

GARDEN BIRD SUPPLIES LIMITED

**Annual Report for the 52 weeks ended
30 December 2011**

Registered No 02980794

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GARDEN BIRD SUPPLIES LIMITED

Directors' report for the 52 weeks ended 30 December 2011 Registered No : 02980794

The Directors present their report and the audited financial statements for the 52 weeks ended 30 December 2011

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Principal activities

During the period ended 30 December 2011 the principal activity of the company was the sale of wild bird food and feeders. However, on 30 April 2012, trading was ceased following the sale of the Company's trade and assets. The Directors do not intend to continue trading following the settlement of the remaining net assets.

Going Concern

The Company has ceased to trade post year end. As required by FRS 18 Accounting Policies the Directors have prepared the financial statements on a basis other than that of a going concern. This has not resulted in any material adjustments to the financial statements.

The Company is dependent on funding provided to it by Flying Brands Limited, the Company's ultimate parent through a Group (Flying Brands and its subsidiaries) cash pool arrangement with its principal bankers. Flying Brands Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of the amounts currently made available.

Directors

The Directors who served throughout the period and subsequent to the period end, unless otherwise stated, were as follows:

Mr R J Henry resigned as director on 6 July 2012

Mr A M Gee resigned as director on 17 November 2011

Mr S J Dootson was appointed as Director on 22 March 2012 then resigned on 31 August 2012

Mr C T Knott was appointed as Director on 31 August 2012

GARDEN BIRD SUPPLIES LIMITED

Directors' report (continued) for the 52 weeks ended 30 December 2011

Disclosure of information to auditor

The Directors at the date of approval of this Directors' report confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Auditor

KPMG Channel Islands Limited resigned as auditor on 2 February 2012. The Company appointed Deloitte LLP as auditor on 8 March 2012. Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

By order of the board



C T Knott
Secretary

24 September 2012

Registered office

c/o Birkett Long
Number One Legg Street
Chelmsford
Essex
CM1 1JS

GARDEN BIRD SUPPLIES LIMITED

Directors' responsibilities for the 52 weeks ended 30 December 2011

Directors' responsibilities for the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law 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 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 then apply them consistently,
- Make judgments and accounting 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 (As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis)

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 its 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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in the ultimate parent company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GARDEN BIRD SUPPLIES LIMITED

We have audited the financial statements of Garden Bird Supplies Limited for the 52 weeks ended 30 December 2011 which comprise the profit and loss account, the balance sheet and related notes 1 to 13. 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs at 31 December 2010 and of its profit for the 52 weeks 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

Emphasis of matter - Financial statements prepared on a basis other than that of a going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

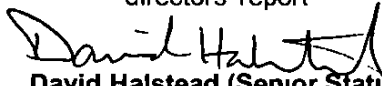
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GARDEN BIRD SUPPLIES 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime or take advantage of the small companies exemption in preparing the directors' report



David Halstead (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge
UK

24 September 2012

GARDEN BIRD SUPPLIES LIMITED

Profit and loss account for the 52 weeks ended 30 December 2011

		52 weeks ended 30 12 11	52 weeks ended 31 12 10
	Notes	£	£
Turnover	1(a)	2,804,915	3,871,454
Cost of sales		(1,847,722)	(2,352,526)
Gross profit		957,193	1,518,928
Administration expenses		(584,193)	(639,374)
Operating profit	2	373,000	879,554
Interest receivable	4	141,741	21,049
Profit on ordinary activities before taxation		514,741	900,603
Tax on profit on ordinary activities	5	(153,610)	(158,206)
Profit for the financial period	9	361,131	742,397

All the items dealt with in arriving at operating profit for the periods ended 30 December 2011 and 31 December 2010 relate to discontinued operations

The company has no recognised gains and losses other than those included in the profit on ordinary activities before taxation above and therefore no separate statement of total recognised gains and losses has been presented

GARDEN BIRD SUPPLIES LIMITED

Balance sheet at 30 December 2011

		30 12 11		31 12 10	
	Notes	£	£	£	£
Current assets					
Cash at bank		23,439		5,227,847	
Debtors					
Amounts falling due within one year	6	5,371,359		118,910	
			5,394,798		5,346,757
Creditors amounts falling due within					
one year	7		(884,577)		(1,197,667)
Net current assets			4,510,221		4,149,090
Total assets less current liabilities			4,510,221		4,149,090
Net assets			4,510,221		4,149,090
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		4,510,121		4,148,990
Shareholders' funds	10		4,510,221		4,149,090

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements on pages 6 to 11 were approved by the Director
On 24 September 2012



Director
C T Knott

Registered No : 02980794

GARDEN BIRD SUPPLIES LIMITED

Notes to the financial statements for the 52 weeks ended 30 December 2011

1 Principal accounting policies

The Company has ceased to trade post year end. As required by FRS 18 Accounting Policies the directors have prepared the financial statements on a basis other than that of a going concern. This has not resulted in any material adjustments to the financial statements.

The Company is dependent on funding provided to it by Flying Brands Limited, the Company's ultimate parent through a Group (Flying Brands and its subsidiaries) cash pool arrangement with its principal bankers. Flying Brands Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of the amounts currently made available.

