

Group

COMPANY REGISTRATION NUMBER 2990765

J VAN VLIET LONDON CASH AND CARRY LTD
FINANCIAL STATEMENTS
31 DECEMBER 2006



HURSHENS LIMITED
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 2006

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J VAN VLIET LONDON CASH AND CARRY LTD

THE DIRECTOR'S REPORT

YEAR ENDED 31 DECEMBER 2006

The director has pleasure in presenting his report and the financial statements of the group for the year ended 31 December 2006

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 encouraged by the group profit achieved for the year. This is largely due to improvement in the gross profit margin

The director is currently implementing improvements in its systems and hopes that this results in an increased profit levels in the coming year

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £563,042. Particulars of dividends paid are detailed in note 8 to the financial statements

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies

a) the financial risk management objectives and policies of the group including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and

b) the exposure of the group to price risk, credit risk, liquidity risk and cash flow risk,

unless such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the group

Derivatives

The group has no derivatives.

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 were as follows

	Ordinary Shares of £1 each	
	At 31 December 2006	At 1 January 2006
Mr JC Van Der Sar	-	-

J VAN VLIET LONDON CASH AND CARRY LTD

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2006

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing these financial statements, the director is 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 group will continue in business.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable him to ensure that the financial statements comply with the Companies Act 1985. He 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.

In so far as the director is aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint Hurshens Limited as auditor 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


8/1/07

J VAN VLIET LONDON CASH AND CARRY LTD
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF J
VAN VLIET LONDON CASH AND CARRY LTD

YEAR ENDED 31 DECEMBER 2006

We have audited the group and parent company financial statements ("the financial statements") of J Van Vliet London Cash and Carry Ltd for the year ended 31 December 2006 on pages 5 to 22, which have been prepared on the basis of the accounting policies set out on pages 10 to 11

This report is made solely to the company's members, 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 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 DIRECTOR AND AUDITOR

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 and company'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.

J VAN VLIET LONDON CASH AND CARRY LTD

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF J VAN VLIET LONDON CASH AND CARRY LTD *(continued)*

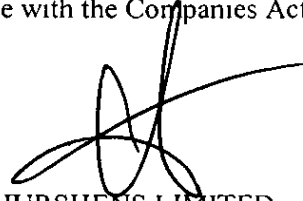
YEAR ENDED 31 DECEMBER 2006

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 a profit of £34,272, together with aggregate losses of £469,163. 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.

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 2005 and of the profit of the group for the year ended, and have been properly prepared in accordance with the Companies Act 1985.



HURSHENS LIMITED
Chartered Accountants
& Registered Auditors

291 Green Lanes
Palmers Green
London
N13 4XS

8/5/07

J VAN VLIET LONDON CASH AND CARRY LTD

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
GROUP TURNOVER	2	17,356,021	16,233,879
Cost of sales		<u>13,960,930</u>	<u>13,474,202</u>
GROSS PROFIT		3,395,091	2,759,677
Distribution costs		<u>889,152</u>	<u>799,670</u>
Administrative expenses		<u>1,763,031</u>	<u>1,697,670</u>
OPERATING PROFIT	3	742,908	262,337
Interest receivable		<u>28,956</u>	<u>32,030</u>
Interest payable and similar charges	6	<u>(59,564)</u>	<u>(60,556)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		712,300	233,811
Tax on profit on ordinary activities	7	<u>224,258</u>	<u>101,553</u>
PROFIT FOR THE FINANCIAL YEAR	9	<u>488,042</u>	<u>132,258</u>

All of the activities of the group are classed as continuing

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 22 form part of these financial statements

J VAN VLIET LONDON CASH AND CARRY LTD
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2006

	2006 £	2005 £
Profit for the financial year attributable to the shareholders of the parent company	563,042	132,258
Dividends paid	<u>(75,000)</u>	<u> </u>
Total gains and losses recognised since the last annual report	<u>488,042</u>	<u>132,258</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	563,042	132,258
Foreign currency retranslation	<u>(104,837)</u>	<u>138,756</u>
Net addition to funds	458,205	271,014
Opening shareholders' equity funds/(deficit)	<u>205,019</u>	<u>(65,995)</u>
Closing shareholders' equity funds	<u>663,224</u>	<u>205,019</u>

