



R. DELAMORE LIMITED

=====

ABBREVIATED FINANCIAL STATEMENTS AND AUDITORS' REPORT

FOR THE YEAR ENDED 31 MARCH 1992

The company's registered number is 2466472.

# ARTHUR ANDERSEN

Cambridge

## AUDITORS' REPORT TO THE DIRECTORS OF R. DELAMORE LIMITED:

In our opinion, the company is entitled to the exemptions claimed in the directors' statement on page 2, and the financial statements to be delivered have been properly prepared in accordance with Schedule 8 to the Companies Act 1985.

We reported, as auditors of R. Delamore Limited, to the members on 20 November 1992 on the company's financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1992, and our audit opinion was as follows:

"We have audited the financial statements on pages 4 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1992 and of its profit for the financial year then ended and have been properly prepared in accordance with the Companies Act 1985."

*Arthur Andersen*

Chartered Accountants and Registered Auditor  
Betjeman House  
104 Hills Road  
Cambridge  
CB2 1LH

19 January 1993

R. DELAMORE LIMITED

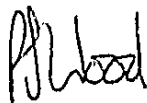
BALANCE SHEET AS AT 31 MARCH 1992

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
<b>FIXED ASSETS</b>			
Intangible	2	£ 483,424	£ 390,280
Tangible	3	314,853	282,580
		-----	-----
		798,277	672,860
<b>CURRENT ASSETS</b>			
Stocks	4	69,819	63,011
Debtors	5	159,237	148,156
		-----	-----
		229,056	211,167
CREDITORS: amounts falling due within one year	6	(600,441)	(421,387)
		-----	-----
NET CURRENT LIABILITIES		(371,385)	(210,220)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		426,892	462,640
CREDITORS: amounts falling due after more than one year	7	(160,000)	(276,064)
		-----	-----
		£ 266,892	£ 186,576
		=====	=====
<b>CAPITAL AND RESERVES:</b>			
Called-up share capital	8	£ 100,000	£ 100,000
Share premium account	9	55,137	55,137
Profit and loss account	9	111,755	31,439
		-----	-----
		£ 266,892	£ 186,576
		=====	=====

Advantage has been taken of the exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company is entitled to the benefit of those exemptions as a small company.

SIGNED ON BEHALF OF THE BOARD

P.J. Wood - Director



19 January 1993

The accompanying notes are an integral part of this balance sheet.

R. DELAMORE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS - 31 MARCH 1992

1. STATEMENT OF ACCOUNTING POLICIES:

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding period, is set out below:

a) Basis of accounting

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

b) Intangible fixed assets

Purchased goodwill is capitalised and amortised on a straight-line basis over 20 years.

c) Tangible fixed assets

Tangible fixed assets are shown at original historical cost.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Greenhouses	-	12.5% per annum
Plant and machinery	-	25% per annum
Motor vehicles	-	25% per annum

d) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on purchase cost on a first-in, first-out basis, plus a reasonable proportion of propagation overheads based on normal levels of activity, where applicable.

Net realisable value is based on estimated normal selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

e) Taxation

Corporation tax is provided on taxable profits at the current rate. Advanced corporation tax payable on dividends paid or provided for in the year is written off, except when recoverability against corporation tax payable is considered to be reasonably assured.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)

1. STATEMENT OF ACCOUNTING POLICIES (Continued):

e) Taxation (Continued)

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the financial statements and by the tax authorities) has been calculated on the liability method. Deferred tax is provided on timing differences, which will probably reverse at the rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse.

f) Turnover

Turnover comprises the value of sales (excluding VAT and trade discounts) of goods and services in the normal course of business.

g) Leases

The company enters into operating leases as described in Note 18.

Rentals under operating leases are charged to the profit and loss account in the year they fall due. Further information on charges in the year and future commitments is given in Note 18.

h) Government Grants

Grants received as a contribution towards expenditure on fixed assets are treated as deferred income which is credited to the profit and loss account by instalments over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

2. INTANGIBLE FIXED ASSETS:

The movement in the year was as follows:

	<u>Purchased goodwill</u>
NET BOOK VALUE, 31 March 1991	£ 390,280
Contingent consideration	120,000
Amounts written off during the year	(26,856)
NET BOOK VALUE, 31 March 1992	----- £ 483,424 =====

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)

3. TANGIBLE FIXED ASSETS:

The movement in the year was as follows:

	<u>Greenhouses</u>	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
<b>COST</b>				
At 31 March 1991	£ 277,580	£ 40,202	£ 12,730	£ 330,512
Additions	31,616	71,210	-	102,826
Disposals	(1,000)	-	-	(1,000)
	-----	-----	-----	-----
At 31 March 1992	308,196	111,412	12,730	432,338
	=====	=====	=====	=====
<b>DEPRECIATION</b>				
At 31 March 1991	34,698	10,051	3,183	47,932
Charge	38,516	27,855	3,182	69,553
Disposals	-	-	-	-
	-----	-----	-----	-----
At 31 March 1992	£ 73,214	£ 37,906	£ 6,365	£ 117,485
	=====	=====	=====	=====
<b>NET BOOK VALUE</b>				
at 31 March 1991	£ 242,882	£ 30,151	£ 9,547	£ 282,580
	=====	=====	=====	=====
at 31 March 1992	£ 234,982	£ 73,506	£ 6,365	£ 314,853
	=====	=====	=====	=====

