

COMPANY REGISTRATION NUMBER 2990765

**J VAN VLIET LONDON CASH AND CARRY LTD**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2003**



**HURSHENS**  
Chartered Accountants & Registered Auditors  
291 Green Lanes  
Palmers Green  
London  
N13 4XS

# **J VAN VLIET LONDON CASH AND CARRY LTD**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

<b>CONTENTS</b>	<b>PAGE</b>
The director's report	1
Independent auditors' report to the shareholders	3
Profit and loss account	5
Reconciliation of movements in shareholders' funds	6
Group balance sheet	7
Balance sheet	8
Group cash flow	9
Notes to the financial statements	10
<b>The following pages do not form part of the financial statements</b>	
Detailed profit and loss account	23
Notes to the detailed profit and loss account	24

# **J VAN VLIET LONDON CASH AND CARRY LTD**

## **THE DIRECTOR'S REPORT**

**YEAR ENDED 31 DECEMBER 2003**

The director presents his report and the financial statements of the group for the year ended 31 December 2003.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the group during the year was that of the sale of wholesale flowers, plants and associated goods and services.

The director is satisfied with the performance of the company and group, but would expect an improvement in the coming year.

### **RESULTS AND DIVIDENDS**

The trading results for the year, and the group's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

### **THE DIRECTOR AND HIS INTERESTS**

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	<b>Ordinary Shares of £1 each</b>	
	<b>At</b>	<b>At</b>
	<b>31 December 2003</b>	<b>1 January 2003</b>
Mr JC Van Der Sar	—	—

### **DIRECTOR'S RESPONSIBILITIES**

Company law requires the director 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 group at the end of the year and of the group's profit or loss for the year then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on pages 10 to 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# J VAN VLIET LONDON CASH AND CARRY LTD

## THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2003

### AUDITORS

A resolution to re-appoint Hurshens as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Parkview Nursery  
Theobalds Park Road  
Crews Hill  
Enfield  
Middx  
EN2 9BQ

Signed by

Mr JC Van Der Sar



Director

Approved by the director on .....14/08/04.....

**J VAN VLIET LONDON CASH AND CARRY LTD**  
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**  
**YEAR ENDED 31 DECEMBER 2003**

We have audited the financial statements on pages 5 to 21 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 to 11.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS**

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

The group accounts include the results of J Van Vliet New York LLC, a company incorporated in New York, in the United States of America. This subsidiary does not require a statutory audit. The results for this subsidiary for the year show losses of £179,836, together with aggregate losses of £568,241. There were no other satisfactory audit procedures that we could adopt with respect to auditing the results of this subsidiary included in these consolidated accounts.

# J VAN VLIET LONDON CASH AND CARRY LTD

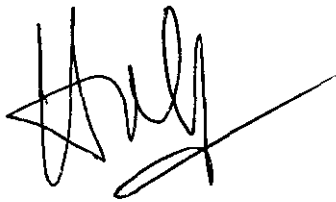
## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31 DECEMBER 2003

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### QUALIFIED OPINION

Except for any adjustments that might have been necessary had the subsidiary J Van Vliet New York LLC been audited, in our opinion the financial statements give a true and fair view of the state of the company's affairs and of the group as at 31 December 2003 and of the loss of the group for the year ended, and have been properly prepared in accordance with the Companies Act 1985.



291 Green Lanes  
Palmers Green  
London  
N13 4XS

14/05/04

HURSHENS  
Chartered Accountants  
& Registered Auditors

# J VAN VLIET LONDON CASH AND CARRY LTD

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2003

	Note	2003 £	2002 £
<b>GROUP TURNOVER</b>	<b>2</b>	<b>14,721,276</b>	13,236,607
Cost of sales		<u>12,560,369</u>	<u>11,181,702</u>
<b>GROSS PROFIT</b>		<b>2,160,907</b>	2,054,905
Distribution costs		760,594	725,601
Administrative expenses		<u>1,412,772</u>	<u>1,170,050</u>
<b>OPERATING (LOSS)/PROFIT</b>	<b>3</b>	<b>(12,459)</b>	159,254
Interest receivable		37,083	36,564
Interest payable	<b>6</b>	<u>(95,475)</u>	<u>(101,557)</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(70,851)</b>	94,261
Tax on (loss)/profit on ordinary activities	<b>7</b>	<u>41,201</u>	<u>92,765</u>
<b>(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	<b>8</b>	<b><u>(112,052)</u></b>	<u>1,496</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Profit and Loss Account.

The notes on pages 10 to 21 form part of these financial statements.

