

ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002
FOR
DAVID AUSTIN ROSES LIMITED



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DAVID AUSTIN ROSES LIMITED

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FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

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DAVID AUSTIN ROSES LIMITED

COMPANY INFORMATION
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

DIRECTORS:

D C H Austin
Mrs P J Austin
D J C Austin
C R Austin
J L Austin

SECRETARY:

D.J.C. Austin

REGISTERED OFFICE:

Bowling Green Lane
Albrighton
Wolverhampton
WV7 3HB

REGISTERED NUMBER:

2701780 (England and Wales)

AUDITORS:

Richard Dyas & Co
Registered Auditor
Chartered Accountants
The Old Grammar School
St Leonards Close
Bridgnorth
Shropshire WV16 4EJ

DAVID AUSTIN ROSES LIMITED

REPORT OF THE DIRECTORS **FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002**

The directors present their report with the financial statements of the company for the period 1st May 2001 to 31st July 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of rose and plant breeders, growers, wholesalers and retailers.

REVIEW OF BUSINESS

The results for the period and financial position of the company are as shown in the annexed financial statements.

The results for the period have been severely depressed by the extended accounts which incorporate an additional three months operating expenses with minor wholesale sales. The normal trading pattern involves seasonal sales over the winter period. The change in accounting date was to set future year ends well beyond the winter season and after the determination of licensing income.

DIVIDENDS

No interim dividend was paid during the period. The directors recommend a final dividend of £17 per share.

The total distribution of dividends for the period ended 31st July 2002 will be £129,200.

FIXED ASSETS

Fixed assets are as shown in the notes to the accounts.

RESEARCH AND DEVELOPMENT

The company continues to breed roses and develop new strains.

FUTURE DEVELOPMENTS

Future results are expected to return to the normal annual profit cycle.

DIRECTORS

The directors during the period under review were:

D C H Austin
Mrs P J Austin
D J C Austin
C R Austin
J L Austin

The beneficial interests of the directors holding office on 31st July 2002 in the issued share capital of the company were as follows:

	31.7.02	1.5.01
Ordinary £1 shares		
D C H Austin	2,280	2,280
Mrs P J Austin	2,280	2,280
D J C Austin	3,040	3,040
C R Austin	-	-
J L Austin	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 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.

DAVID AUSTIN ROSES LIMITED

REPORT OF THE DIRECTORS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

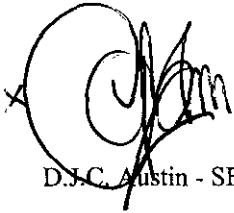
STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

AUDITORS

The auditors, Richard Dyas & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'D.J.C. Austin', written over a circular stamp or seal.

D.J.C. Austin - SECRETARY

Dated: 25th October 2002

DAVID AUSTIN ROSES LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO
DAVID AUSTIN ROSES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to fifteen, together with the full financial statements of the company for the period ended 31st July 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and 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 that provision and to report our opinion to you.

Basis of audit opinion

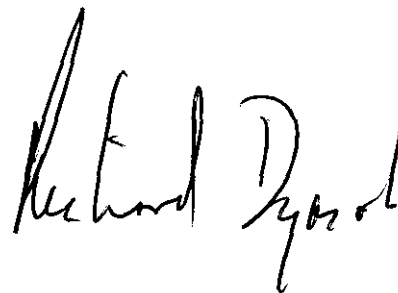
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose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

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fifteen are properly prepared in accordance with that provision.

Richard Dyas & Co
Registered Auditor
Chartered Accountants
The Old Grammar School
St Leonards Close
Bridgnorth
Shropshire WV16 4EJ

Dated: 25th October 2002

A handwritten signature in black ink, appearing to read 'Richard Dyas', is written over the printed name and address of the auditor.

DAVID AUSTIN ROSES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

Year Ended 30.4.01		Period 1.5.01 to 31.7.02
£	Notes	£
2,467,432	GROSS PROFIT	2,872,005
2,106,334	Administrative expenses	2,939,623
361,098	OPERATING (LOSS)/PROFIT	(67,618)
38,883	Interest receivable and similar income	21,691
399,981		(45,927)
76	Interest payable and similar charges	78
399,905	(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(46,005)
37,742	Tax on (loss)/profit on ordinary activities	(13,157)
362,163	(LOSS)/PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION	(32,848)
-	Dividends	129,200
362,163		(162,048)
2,551,320	Retained profit brought forward	2,663,483
2,913,483 (250,000)	Purchase of own shares	2,501,435 -
<u>£2,663,483</u>	RETAINED PROFIT CARRIED FORWARD	<u>£2,501,435</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current period and the profit for the previous year.