4. STOCKS:

The following are included in the net book value of stocks:

	<u>1992</u>	<u>1991</u>
Raw materials and consumables	£ 69,819	£ 63,011
	=====	=====

5. DEBTORS:

The following are included in the net book value of debtors:

	<u>1992</u>	<u>1991</u>
<b>Amounts falling due within one year:</b>		
Trade debtors	£ 125,114	£ 139,496
Other debtors	13,945	-
Prepayments	-	-
- ACT on proposed dividends	-	1,496
- Other	5,173	3,148
	-----	-----
	144,232	144,140
<b>Amounts falling due after more than one year:</b>		
- ACT on proposed dividends	15,005	4,016
	-----	-----
	£ 159,237	£ 148,156
	=====	=====

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR:

	<u>1992</u>	<u>1991</u>
Current portion of long term loan	£ 100,000	£ -
Deferred consideration (see note 2)	120,000	120,000
Loan and bank overdraft	81,978	107,655
Payments received on account	18,478	19,293
Trade creditors	90,145	54,870
Other creditors		
- UK corporation tax payable	52,015	20,480
- ACT on proposed dividends	15,005	1,496
- VAT	7,986	13,354
- Social security and PAYE	5,993	7,769
Proposed dividends	45,014	4,487
Accruals and deferred income	63,827	71,983
	-----	-----
	£ 600,441	£ 421,387
	=====	=====

The loan and bank overdraft are secured by a fixed and floating charge over the assets of the company.

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR:

The following amounts are included in creditors falling due after more than one year:

	<u>1992</u>	<u>1991</u>
Long term loan	£ 160,000	£ 260,000
Proposed dividends	-	12,048
ACT on proposed dividends	-	4,016
	-----	-----
	£ 160,000	£ 276,064
	=====	=====

The long term loan is secured by a fixed and floating charge over the assets of the company.

It is repayable wholly by instalments as follows:

	<u>1992</u>	<u>1991</u>
Within five years		
- within 1 year	£ 100,000	£ -
- within 1 - 2 years	80,000	32,500
- within 2 - 5 years	80,000	195,000
	-----	-----
	£ 260,000	227,500
After five years	-	32,500
	-----	-----
	£ 260,000	£ 260,000
	=====	=====

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)

8. CALLED-UP SHARE CAPITAL:

	<u>1992</u>	<u>1991</u>
Authorised, allotted, called-up and fully paid-		
110,000 Ordinary shares of 50p each	£ 55,000	£ 55,000
90,000 Ordinary 'A' shares of 50p each	45,000	45,000
	-----	-----
	£ 100,000	£ 100,000
	=====	=====

9. RESERVES:

Of total reserves shown in the balance sheet, the following amounts are regarded as distributable or otherwise:

	<u>1992</u>	<u>1991</u>
Distributable:		
- profit and loss account	£ 111,755	£ 31,439
Non-distributable:		
- share premium account	55,137	55,137
	-----	-----
Total reserves	£ 166,892	£ 86,576
	=====	=====

The movement for the year was as follows:

	<u>Share premium account</u>	<u>Profit and loss account</u>	<u>Total</u>
At 31 March 1991	£ 55,137	£ 31,439	£ 86,576
Retained profit	-	80,316	80,316
	-----	-----	-----
At 31 March 1992	£ 55,137	£ 111,755	£ 166,892
	=====	=====	=====

10. GUARANTEES AND OTHER FINANCIAL COMMITMENTS:

a) Capital commitments

At 31 March 1992 and 1991, there were no capital commitments either contracted for but not provided for or authorised, but not contracted for.

b) Lease commitments

The company has entered into non-cancellable leases in respect of plant and machinery, the payments for which extend over a period of up to 3 years. The total rental for the year to 31 March 1992 was £270. The lease agreements provide that the group will pay all insurance, maintenance and repairs.

In addition, the company leases land on a short-term lease. The rental for the year to 31 March 1992 was £2,000.



NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)

The minimum annual rentals under the foregoing leases are as follows:

	<u>1992</u>		<u>1991</u>	
	<u>Land</u>	<u>Plant and machinery</u>	<u>Land</u>	<u>Plant and machinery</u>
Operating leases which expire:				
- within 1 year	£ -	£ -	£ -	£ -
- within 2 - 5 years	-	270	-	270
- after 5 years	2,000	-	2,000	-
	-----	-----	-----	-----
	£ 2,000	£ 270	£ 2,000	£ 270
	=====	=====	=====	=====