The notes on pages 10 to 22 form part of these financial statements

J VAN VLIET LONDON CASH AND CARRY LTD

GROUP BALANCE SHEET

31 DECEMBER 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Intangible assets	10	—	39,739
Tangible assets	11	<u>1,297,548</u>	<u>1,302,828</u>
		<u>1,297,548</u>	<u>1,342,567</u>
CURRENT ASSETS			
Stocks	13	845,444	801,227
Debtors	14	<u>1,135,625</u>	<u>856,687</u>
		1,981,069	1,657,914
CREDITORS: Amounts falling due within one year	15	<u>2,503,465</u>	<u>2,452,128</u>
NET CURRENT LIABILITIES		(522,396)	(794,214)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>775,152</u>	<u>548,353</u>
CREDITORS: Amounts falling due after more than one year	16	<u>261,928</u>	<u>343,334</u>
		<u>513,224</u>	<u>205,019</u>
CAPITAL AND RESERVES			
Called-up equity share capital	21	51,000	51,000
Profit and loss account	22	<u>462,224</u>	<u>154,019</u>
SHAREHOLDERS' FUNDS		<u>513,224</u>	<u>205 019</u>

These financial statements were approved and signed by the director on

8/10/07



MR J. VAN DER SAR

The notes on pages 10 to 22 form part of these financial statements

J VAN VLIET LONDON CASH AND CARRY LTD

BALANCE SHEET

31 DECEMBER 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	11	108,538	139,925
Investments	12	101	101
		<u>108,639</u>	<u>140,026</u>
CURRENT ASSETS			
Stocks	13	432,364	442,923
Debtors	14	1,610,756	1,632,501
		<u>2,043,120</u>	<u>2,075,424</u>
CREDITORS: Amounts falling due within one year	15	<u>1,303,118</u>	<u>1,562,335</u>
NET CURRENT ASSETS		<u>740,002</u>	<u>513,089</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>848,641</u>	<u>653,115</u>
CAPITAL AND RESERVES			
Called-up equity share capital	21	51,000	51,000
Profit and loss account	22	797,641	602,115
SHAREHOLDERS' FUNDS		<u>848,641</u>	<u>653,115</u>

These financial statements were approved and signed by the director on

8/6/07


MR JC VAN DER SAR

The notes on pages 10 to 22 form part of these financial statements

J VAN VLIET LONDON CASH AND CARRY LTD

GROUP CASH FLOW

YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	23	982,905	29,951
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	23	44,392	(28,526)
TAXATION	23	(120,732)	(29,403)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	23	(158,687)	(67,693)
EQUITY DIVIDENDS PAID		(150,000)	–
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		597,878	(95,671)
FINANCING	23	(92,952)	(106 336)
INCREASE/(DECREASE) IN CASH	23	<u>504,926</u>	<u>(202,007)</u>

The notes on pages 10 to 22 form part of these financial statements

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

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 Esmeralda Limited, which is incorporated in Malta. Accordingly, the company has taken advantage of the exemption 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	- 25% straight line
Leasehold Property	- length of lease
Plant & Machinery	- 25% straight line
Fixtures & Fittings	- 25% straight line
Motor Vehicles	- 25% straight line
Equipment	- 25% straight line
Computer equipment	- 25% straight line

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

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.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse or to

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.

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

3 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2006	2005
	£	£
Amortisation	39,739	7,948
Depreciation of owned fixed assets	185,264	286,837
Depreciation of assets held under hire purchase and finance lease agreements	18,742	26,712
(Profit)/Loss on disposal of fixed assets	(304)	3,101
Auditor's remuneration		
- as auditor	9,030	9 200
Operating lease costs		
Other	<u>179,052</u>	<u>142,111</u>

4. PARTICULARS OF EMPLOYEES

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

	2006	2005
	No	No
Number of distribution staff	57	49
Number of administrative staff	5	5
Number of management staff	1	1
	<u>63</u>	<u>55</u>

The aggregate payroll costs of the above were

	2006	2005
	£	£
Wages and salaries	1,390,481	1,211,075
Social security costs	113,542	106 356
	<u>1,504,023</u>	<u>1,317,431</u>

