESDAY



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25/04/2012

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COMPANIES HOUSE

Company no 1350165

## Contents

	Page
Directors' report	1
Statement of directors' responsibilities	3
Independent auditor's report	4
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in shareholder's funds	8
Notes to the financial statements	9

## **Directors' report**

The directors present their report together with the audited financial statements for the 52 weeks ended 30 July 2011. Comparative figures relate to the 52 weeks ended 31 July 2010.

### **Principal activities**

The Company has been dormant during the year.

### **Business review and future developments**

The DFS Furniture Company Group (DFS Furniture Company Limited and its subsidiaries), of which the Company is part, was purchased by Advent International in June 2010 from its former owner, Full Circle Future Limited. Further details of changes resulting from this acquisition are noted in the consolidated accounts of DFS Furniture Holdings plc.

The Company ceased its operations in aviation management on 7 June 2010 with the sale of its tangible fixed asset to Galegrove 2 LBG for £1,500,000.

### **Going concern**

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Directors' Report. The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the Company's parent DFS Furniture Company Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Galegrove Limited to continue as a going concern.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of DFS Furniture Company Limited, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Results and dividends**

The profit on ordinary activities before taxation was £nil (2010 £nil). After a taxation charge of £nil (2010 £99,000) an amount of £nil was transferred from reserves (2010 £99,000).

The directors do not recommend the payment of a dividend (2010 £nil).

The net assets of the Company were £21,000 at 30 July 2011 (31 July 2010 £21,000).

### **Donations**

There were no political or charitable donations made by the Company in the current period (2010 £nil).

## **Directors' report (continued)**

### **Directors**

WR Barnes  
JH Massey  
IF Filby (Appointed 6 September 2010)

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this Directors' report, confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and they have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

### **Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the Board



**PA Walker**  
*Company Secretary*

11 October 2011

1 Rockingham Way  
Redhouse Interchange  
Adwick-le-Street  
Doncaster  
South Yorkshire  
DN6 7NA

## **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

## **Independent auditor's report to the shareholder of Galegrove Limited**

We have audited the financial statements of Galegrove Limited for the 52 weeks ended 30 July 2011 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, 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 members 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 members, 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 set out on page 3, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 July 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with UK 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.

**Independent auditor's report to the shareholder of Galegrove Limited  
(continued)**

**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



GA Watts  
Senior Statutory Auditor  
For and on behalf of KPMG Audit Plc, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

11 October 2011

## Profit and loss account

52 weeks ended 30 July 2011 (52 weeks ended 31 July 2010)

	Notes	2011 £000	2010 £000
Turnover	1 2	-	1,155
Cost of sales		-	(848)
		<hr/>	<hr/>
Gross profit		-	307
Loss on disposal of tangible assets		-	(307)
		<hr/>	<hr/>
Operating profit, being profit on ordinary activities before taxation	2	-	-
		<hr/>	<hr/>
Tax charge on profit on ordinary activities	5	-	(99)
		<hr/>	<hr/>
Loss for the period	9	-	(99)
		<hr/>	<hr/>

The notes on pages 9 to 12 form part of these financial statements

All activities ceased in the prior period

There were no recognised gains or losses in the period, or prior period, other than those reported in the profit and loss account

## Balance sheet

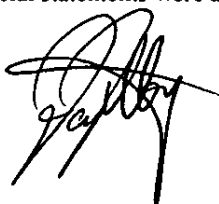
as at 30 July 2011 (31 July 2010)

	Notes	2011 £000	2010 £000
<b>Fixed assets</b>			
Tangible assets		-	-
<b>Current assets</b>			
Debtors due within one year	6	315	315
<b>Creditors: amounts falling due within one year</b>	7	(294)	(294)
<b>Net current assets</b>		21	21
<b>Total assets less current liabilities</b>		21	21
<b>Net assets</b>		21	21
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account	9	20	20
<b>Shareholder's funds</b>		21	21

The notes on pages 9 to 12 form part of these financial statements

The financial statements were approved by the Board on 11 October 2011 and were signed on its behalf by

IF Filby  
Director




WR Barnes  
Director

Company number 1350165

# **Reconciliation of movements in shareholder's funds**

*52 weeks ended 30 July 2011 (52 weeks ended 31 July 2010)*

	2011 £000	2010 £000
Loss for the financial period and net reduction in shareholder's funds	-	(99)
Shareholder's funds at the beginning of the period	21	120
	<hr/>	<hr/>
Shareholder's funds at the end of the period	21	21
	<hr/>	<hr/>

## Notes to the financial statements

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of the Company. Where it is necessary to choose between accounting policies, those selected are judged by the director to be the most appropriate to the Company's particular circumstances for the purpose of giving a true and fair view.

