

**CHATSWORTH GARDEN CENTRE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**31 MARCH 2012**

THURSDAY



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20/12/2012

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COMPANIES HOUSE

**CHATSWORTH GARDEN CENTRE LIMITED**  
**COMPANY INFORMATION**

<b>Directors</b>	A Roper P K Wright
<b>Company secretary</b>	Mrs T M Shaw
<b>Company registration number</b>	01513341 (England and Wales)
<b>Registered office</b>	Brambridge Park Garden Centre Kiln Lane Brambridge Eastleigh Hampshire England SO50 6HT
<b>Auditor</b>	BDO Limited Place du Pré Rue du Pré St Peter Port Guernsey GY1 3LL

# **CHATSWORTH GARDEN CENTRE LIMITED**

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The directors submit their report and the audited financial statements of the company, which is registered in England, for the financial year ended 31 March 2012

## **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable laws 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 and 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 judgements 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.

Having made the requisite enquiries, so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and the directors have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of this information.

## **PRINCIPAL ACTIVITIES**

The principal activity of the company is the operation of a garden centre.

## **RESULTS AND DIVIDENDS**

The profit and loss account for the year is set out on page 5.

The company has not paid any interim dividends during the year and the directors do not intend to recommend a final dividend for the year.

**DIRECTORS' REPORT**

**DIRECTORS**

The directors of the company who served during the year were -

J E Tarbatt  
J Tarbatt  
R J Tarbatt  
S J Williams  
A Roper  
P K Wright

J E Tarbatt, J Tarbatt, R J Tarbatt and S J Williams resigned as directors of the company with effect from 26 April 2012

**AUDITOR**

BDO Limited has expressed their willingness to continue in office Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

**By order of the board**



**P.K. Wright**  
**Director**

14-12-12

**Date**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHATSWORTH GARDEN CENTRE LIMITED**

We have audited the financial statements of Chatsworth Garden Centre Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work is 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.

### **Respective responsibilities of the directors and auditor**

As explained more fully in the Directors' Responsibilities Statement within the Directors' Report, 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, including 'APB Ethical Standard – Provisions Available for Small Entities (Revised)', in the circumstances set out in note 3 to the financial statements.

### **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 misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters 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  
MEMBERS OF CHATSWORTH GARDEN CENTRE 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 by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company 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

*BDO Limited.*

**Richard Paul Jackson FCA**  
**For and on behalf of BDO Limited, Statutory Auditor**  
Chartered Accountants  
Place du Pré  
Rue du Pré  
St Peter Port  
Guernsey

**Date:** *14 December 2012 .*

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 £	2011 £
<b>TURNOVER</b>	2	2,558,057	2,353,162
Cost of sales		(1,306,567)	(1,226,713)
<b>GROSS PROFIT</b>		1,251,490	1,126,449
Administrative expenses		(1,236,280)	(1,162,138)
<b>OPERATING PROFIT/ (LOSS)</b>	4	15,210	(35,689)
Interest receivable		244	145
Interest payable	7	(11,353)	(13,567)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		4,101	(49,111)
Tax on profit on ordinary activities	8	(13,781)	4,061
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	14	(9,680)	(45,050)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no recognised gains or losses other than the loss for the financial year

There were no movements in shareholders' funds during the year other than the loss for the financial year

A statement of movements on reserves is included in note 14 to these financial statements

The notes on pages 7 to 12 form an integral part of these financial statements



## BALANCE SHEET

31 MARCH 2012

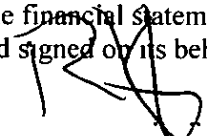
	Note	£	2012 £	£	2011 £
<b>FIXED ASSETS</b>					
Tangible assets	9		525,692		611,086
<b>CURRENT ASSETS</b>					
Stock		585,669		563,376	
Prepayments and sundry debtors		9,387		16,524	
Cash at bank and in hand		210,642		104,657	
		805,698		684,557	
<b>CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	10	(891,700)		(764,808)	
<b>NET CURRENT LIABILITIES</b>					
			(86,002)		(80,251)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			439,690		530,835
<b>CREDITOR – AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR</b>					
	11		-		(78,114)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>					
Deferred tax	12		(31,221)		(34,572)
<b>NET ASSETS</b>					
			408,469		418,149
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		98		98
Reserves	14		408,371		418,051
<b>SHAREHOLDERS' FUNDS</b>					
			408,469		418,149