**J VAN VLIET LONDON CASH AND CARRY LTD**  
**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
**YEAR ENDED 31 DECEMBER 2003**

	2003	2002
	£	£
(Loss)/Profit for the financial year	(112,052)	1,496
Foreign currency retranslation	<u>(69,417)</u>	<u>3,355</u>
Net (reduction)/addition to funds	(181,469)	4,851
Opening shareholders' equity funds	<u>100,997</u>	96,146
Closing shareholders' equity (deficit)/funds	<u>(80,472)</u>	<u>100,997</u>

The notes on pages 10 to 21 form part of these financial statements.

# J VAN VLIET LONDON CASH AND CARRY LTD

## GROUP BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Intangible assets	9	52,723	58,290
Tangible assets	10	<u>1,560,648</u>	<u>1,598,808</u>
		<u>1,613,371</u>	<u>1,657,098</u>
<b>CURRENT ASSETS</b>			
Stocks	12	636,687	444,279
Debtors	13	<u>708,805</u>	<u>701,241</u>
		1,345,492	1,145,520
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>2,568,702</u>	<u>2,201,601</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,223,210)</u>	<u>(1,056,081)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		390,161	601,017
<b>CREDITORS: Amounts falling due after more than one year</b>	15	<u>470,633</u>	<u>500,020</u>
		<u>(80,472)</u>	<u>100,997</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	19	51,000	51,000
Profit and loss account	20	<u>(131,472)</u>	<u>49,997</u>
<b>(DEFICIENCY)/SHAREHOLDERS' FUNDS</b>		<u>(80,472)</u>	<u>100,997</u>

These financial statements were approved and signed by the director on ...14/05/04.....



MR J.C. VAN DER SAR

The notes on pages 10 to 21 form part of these financial statements.

# J VAN VLIET LONDON CASH AND CARRY LTD

## BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets	10	299,586	324,617
Investments	11	100	100
		<u>299,686</u>	<u>324,717</u>
<b>CURRENT ASSETS</b>			
Stocks	12	363,122	237,680
Debtors	13	1,660,151	1,368,013
Cash at bank		56,254	14,459
		<u>2,079,527</u>	<u>1,620,152</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>1,737,052</u>	<u>1,364,144</u>
<b>NET CURRENT ASSETS</b>		<u>342,475</u>	<u>256,008</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>642,161</u>	<u>580,725</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	15	<u>19,046</u>	<u>53,689</u>
		<u>623,115</u>	<u>527,036</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	19	51,000	51,000
Profit and loss account	20	572,115	476,036
<b>SHAREHOLDERS' FUNDS</b>		<u>623,115</u>	<u>527,036</u>

These financial statements were approved and signed by the director on .....14/04/04.....



.....  
MR JC VAN DER SAR

The notes on pages 10 to 21 form part of these financial statements.

# **J VAN VLIET LONDON CASH AND CARRY LTD**

## **GROUP CASH FLOW**

**YEAR ENDED 31 DECEMBER 2003**

	Note	2003 £	2002 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	21	555,772	232,505
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	21	(58,392)	(64,993)
TAXATION	21	(82,802)	(29,433)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	21	(250,606)	(170,758)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		163,972	(32,679)
FINANCING	21	(8,650)	(62,896)
INCREASE/(DECREASE) IN CASH	21	<u>155,322</u>	<u>(95,575)</u>

The notes on pages 10 to 21 form part of these financial statements.

# **J VAN VLIET LONDON CASH AND CARRY LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

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

#### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

#### **Related parties transactions**

The group is a 100% owned by Vliem Beheer BV, which is incorporated in Holland. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions within the group.

#### **Turnover**

The director considers it to be seriously prejudicial to the interests of the company to disclose information regarding turnover.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10 years straight line

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Leasehold Property	- length of lease
Plant & Machinery	- 25% reducing balance
Fixtures & Fittings	- 25% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 25% reducing balance
Computer equipment	- 25% reducing balance

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 1. ACCOUNTING POLICIES *(continued)*

#### Stocks

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

#### Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

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

#### 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 rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

### 2. TURNOVER

The director considers it to be seriously prejudicial to the interests of the company to disclose information regarding turnover.