(a) Turnover

Turnover represents the total invoiced value, excluding value added tax and credit card charges, of goods sold during the period.

(b) Taxation

The charge for taxation is based on the profit for the period as adjusted for tax purposes. Deferred taxation is provided on all timing differences arising from the different treatment of items for accounts and taxation purposes, calculated at rates at which it is estimated that tax will arise. Deferred tax balances are not discounted.

(c) Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Flying Flowers International Limited and is included in the consolidated financial statements of Flying Brands Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Flying Brands Limited Group or investees of the Flying Brands Limited Group.

(d) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

(e) Marketing expenditure

The Company charges external campaign marketing expenditure to the profit and loss account in the accounting period in which the marketing material's ownership is deemed to pass into the Company's control.

2 Operating profit

Auditor's remuneration and tax compliance fees for the period ended 30 December 2011 and 31 December 2010 were assumed through a fellow subsidiary.

GARDEN BIRD SUPPLIES LIMITED

Notes to the financial statements for the 52 weeks ended 30 December 2011

3 Directors' emoluments

All directors are paid by a fellow subsidiary

4 Interest receivable

	52 weeks ended 30 12 11 £	52 weeks ended 31 12 10 £
Interest receivable on bank balance	29,294	21,049
Interest receivable on intercompany loans	112,447	-
Total interest receivable for the period	141,741	21,049

5 Tax on profit on ordinary activities

	52 weeks ended 30 12 11 £	52 weeks ended 31 12 10 £
UK current corporation tax	136,406	252,169
Under/(over) provision in prior periods	17,204	(93,963)
Total current tax	153,610	158,206
Deferred tax	-	-
Total Tax Charge for the Period	153,610	158,206

The tax assessed for the period is different from the standard rate of corporation tax, as explained below

	52 weeks ended 30 12 11 £	52 weeks ended 31 12 10 £
Profit on ordinary activities before tax	514,741	900,603
Profit on ordinary activities multiplied by effective rate of corporation tax of 26.5% (2010 28%)	136,406	252,169
Under/(over) provision in prior period	17,204	(93,963)
Current tax charge for period	153,610	158,206

In March 2011, the UK Government announced a reduction in the standard rate of UK corporation tax to 26% effective 1 April 2011. This rate reduction was substantively enacted in March 2011.

In March 2012, the UK Government announced a reduction in the standard rate of UK corporation tax to 24% effective 1 April 2012 and to 23% effective 1 April 2013. These rate reductions became substantively enacted in March 2012 and July 2012 respectively. The UK Government also proposed to further reduce the standard rate of UK corporation tax to 22% effective 1 April 2014, but this change has not been substantively enacted.

The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted.

GARDEN BIRD SUPPLIES LIMITED

Notes to the financial statements for the 52 weeks ended 30 December 2011

6 Debtors

	30 12 11	31 12 10
	£	£
Amounts falling due within one year		
Trade debtors	1,525	-
Prepayments and accrued income	-	418
Amounts owed by group undertaking	5,350,002	21,049
Corporation tax	-	87,510
Social security & other taxes	19,832	9,933
	5,371,359	118,910

7 Creditors: amounts falling due within one year

	30 12 11	31 12 10
	£	£
Trade creditors	31,732	101,527
Amount due to group undertaking	806,605	975,982
Corporation tax	13,101	-
Other creditors	33,139	120,158
	884,577	1,197,667

Barclays Bank PLC has a right to full set off between all companies within the Flying Brands Limited Group

Amounts due to Group undertakings are unsecured, interest free and repayable on demand

8 Called up share capital

	30 12 11	31 12 10
	£	£
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

GARDEN BIRD SUPPLIES LIMITED

Notes to the financial statements for the 52 weeks ended 30 December 2011

9 Reserves

	Profit and Loss Account £
At 31 December 2010	4,148,990
Profit for the financial period	361,131
At 30 December 2011	4,510,121

10 Reconciliation of movement in shareholders' funds

	30 12 11 £	31 12 10 £
Profit for the financial year	361,131	742,397
Net additions to shareholders' funds	361,131	742,397
Opening shareholders' funds	4,149,090	3,406,693
Closing shareholders' funds	4,510,221	4,149,090

11 Contingent liabilities

This company together with all other companies within the Flying Brands Limited Group has given unlimited guarantees to Barclays Bank PLC in respect of facilities provided to the group

12 Ultimate parent undertaking

The immediate parent undertaking is Flying Flowers International Limited, a company registered in Jersey, Channel Islands

The ultimate parent undertaking and controlling party is Flying Brands Limited, a company registered in Jersey, Channel Islands. Flying Brands Limited is the parent undertaking of the largest group to consolidate these financial statements and copies of the group financial statements can be obtained from the Company Secretary, Flying Brands Limited, Retreat Farm, St Lawrence, Jersey, JE3 1GX

13 Post balance sheet event

The Group entered into a contract to sell the trade and assets of Garden Bird Supplies Limited on 30 March 2012. The details of this transaction were contained in a circular sent to the shareholders on 11 April 2012 and the transaction was completed on 30 April 2012. The transaction, including the sale of the trade and assets of Listen2 and Garden Centre Online, generated gross disposal proceeds of £0.8m