Chatsworth Garden Centre Limited

Company Registration Number: 01513341

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved and authorised for issue by the Board of Directors on 14-12-12 and signed on its behalf by

  
P K Wright  
Director

The notes on pages 7 to 12 form an integral part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

**1. ACCOUNTING POLICIES****Convention**

These financial statements have been prepared in accordance with the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The principal accounting policies which the directors have adopted within that convention are set out below.

**Turnover**

Turnover comprises revenue from the retailing of garden centre products and is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, net of returns, discounts and Value Added Tax. Sales of goods are recognised at the point of sale to the customer when title has passed to them.

**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 any estimated residual value, over their expected useful lives on the following basis:

Leasehold land and buildings	Over the remaining life of the lease
Fixtures and fittings	5 - 10 years straight line
Plant and machinery	15% reducing balance
Motor vehicle	5 years reducing balance
Computer equipment	3 - 4 years straight line

**Operating Leases**

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

**Stock**

Stock, which comprises retail goods for resale, is stated at the lower of cost and net realisable value after making due provision for damaged, obsolete or slow moving items.

**Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet method.

Deferred tax balances are recognised for all temporary differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

**Pension Costs**

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 period.

**Going concern**

The directors have prepared the financial statements on a going concern basis. The directors consider this to be appropriate as they have received assurances from the company's loan creditor, Blue Diamond Limited, to the effect that the Blue Diamond Limited will continue to make funds available to the company for the foreseeable future and will continue to meet the company's obligations to other creditors as and when they fall due.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

**2. TURNOVER**

Turnover derives wholly from continuing activities carried out exclusively in the United Kingdom and is wholly attributable to the principal activity of the company

**3. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of its size and nature the company uses its auditors to assist with the preparation of the financial statements

<b>4. OPERATING PROFIT/(LOSS)</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Operating profit/(loss) is stated after charging:</b>		
Auditor's remuneration	4,025	4,025
Depreciation – owned tangible assets	103,114	103,232
Operating lease		
- Land and buildings	107,159	95,388
	<hr/>	<hr/>

**5. EMPLOYEES**

Staff costs (including directors) consist of	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	571,402	564,587
Directors' remuneration (note 6)	86,812	83,961
Social security costs	38,971	40,623
Cost of defined contribution scheme (note 15)	4,769	4,473
Other staff costs	6,407	8,228
	<hr/>	<hr/>
	708,361	701,872
	<hr/>	<hr/>

The average number of employees (including directors) during the year was 34 (2011 36)

<b>6. DIRECTORS' REMUNERATION</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	86,812	63,961
Company contribution to money purchase pension schemes	-	20,000
	<hr/>	<hr/>
	86,612	83,961
	<hr/>	<hr/>

No dividends were paid to directors during the year (2011 nil)