### 3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2003 £	2002 £
Director's emoluments	34,182	69,973
Amortisation	5,567	6,155
Depreciation of owned fixed assets	180,033	155,842
Depreciation of assets held under hire purchase and finance lease agreements	8,977	15,504
Loss on disposal of fixed assets	4,061	—
Auditors' remuneration		
- as auditors	6,400	6,000
Operating lease costs:		
Land and buildings	144,070	157,747

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 3. OPERATING (LOSS)/PROFIT *(continued)*

### 4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2003	2002
	No	No
Number of distribution staff	45	43
Number of administrative staff	5	4
	<u>50</u>	<u>47</u>

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	1,120,553	981,367
Social security costs	86,280	59,903
	<u>1,206,833</u>	<u>1,041,270</u>

### 5. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were:

	2003	2002
	£	£
Emoluments receivable	<u>34,182</u>	<u>69,973</u>

### 6. INTEREST PAYABLE

	2003	2002
	£	£
Finance charges	1,386	1,520
Other similar charges payable	94,089	100,037
	<u>95,475</u>	<u>101,557</u>

### 7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2003	2002
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 30% (2002 - 30%)	41,201	82,802
(Over)/under provision in prior year	-	9,963
Total current tax	<u>41,201</u>	<u>92,765</u>

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES *(continued)*

#### (b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2002 - 30%).

	2003 £	2002 £
(Loss)/profit on ordinary activities before taxation	<u>(70,851)</u>	<u>94,261</u>
Profit/(loss) on ordinary activities by rate of tax	41,184	92,765
Permanent timing difference	<u>17</u>	<u>-</u>
Total current tax (note 7(a))	<u>41,201</u>	<u>92,765</u>

### 8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £96,079 (2002 - £217,610).

### 9. INTANGIBLE FIXED ASSETS

Group	Goodwill £
<b>COST</b>	
At 1 January 2003 and 31 December 2003	<u>75,000</u>
<b>AMORTISATION</b>	
At 1 January 2003	16,710
Charge for the year	<u>5,567</u>
At 31 December 2003	<u>22,277</u>
<b>NET BOOK VALUE</b>	
At 31 December 2003	<u>52,723</u>
At 31 December 2002	<u>58,290</u>

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 10. TANGIBLE FIXED ASSETS

Group	Freehold & Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Other Assets £	Total £
<b>COST</b>						
At 1 Jan 2003	928,363	416,146	415,916	144,134	277,996	2,182,555
Additions	119,216	53,999	23,236	36,130	50,416	282,997
Disposals	—	—	—	(75,477)	—	(75,477)
<b>At 31 Dec 2003</b>	<b><u>1,047,579</u></b>	<b><u>470,145</u></b>	<b><u>439,152</u></b>	<b><u>104,787</u></b>	<b><u>328,412</u></b>	<b><u>2,390,075</u></b>
<b>DEPRECIATION</b>						
At 1 Jan 2003	24,549	183,121	277,556	71,802	122,414	679,442
Charge for the year	22,050	76,920	32,830	16,470	40,740	189,010
On disposals	—	—	—	(39,025)	—	(39,025)
<b>At 31 Dec 2003</b>	<b><u>46,599</u></b>	<b><u>260,041</u></b>	<b><u>310,386</u></b>	<b><u>49,247</u></b>	<b><u>163,154</u></b>	<b><u>829,427</u></b>
<b>NET BOOK VALUE</b>						
<b>At 31 Dec 2003</b>	<b><u>1,000,980</u></b>	<b><u>210,104</u></b>	<b><u>128,766</u></b>	<b><u>55,540</u></b>	<b><u>165,258</u></b>	<b><u>1,560,648</u></b>
At 31 Dec 2002	<u>903,814</u>	<u>233,025</u>	<u>138,360</u>	<u>72,332</u>	<u>155,582</u>	<u>1,503,113</u>

#### Hire Purchase and finance lease agreements

Included within the net book value of £1,560,648 is £31,834 (2002 - £51,209) relating to assets held under hire purchase and finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £8,977 (2002 - £15,504).

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 10. TANGIBLE FIXED ASSETS *(continued)*

Company	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Other assets £	Total £
<b>COST</b>						
At 1 Jan 2003	100,748	401,727	101,606	16,920	184,585	805,586
Additions	2,680	14,102	23,610	3,623	42,144	86,159
Disposals	—	—	(64,477)	—	—	(64,477)
At 31 Dec 2003	<u>103,428</u>	<u>415,829</u>	<u>60,739</u>	<u>20,543</u>	<u>226,729</u>	<u>827,268</u>
<b>DEPRECIATION</b>						
At 1 Jan 2003	63,433	272,794	51,726	4,277	88,739	480,969
Charge for the year	9,439	29,811	10,657	3,343	26,297	79,547
On disposals	—	—	(32,834)	—	—	(32,834)
At 31 Dec 2003	<u>72,872</u>	<u>302,605</u>	<u>29,549</u>	<u>7,620</u>	<u>115,036</u>	<u>527,682</u>
<b>NET BOOK VALUE</b>						
At 31 Dec 2003	<u>30,556</u>	<u>113,224</u>	<u>31,190</u>	<u>12,923</u>	<u>111,693</u>	<u>299,586</u>
At 31 Dec 2002	<u>37,315</u>	<u>128,933</u>	<u>49,880</u>	<u>12,643</u>	<u>95,846</u>	<u>324,617</u>

#### Hire Purchase and finance lease agreements

Included within the net book value of £299,586 is £20,791 (2002 - £7,593) relating to assets held under hire purchase and finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £5,806 (2002 - £2,180).