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED


ABBREVIATED BALANCE SHEET

31ST JULY 2002

30.4.01			31.7.02	
£	£	Notes	£	£
		FIXED ASSETS:		
	1,228,630	Tangible assets		1,484,852
		CURRENT ASSETS:		
183,943		Stocks	286,202	
1,312,636		Debtors	575,910	
563,260		Cash at bank	978,766	
				1,840,878
2,059,839				
		CREDITORS: Amounts falling due within one year		
571,710		10	808,719	
	1,488,129	NET CURRENT ASSETS:		1,032,159
		TOTAL ASSETS LESS CURRENT LIABILITIES:		2,517,011
2,716,759				
		PROVISIONS FOR LIABILITIES AND CHARGES:		
	37,700	11		-
	£2,679,059			£2,517,011
		CAPITAL AND RESERVES:		
	7,600	Called up share capital	7,600	
	5,576	Share premium	5,576	
	2,400	Capital redemption reserve	2,400	
	2,663,483	Profit and loss account	2,501,435	
	£2,679,059	SHAREHOLDERS' FUNDS:		£2,517,011

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:

x 

DCH Austin - DIRECTOR

Approved by the Board on 25th October 2002

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED

CASH FLOW STATEMENT
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

Year Ended 30.4.01			Period 1.5.01 to 31.7.02
£		Notes	£
354,361	Net cash inflow from operating activities	1	966,430
39,411	Returns on investments and servicing of finance	2	21,613
(57,580)	Taxation		(59,244)
(335,968)	Capital expenditure	2	(489,493)
(20,000)	Equity dividends paid		-
<u>(19,776)</u>			<u>439,306</u>
(347,789)	Financing	2	(23,800)
<u>£(367,565)</u>	Increase/(Decrease) in cash in the period		<u>£415,506</u>
<hr/>			
	Reconciliation of net cash flow to movement in net funds	3	
<u>(367,565)</u>	Increase/(Decrease) in cash in the period		<u>415,506</u>
<u>(367,565)</u>	Change in net funds resulting from cash flows		<u>415,506</u>
<u>(367,565)</u>	Movement in net funds in the period		<u>415,506</u>
<u>930,825</u>	Net funds at 1st May		<u>563,260</u>
<u>£563,260</u>	Net funds at 31st July		<u>£978,766</u>

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Operating (loss)/profit	(67,618)	361,098
Depreciation charges	233,271	155,972
Profit on sale of fixed assets	-	(31)
Increase in stocks	(102,259)	(2,273)
Decrease/(Increase) in debtors	742,480	(2,660)
Increase/(Decrease) in creditors	160,556	(157,745)
Net cash inflow from operating activities	966,430	354,361

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Returns on investments and servicing of finance		
Interest received	21,691	39,487
Interest paid	(78)	(76)
Net cash inflow for returns on investments and servicing of finance	21,613	39,411
Capital expenditure		
Purchase of tangible fixed assets	(502,630)	(336,418)
Sale of tangible fixed assets	13,137	450
Net cash outflow for capital expenditure	(489,493)	(335,968)
Financing		
Amount withdrawn by directors	(23,800)	(97,789)
Purchase of own shares	-	(250,000)
Net cash outflow from financing	(23,800)	(347,789)

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.5.01 £	Cash flow £	At 31.7.02 £
Net cash:			
Cash at bank	563,260	415,506	978,766
	<u>563,260</u>	<u>415,506</u>	<u>978,766</u>
 Total	 563,260	 415,506	 978,766
	<u><u>563,260</u></u>	<u><u>415,506</u></u>	<u><u>978,766</u></u>
Analysed in Balance Sheet			
 Cash at bank	 563,260		 978,766
	<u>563,260</u>		<u>978,766</u>
	<u><u>563,260</u></u>		<u><u>978,766</u></u>

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the net amount invoiced by the company for goods and services. No geographical analysis is given in the notes to the accounts as it is not considered relevant by the directors for an understanding of the accounts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- not provided
Equipment and fixtures	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

The company's policy in respect of not providing for depreciation of freehold property does not comply with the requirements of Statement of Standard Accounting Practice 12. It is considered that the company's policy does not have a material effect on the understanding of the accounts.

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. This is except for transactions made through foreign currency bank accounts which are translated at the rates ruling when transfers are made to sterling accounts or at the balance sheet date, whichever is the earlier. Exchange differences are taken into account in arriving at the operating result.

Research and Development

The Company is engaged in propagating with a view to creating further marketable varieties. The Company's policy is not to capitalise and carry forward costs incurred due to the highly speculative nature of the work.

2. STAFF COSTS

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Wages and salaries	1,965,863	1,357,636
Social security costs	188,511	132,215
Other pension costs	8,099	28,850
	<u>2,162,473</u>	<u>1,518,701</u>

DAVID AUSTIN ROSES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

2. STAFF COSTS - continued

The average monthly number of employees during the period was as follows:

	Period 1.5.01 to 31.7.02	Year Ended 30.4.01
Selling and administration	47	44
Production and breeding	53	52
	<u>100</u>	<u>96</u>

3. OPERATING (LOSS)/PROFIT

The operating loss (2001 - operating profit) is stated after charging/(crediting):

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Hire of plant and machinery	15,537	10,745
Leasing charges	8,194	10,888
Depreciation - owned assets	233,271	155,972
Profit on disposal of fixed assets	-	(31)
Auditors' remuneration	13,280	10,800
Foreign exchange differences	18,822	(20,263)
	<u>301,272</u>	<u>197,622</u>