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

<b>7. INTEREST PAYABLE</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank interest payable	4,341	6,881
Loan interest payable		
- Blue Diamond Limited (note 18)	7,012	6,686
	<hr/>	<hr/>
	11,353	13,567
	<hr/>	<hr/>
 <b>8. TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	 <b>2012</b>	 <b>2011</b>
	<b>£</b>	<b>£</b>
<i>UK Corporation Tax</i>		
Current tax	16,459	315
Adjustment in respect of previous periods	673	6
	<hr/>	<hr/>
	17,132	321
<i>Deferred tax</i>		
Origination and reversal of timing differences (note 12)	(3,351)	(4,382)
	<hr/>	<hr/>
Tax on profit on ordinary activities	13,781	(4,061)
	<hr/>	<hr/>
The current tax charge for the period differs from the standard rate of corporation tax in the UK. The differences are explained below:		
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit/(loss) on ordinary activities before tax	4,101	(49,111)
	<hr/>	<hr/>
Tax on ordinary activities at the standard rate of corporation tax in the UK of 20% (2011: 21%)	820	(10,313)
Effects of:		
Expenses not deductible for tax purposes	89	-
Depreciation in excess of capital allowances	15,550	15,542
Adjustment in respect of previous periods	673	(673)
Losses utilised	-	(4,241)
	<hr/>	<hr/>
Current tax charge for the year	17,132	315
	<hr/>	<hr/>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

## 9. TANGIBLE ASSETS

	Leasehold Land & Buildings £	Plant & Equipment £	Motor Vehicle £	Fixtures & Fittings £	Computer Equipment £	Total £
<b>COST</b>						
At 1 April 2011	898,491	638,145	24,052	46,670	40,970	1,648,328
Additions	2,976	2,424	-	12,320	-	17,720
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	901,467	640,569	24,052	58,990	40,970	1,666,048
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>						
At 1 April 2011	564,362	416,659	19,092	12,289	24,840	1,037,242
Charge for the year	54,100	32,408	992	6,003	9,611	103,114
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	618,462	449,067	20,084	18,292	34,451	1,140,356
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>						
At 31 March 2012	283,005	191,502	3,968	40,698	6,519	525,692
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	334,129	221,486	4,960	34,381	16,130	611,086
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

10. CREDITORS - AMOUNTS FALLING DUE  
WITHIN ONE YEAR

	2012 £	2011 £
Bank loan	-	51,000
Trade creditors	144,786	215,227
Other taxes and social security	43,860	35,343
Amounts due to related company (note 18)	444,992	295,573
Accruals and deferred income	240,615	167,350
UK corporation tax creditor	17,447	315
	<hr/>	<hr/>
	891,700	764,808
	<hr/>	<hr/>

The related party loan bears interest at 1.5% above LIBOR and is unsecured with no fixed date for repayment

The bank loan bore interest at 1.5% above the Royal Bank of Scotland plc's base rate and was repaid during the year. The loan was secured by an unlimited guarantee over the company's assets and by a legal charge over Ashover Business Centre Limited (a company controlled by J E Tarbatt and J Tarbatt – see note 17)

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

11. CREDITOR - AMOUNT FALLING DUE  
AFTER MORE THAN ONE YEAR

	2012 £	2011 £
Bank loan (note 10)	-	78,114

## 12. DEFERRED TAX

	2012 £	2011 £
As at 1 April 2011	34,572	38,954
Credited to profit and loss account (note 8)	(3,351)	(4,382)
At 31 March 2012	31,221	34,572
The provision for deferred tax comprises		
Accelerated capital allowances	31,221	34,572

## 13. CALLED UP SHARE CAPITAL

	2012 £	2011 £
<b>Authorised:</b>		
100,000 Ordinary shares of £1 each	100,000	100,000
<b>Allotted, called up and fully paid:</b>		
98 Ordinary shares of £1 each	98	98

## 14. RESERVES

	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2011	2	418,049	418,051
Loss for the financial year	-	(9,680)	(9,680)
At 31 March 2012	2	408,369	408,371

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

## 15. PENSION COMMITMENTS

Employees are eligible to join a Group Personal Pension Plan operated by Aviva and offered through Blue Diamond Limited (note 18). This is a defined contribution pension scheme whereby funding is based on a fixed percentage of salary and the assets of the scheme are held separately from those of the company in an independently administered fund. During the year the company contributions payable to the fund amounted to £4,769 (2011 £4,473).