5. DIRECTOR'S EMOLUMENTS

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

	2006	2005
	£	£
Emoluments receivable	<u>50,000</u>	<u>25,000</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Other similar charges payable	<u>59,564</u>	<u>60,556</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2006 £	2005 £
Current tax		
UK Corporation tax based on the results for the year at 30% (2005 - --%)	224,258	101,553
Total current tax	<u>224,258</u>	<u>101,553</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 30% (2005 - --%)

	2006 £	2005 £
Profit on ordinary activities before taxation	<u>787,300</u>	<u>233,811</u>
Profit/(loss) on ordinary activities by rate of tax	<u>224,258</u>	<u>101,553</u>
Total current tax (note 7(a))	<u>224,258</u>	<u>101,553</u>

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £270,526 (2005 - £22 282)

8. DIVIDENDS

Equity dividends

	2006 £	2005 £
Paid		
Equity dividends on ordinary shares	<u>150,000</u>	<u>—</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

10. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 January 2006	75,000
Disposals	<u>(75,000)</u>
At 31 December 2006	<u>—</u>
AMORTISATION	
At 1 January 2006	35,261
Charge for the year	7,948
On disposals	<u>(43,209)</u>
At 31 December 2006	<u>—</u>
NET BOOK VALUE	
At 31 December 2006	<u>—</u>
At 31 December 2005	<u>39,739</u>

11 TANGIBLE FIXED ASSETS

Group	Freehold & Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Other Assets £	Total £
COST						
At 1 Jan 2006	1,047,579	589,063	470,896	135,156	415,851	2,658,545
Additions	—	37,892	35,748	96,400	27,837	197,877
Disposals	—	—	—	(44,281)	—	(44,281)
At 31 Dec 2006	<u>1,047,579</u>	<u>626,955</u>	<u>506,644</u>	<u>187,275</u>	<u>443,688</u>	<u>2,812,141</u>
DEPRECIATION						
At 1 Jan 2006	80,335	457,867	412,404	91,648	305,519	1,347,773
Charge for the year	(14,758)	70,026	47,220	28,608	72,910	204,006
On disposals	—	—	—	(37,186)	—	(37,186)
At 31 Dec 2006	<u>65,577</u>	<u>527,893</u>	<u>459,624</u>	<u>83,070</u>	<u>378,429</u>	<u>1,514,593</u>
NET BOOK VALUE						
At 31 Dec 2006	<u>982,002</u>	<u>99,062</u>	<u>47,020</u>	<u>104,205</u>	<u>65,259</u>	<u>1,297,548</u>
At 31 Dec 2005	<u>967,244</u>	<u>131,196</u>	<u>58,492</u>	<u>43,508</u>	<u>110,332</u>	<u>1,310,772</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

11 TANGIBLE FIXED ASSETS *(continued)*

Hire purchase and finance lease agreements

Included within the net book value of £1,297,548 is £52,307 (2005 - £77,247) 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 £18,742 (2005 - £26,712)

Company	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Other assets £	Total £
COST						
At 1 Jan 2006	106,521	428,175	60,739	29,226	261,310	885,971
Additions	15,281	18,774	24,775	2,321	21,965	83,116
Disposals	—	—	(4,809)	—	—	(4,809)
At 31 Dec 2006	121,802	446,949	80,705	31,547	283,275	964,278
DEPRECIATION						
At 1 Jan 2006	95,098	385,056	52,446	16,923	196,523	746,046
Charge for the year	9,966	35,683	9,305	4,333	53,720	113,007
On disposals	—	—	(3,313)	—	—	(3,313)
At 31 Dec 2006	105,064	420,739	58,438	21,256	250,243	855,740
NET BOOK VALUE						
At 31 Dec 2006	16,738	26,210	22,267	10,291	33,032	108,538
At 31 Dec 2005	11,423	43,119	8,293	12,303	64,787	139,925

Hire purchase and finance lease agreements

Included within the net book value of £108,538 is £Nil (2005 - £6,196) 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 £Nil (2005 - £5,374)

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

12. INVESTMENTS

Company	Group companies £
COST	
At 1 January 2006 and 31 December 2006	<u>101</u>
NET BOOK VALUE	
At 31 December 2006	<u>101</u>
At 31 December 2005	<u>101</u>

The company owns 100 £1 ordinary share in J Van Vliet (Northampton) Ltd representing 100% of the issued share capital of that company