### 11. INVESTMENTS

Company	Group companies £
<b>COST</b>	
At 1 January 2003 and 31 December 2003	<u>100</u>
<b>NET BOOK VALUE</b>	
At 31 December 2003	<u>100</u>
At 31 December 2002	<u>100</u>

The above investment relates to a 100% investment in the ordinary shares of J Van Vliet (Northampton) Limited, a company incorporated in England. The company also has a 100% control in J Van Vliet New York, LLC. Both companies deal in the wholesale of flowers and plants.

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 12. STOCKS

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Stock	<u>636,687</u>	<u>444,279</u>	<u>363,122</u>	<u>237,680</u>

### 13. DEBTORS

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Trade debtors	580,240	583,048	340,677	304,996
Amounts owed by group undertakings	—	—	1,250,861	985,443
Other debtors	10,092	28,592	10,092	28,592
Prepayments and accrued income	118,473	89,601	58,521	48,982
	<u>708,805</u>	<u>701,241</u>	<u>1,660,151</u>	<u>1,368,013</u>

### 14. CREDITORS: Amounts falling due within one year

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Bank loans and overdrafts	162,633	320,712	74,887	66,930
Trade creditors	1,807,853	1,261,460	1,255,258	888,572
Amounts owed to group undertakings	131,234	104,148	131,234	104,148
Hire Purchase and finance lease agreements	9,341	12,125	6,221	4,026
Other creditors	446,602	465,639	263,136	294,168
Accruals and deferred income	11,039	37,517	6,316	6,300
	<u>2,568,702</u>	<u>2,201,601</u>	<u>1,737,052</u>	<u>1,364,144</u>

'Other Creditors' include £406,674 (2002 £465,635) with respect to taxation and social security costs.

### 15. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Bank loans and overdrafts	423,815	415,214	—	—
Hire Purchase and finance lease agreements	7,179	1,275	7,179	—
Other creditors	39,639	83,531	11,867	53,689
	<u>470,633</u>	<u>500,020</u>	<u>19,046</u>	<u>53,689</u>

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2003

#### 15. CREDITORS: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>423,815</u>	<u>415,214</u>	<u>-</u>	<u>-</u>

Bank loans and overdrafts are secured by a fixed and floating charge over all the assets of the company.

Bank loans are repayable by 23 May 2008 and 25 May 2016. Interest is to be paid at 2.25% above the base rate with respect to all bank loans.

#### 16. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

Future commitments under hire purchase and finance lease agreements are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts payable within 1 year	9,340	21,466	6,220	4,026
Amounts payable between 1 and 2 years	7,180	-	7,180	-
Amounts payable between 3 and 5 years	-	2,550	-	-
	<u>16,520</u>	<u>24,016</u>	<u>13,400</u>	<u>4,026</u>

#### 17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2003 the group had annual commitments under non-cancellable operating leases as set out below.

<b>Group</b>	<b>Land and buildings</b>	
	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 2 to 5 years	<u>33,800</u>	<u>33,800</u>

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as set out below.

<b>Company</b>	<b>Land and buildings</b>	
	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 2 to 5 years	<u>33,800</u>	<u>33,800</u>

# **J VAN VLIET LONDON CASH AND CARRY LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

### **18. RELATED PARTY TRANSACTIONS**

The company and group are under the control of it's immediate parent company Vliem Beheer BV, which is incorporated in Holland.

The company is exempt under Financial Reporting Standard 8 from disclosing related party transactions with its subsidiary companies..

During the year the company purchased goods in the normal course of business from J v Vliet Bloemenexport B.V. for £1,005,442 (2002: £1,102,967). The price charged was the normal market price in the case of each individual purchase. At the balance sheet date the amount due to this company amounted to £142,787 (2002: £62,483).

During the year the company purchased goods in the normal course of business from Bloemenmagazijn Hedra B.V. for £1,412,291 (2002: £1,301,314). The price charged was the normal market price in the case of each individual purchase. At the balance sheet date the amount due to this company amounted to £151,690 (2002: £158,828).