## 16. FINANCIAL COMMITMENTS

At 31 March 2012, the company had an annual commitment under a non-cancellable operating lease for land and buildings. The estimated rental payable under this lease in the next year is as follows:

	2012 £	2011 £
<b>Date of termination of lease:</b>		
After more than 5 years	109,000	98,634
	<hr/>	<hr/>

## 17. CONTROLLING PARTIES

During the year the company was jointly controlled by J E Tarbatt and J Tarbatt, who between them owned 96% (2011 96%) of the issued share capital of the company.

## 18. RELATED PARTY DISCLOSURES

The day to day control of the company is under the management of Blue Diamond Limited, a company incorporated in Guernsey. Blue Diamond Limited paid various expenses, including some wage costs, on behalf of the company during the year and at the year end the company owed £444,992 (2011 £295,573) to Blue Diamond Limited. A total of £7,012 was paid in interest on this amount.

Included within accruals is an amount of £166,484 (2011 £75,572) relating to management fees payable to Blue Diamond Limited in accordance with the management agreement in place between the two companies.

## 19. SUBSEQUENT EVENTS

On 10 April 2012, 100% of the share capital of the company was transferred to Blue Diamond UK Limited, a Guernsey registered company. Blue Diamond UK Limited is wholly owned by Blue Diamond Trading Limited, which is a wholly owned subsidiary of Blue Diamond Limited (note 18), a Guernsey registered company. The ultimate controlling party from 10 April 2012 is therefore Blue Diamond Limited.

On 19 April 2012 the company changed its financial year end to 31 December and consequently the next financial year end will be for the 9 months ended 31 December 2012.

**THE FOLLOWING PAGE DOES NOT FORM PART OF THE  
AUDITED FINANCIAL STATEMENTS OF THE COMPANY  
AND IS PRESENTED FOR INFORMATION PURPOSES ONLY**



## DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
<b>TURNOVER</b>	2,558,057	2,353,162
<b>COST OF SALES</b>		
Opening stock	563,376	637,198
Purchases	1,274,334	1,090,495
Freight	1,953	1,334
Wastage	52,573	61,062
Closing stock	(585,669)	(563,376)
	<hr/>	<hr/>
	(1,306,567)	(1,226,713)
	<hr/>	<hr/>
<b>GROSS PROFIT</b>	1,251,490	1,126,449
<b>ADMINISTRATIVE EXPENSES</b>		
Staff costs	708,361	701,872
Marketing	7,104	5,211
General overheads	308,282	309,052
Financial overheads	18,507	10,007
Depreciation	103,114	103,232
Management charges	90,912	32,764
	<hr/>	<hr/>
<b>TOTAL EXPENSES</b>	(1,236,280)	(1,162,138)
	<hr/>	<hr/>
<b>OPERATING PROFIT/ (LOSS)</b>	15,210	(35,689)
<b>INTEREST RECEIVABLE</b>		
Bank interest receivable	244	145
<b>INTEREST PAYABLE</b>		
Bank interest payable	4,341	6,881
Loan interest payable	7,012	6,686
	<hr/>	<hr/>
	(11,353)	(13,567)
	<hr/>	<hr/>
<b>PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4,101	(49,111)
	<hr/>	<hr/>

**CHATSWORTH GARDEN CENTRE LIMITED**

**LOAN ACCOUNT AT 31 MARCH 2012**

**BLUE DIAMOND LIMITED**

At 1 April 2011	295,573
Advanced during the year	149,419
	<hr/>
At 31 March 2012	£ 444,992
	<hr/>

**WE HEREBY CERTIFY** that at 31 March 2012 the amount due by Chatsworth Garden Centre Limited to Blue Diamond Limited on loan account was £444,992 (four hundred and forty-four thousand, nine hundred and ninety-two pounds)

**WE FURTHER CERTIFY** that that such loan bears interest at 1 5% above LIBOR and is unsecured with no fixed date for repayment

For and on behalf of  
Blue Diamond Limited

2012

Director

Director