#### 1.1 Basis of preparation

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

The Company's intermediate parent company, DFS Furniture Holdings PLC, has complied with the requirements for FRS 1 (Revised) in producing a Group cash flow statement. The Company has taken advantage of the exemption available in FRS 1 (Revised) and does not present its own cash flow statement.

#### 1.2 Turnover

Turnover represents a management charge levied on a fellow group subsidiary undertaking, DFS Trading Ltd.

Due to the manner in which the Company's activities are organised, the directors do not believe that the Company has different classes of business as defined in SSAP 25. Accordingly the additional disclosures set out in SSAP 25 are not considered to be required.

#### 1.3 Tangible fixed assets

Tangible fixed assets are shown at original cost less depreciation and any provision for impairment in value.

#### 1.4 Depreciation

Depreciation is provided in equal amounts each period in order to write off the cost or valuation of fixed assets less the estimated residual value, over their anticipated useful economic lives. The estimated useful economic life used for the helicopter is 10 years.

#### 1.5 Taxation

The charge for taxation in the prior period was based on the result for the period and took into account deferred tax balances.

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except where otherwise required by FRS 19 "Deferred Tax".

**Notes** *(continued)*

**2 Profit on ordinary activities before taxation**

	2011 £000	2010 £000
Profit on ordinary activities before taxation is stated after charging		
Depreciation	-	263
Loss on disposal of tangible assets	-	307
	<u>          </u>	<u>          </u>

Auditor's remuneration in respect of the statutory audit of the Company was £nil (2010 £nil) Audit fees are borne by another group undertaking

No fees were paid to the auditor and its associates during the current and prior period in respect of non-audit services

**3 Directors' emoluments**

The Directors received no remuneration for their services to the Company Their remuneration for services to DFS Furniture Company Limited, a fellow Group subsidiary, are shown in the financial statements of that company

**4 Staff costs and numbers**

The Company did not have any employees during the period (2010 nil) and therefore staff costs for the period were £nil (2010 £nil)

**5 Taxation on profit on ordinary activities**

	2011 £000	2010 £000
5.1 Analysis of charge for the period		
<b>UK corporation tax</b>		
Adjustment in respect of prior periods	-	-
	<u>          </u>	<u>          </u>
Total current tax charge	-	-
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Current period - origination of timing differences	-	99
	<u>          </u>	<u>          </u>
Total deferred tax charge	-	99
	<u>          </u>	<u>          </u>
Total tax charge	-	99
	<u>          </u>	<u>          </u>

**Notes** *(continued)*

**5 Taxation on profit on ordinary activities (continued)**

**5.2 Factors affecting the current tax charge for the period**

The tax assessed for the period is the same as (2010 the same as) the standard rate of corporation tax in the UK of 27.33% (2010 28%). The differences are explained below

	<b>2011 £000</b>	<b>2010 £000</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27.33% (2010 28%)	-	-
Capital allowances for period (in excess of)/less than depreciation	-	(99)
Permanently disallowed items	-	(42)
Group relief	-	141
	<hr/>	<hr/>
Total current tax charge	-	-
	<hr/>	<hr/>

**6 Debtors: due within one year**

	<b>2011 £000</b>	<b>2010 £000</b>
Amounts owed by group undertakings	315	315
	<hr/>	<hr/>
	315	315
	<hr/>	<hr/>

**7 Creditors' amounts falling due within one year**

	<b>2011 £000</b>	<b>2010 £000</b>
Amounts owed to group undertakings	294	31
Social security and other taxes	-	263
	<hr/>	<hr/>
	294	294
	<hr/>	<hr/>

**Notes** *(continued)*

**8 Called up share capital**

Ordinary shares of £1 each	Number	2011 £	Number	2010 £
Authorised, allotted, called up and fully paid	1,000	1,000	1,000	1,000

**9 Reserves**

	Profit and loss account £000
As at 31 July 2010 and at 30 July 2011	20

**10 Capital commitments**

The Company has no capital commitments at 30 July 2011 (2010 £nil)

**11 Related party transactions**

The Company has taken advantage of the exemption conferred by paragraph 3(c) of FRS 8 "Related Party Transactions" not to disclose transactions with other wholly owned Group companies. There were no material related party transactions during the 52 weeks ended 30 July 2011.

**12 Ultimate parent company and controlling party**

The Company is a direct subsidiary undertaking of DFS Furniture Company Limited which is registered in England and Wales. The largest group in which the results of the Company are consolidated is that headed by Diamond Holdco 1 Limited, incorporated in England and Wales. The smallest group in which they are consolidated is that headed by DFS Furniture Holdings PLC incorporated in England and Wales.

The ultimate parent company and controlling party is Advent Pathway (Cayman) Limited which is registered in The Cayman Islands.