Information regarding the highest paid director for the period ended 31st July 2002 is as follows:

	Period 1.5.01 to 31.7.02 £
Emoluments etc	<u>137,685</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Bank interest	<u>78</u>	<u>76</u>

DAVID AUSTIN ROSES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the period was as follows:

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Current tax:		
UK corporation tax	-	35,392
Under/over provision last year	24,543	-
	<u>24,543</u>	<u>35,392</u>
Total current tax		
	<u>24,543</u>	<u>35,392</u>
Deferred tax:		
Deferred taxation	(13,157)	2,350
Under/over provision last year	(24,543)	-
	<u>(37,700)</u>	<u>2,350</u>
Total deferred tax		
	<u>(37,700)</u>	<u>2,350</u>
Tax on (loss)/profit on ordinary activities	<u>(13,157)</u>	<u>37,742</u>

UK corporation tax has been charged at 20% (2001 - 20%).

6. DIVIDENDS

	Period 1.5.01 to 31.7.02 £	Year Ended 30.4.01 £
Equity shares:		
Final dividend proposed	129,200	-

DAVID AUSTIN ROSES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002**

7. TANGIBLE FIXED ASSETS

	Totals	Freehold property	Equipment and fixtures	Motor vehicles
	£	£	£	£
COST:				
At 1st May 2001	2,251,668	763,329	1,443,548	44,791
Additions	502,630	86,357	380,838	35,435
Disposals	(25,109)	-	(4,762)	(20,347)
At 31st July 2002	2,729,189	849,686	1,819,624	59,879
DEPRECIATION:				
At 1st May 2001	1,023,038	-	1,002,167	20,871
Charge for period	233,271	-	217,813	15,458
Eliminated on disposals	(11,972)	-	-	(11,972)
At 31st July 2002	1,244,337	-	1,219,980	24,357
NET BOOK VALUE:				
At 31st July 2002	1,484,852	849,686	599,644	35,522
At 30th April 2001	1,228,630	763,329	441,381	23,920

8. STOCKS

	31.7.02	30.4.01
	£	£
Growing plants	231,966	51,633
Plants and goods for resale	54,236	132,310
	286,202	183,943

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.7.02	30.4.01
	£	£
Trade debtors	497,427	1,220,132
Prepayments	72,729	92,504
Income tax repayable	5,754	-
	575,910	1,312,636

DAVID AUSTIN ROSES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002**

**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.7.02	30.4.01
	£	£
Trade creditors	342,006	352,275
Directors current accounts	(20,311)	3,489
Customer deposits	233,975	-
Dividend proposed	129,200	-
Taxation and social security	100,278	104,945
Taxation	-	28,947
Accrued expenses	23,571	82,054
	<u>808,719</u>	<u>571,710</u>

11. PROVISIONS FOR LIABILITIES AND CHARGES

	31.7.02	30.4.01
	£	£
Deferred taxation	-	37,700
	<u>-</u>	<u>37,700</u>
	Deferred	
	tax	
	£	
Balance at 1st May 2001	37,700	
Movement in year	(13,157)	
Under/over provision last year	(24,543)	
	<u>-</u>	
Balance at 31st July 2002	<u>-</u>	

12. CALLED UP SHARE CAPITAL

Authorised:			
Number:	Class:	Nominal value:	
10,000	Ordinary	£1	
			31.7.02
			£
			10,000
			<u>10,000</u>
Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
10,000	Ordinary	£1	
			31.7.02
			£
			7,600
			<u>7,600</u>

13. SHARE PREMIUM

	31.7.02	30.4.01
	£	£
Premium on share issue	5,576	5,576
	<u>5,576</u>	<u>5,576</u>

14. CAPITAL REDEMPTION RESERVE

	31.7.02	30.4.01
	£	£
Purchase of own shares	2,400	2,400
	<u>2,400</u>	<u>2,400</u>

DAVID AUSTIN ROSES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1ST MAY 2001 TO 31ST JULY 2002

15. CAPITAL COMMITMENTS

	31.7.02	30.4.01
	£	£
Contracted but not provided for in the financial statements	89,038	-

16. TRANSACTIONS WITH DIRECTORS

The company occupies land at Bowling Green Lane of which 30% is owned by Mr D.C.H. Austin. No rent has been paid.

Mr J.L. Austin has invoiced the company £nil for computer consultancy and maintenance (2001 £1,500). Work has been charged at normal commercial rates.

Claire Austin Hardy Plants Limited, a company owned by Miss C.R. Austin, acquired goods and services from the company totalling £5,686 (2001 £7,667. Goods and services were also supplied to the company totalling £5,347 (2001 £10,921). All transactions were at normal commercial rates.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.7.02	30.4.01
	£	£
(Loss)/Profit for the financial period	(32,848)	362,163
Dividends	(129,200)	-
	(162,048)	362,163
Purchase of own shares	-	(250,000)
	(162,048)	112,163
Net (reduction)/addition to shareholders' funds	2,679,059	2,566,896
Opening shareholders' funds	2,517,011	2,679,059
Closing shareholders' funds	2,517,011	2,679,059
Equity interests	2,517,011	2,679,059