During the year the company purchased goods in the normal course of business from van Vliet Aalsmeer B.V. for £1,463,860 (2002: £971,103). The price charged was the normal market price in the case of each individual purchase. At the balance sheet date the amount due to this company amounted to £157,486 (2002: £39,975).

During the year the company purchased goods in the normal course of business from J van Vliet S. A. Limited. for £469,740 (2002: £467,672). The price charged was the normal market price in the case of each individual purchase. At the balance sheet date the amount due to this company amounted to £37,133 (2002: £117,904).

During the year the company purchased goods in the normal course of business from van Vliet Potplants B.V. for £973,331 (2002: £866,188). The price charged was the normal market price in the case of each individual purchase. At the balance sheet date the amount due to this company amounted to £71,486 (2002: £77,296).

During the year the company purchased goods in the normal course of business from van Vliet Transport B.V. for £36,966 (2002: £35,248). The price charged was the normal market price in the case of each individual purchase. At the balance sheet date the amount due to this company amounted to £2,990 (2002: £3,962).

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 DECEMBER 2003**

### 19. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
51,000 Ordinary shares of £1 each	<u>51,000</u>	<u>51,000</u>

Allotted, called up and fully paid:

	2003		2002
	No	£	No
			£
Ordinary shares of £1 each	<u>51,000</u>	<u>51,000</u>	<u>51,000</u>
			<u>51,000</u>

### 20. RESERVES

Group

Profit and loss  
account  
£

At 1 January 2003 & 31 December 2003	49,997
Loss for the year	(112,052)
Profit on foreign currency on translation of foreign subsidiary	<u>(69,417)</u>

Company

Profit and loss  
account  
£

At 1 January 2003 & 31 December 2003	476,036
Retained profit for the year	<u>96,079</u>

### 21. NOTES TO THE STATEMENT OF CASH FLOWS

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

	2003	2002
	£	£
Operating (loss)/profit	(12,459)	159,254
Amortisation	5,567	6,155
Depreciation	189,010	171,346
Loss on disposal of fixed assets	4,061	-
Increase in stocks	(192,408)	(130,820)
Increase in debtors	(7,564)	(71,610)
Increase in creditors	569,565	98,180
Net cash inflow from operating activities	<u>555,772</u>	<u>232,505</u>

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 21. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

#### RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2003	2002
	£	£
Interest received	37,083	36,564
Interest paid	(94,089)	(100,037)
Interest element of hire purchase and finance lease	(1,386)	(1,520)
Net cash outflow from returns on investments and servicing of finance	<u>(58,392)</u>	<u>(64,993)</u>

#### TAXATION

	2003	2002
	£	£
TAXATION	<u>(82,802)</u>	<u>(29,433)</u>

#### CAPITAL EXPENDITURE

	2003	2002
	£	£
Payments to acquire tangible fixed assets	(282,997)	(170,758)
Receipts from sale of fixed assets	32,391	—
Net cash outflow from capital expenditure	<u>(250,606)</u>	<u>(170,758)</u>

#### FINANCING

	2003	2002
	£	£
Repayment of bank loans	32,122	(46,800)
Capital element of hire purchase and finance lease	3,120	(9,626)
Net outflow from other long-term creditors	(43,892)	(6,470)
Net cash outflow from financing	<u>(8,650)</u>	<u>(62,896)</u>

# J VAN VLIET LONDON CASH AND CARRY LTD

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 21. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

#### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2003	2002
	£	£
Increase/(decrease) in cash in the period	155,322	(95,575)
Net cash (inflow) from/outflow from bank loans	(32,122)	46,800
Cash outflow in respect of hire purchase and finance lease	(3,120)	9,626
Net cash outflow from other long-term creditors	<u>43,892</u>	<u>6,470</u>
	163,972	(32,679)
Change in net debt	163,972	(32,679)
Net debt at 1 January 2003	(832,857)	(803,534)
Net debt at 31 December 2003	<u>(642,607)</u>	<u>(832,857)</u>

#### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2003	Cash flows	At 31 Dec 2003
	£	£	£
Net cash:			
Overdrafts	<u>(182,169)</u>	<u>181,600</u>	<u>(569)</u>
Debt:			
Debt due within 1 year	(138,543)	(23,521)	(162,064)
Debt due after 1 year	(498,745)	35,291	(463,454)
Hire Purchase and finance lease agreements	<u>(13,400)</u>	<u>(3,120)</u>	<u>(16,520)</u>
	<u>(650,688)</u>	<u>8,650</u>	<u>(642,038)</u>
Net debt	<u>(832,857)</u>	<u>190,250</u>	<u>(642,607)</u>