The company owns 1 £1 ordinary share in J Van Vliet (Glasgow) Ltd representing 100% of the issued share capital of that company

The company also has a 100% control in J Van Vliet New York, LLC

All companies deal in the wholesale of flowers and plants

13. STOCKS

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Stock	<u>845,444</u>	<u>801,227</u>	<u>432,364</u>	<u>442,923</u>

14. DEBTORS

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Trade debtors	886,349	763,987	436,793	388,907
Amounts owed by group undertakings	–	2,411	669,154	2,411
Amounts owed by undertakings in which the company has a participating interest	66,776	–	385,791	504,093
Other debtors	46,215	20,484	47,065	703,393
Prepayments and accrued income	136,285	69,805	71,953	33,697
	<u>1,135,625</u>	<u>856,687</u>	<u>1,610,756</u>	<u>1,632,501</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

15 CREDITORS: Amounts falling due within one year

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Bank loans and overdrafts	217,254	609,399	156,174	734,519
Trade creditors	1,355,252	1,221,054	744,572	571,014
Amounts owed to group undertakings	40,994	—	40,994	—
Hire purchase and finance lease agreements	27,120	38,666	—	1,632
Other creditors	701,034	517,355	313,850	230,410
Accruals and deferred income	161,811	65,654	47,528	24,760
	<u>2,503,465</u>	<u>2,452,128</u>	<u>1,303,118</u>	<u>1,562,335</u>

'Other Creditors' include £497,409 (2004 £517,355) with respect to taxation and social security costs

16. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Bank loans and overdrafts	258,777	315,370	—	—
Hire purchase and finance lease agreements	3,151	27,964	—	—
	<u>261,928</u>	<u>343,334</u>	<u>—</u>	<u>—</u>

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

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Bank loans and overdrafts	—	315,370	—	—

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

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2006

17. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

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

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Amounts payable within 1 year	27,120	44,430	-	7,398
Amounts payable between 1 and 2 years	3,151	27,963	-	-
	<u>30,271</u>	<u>72,393</u>	<u>-</u>	<u>7,398</u>

18. DERIVATIVES

The group has no derivatives to disclose.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2006 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2006	2005
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>46,800</u>	<u>33,800</u>

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as set out below

Company	Land and buildings	
	2006	2005
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>46,800</u>	<u>33,800</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31^A DECEMBER 2006

20 RELATED PARTY TRANSACTIONS

The company and group are under the control of it's immediate parent company Esmeralda Limited, which is incorporated in Malta

The company is exempt from disclosing related party transactions with its subsidiary companies

During the year the group purchased goods in the normal course of business from J v Vliet Bloemenexport B V for £3,407,501 (2005 £2,701,330) 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 £328,855 (2005 £612,165)

During the year the group purchased goods in the normal course of business from Bloemenmagazijn Hedera B V for £680,866 (2005 £1,505,996) 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 £Nil (2005 £277,271)

During the year the group purchased goods in the normal course of business from van Vliet Aalsmeer B V for £2,552,841 (2005 £2,208,586) 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 £250,539 (2005 £295,255)

During the year the group purchased goods in the normal course of business from J van Vliet S A Limited for £476,024 (2005 £525,538) 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 £59,946 (2005 £525,538)

During the year the group purchased goods in the normal course of business from van Vliet Potplants B V for £1,466,772 (2005 £1,088,343) 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 £143,913 (2005 £193,276)

During the year the group purchased goods in the normal course of business from J van Vliet Transport B V for £31,574 (2005 £33,732) 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 £4,245 (2004 £4,021)

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

21. SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
51,000 Ordinary shares of £1 each	<u>51,000</u>	<u>51,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>51,000</u>	<u>51,000</u>	<u>51,000</u>	<u>51,000</u>

22. RESERVES

Group	Profit and loss account
	£
Balance brought forward	154,019
Profit for the year	563,042
Equity dividends	(150,000)
Profit on foreign currency on translation of foreign subsidiary	(104,837)
Balance carried forward	<u>462,224</u>

Company	Profit and loss account
	£
Balance brought forward	602,115
Profit for the year	270,526
Equity dividends	(75,000)
Balance carried forward	<u>797,641</u>

23. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006	2005
	£	£
Operating profit	742,908	262,337
Amortisation	7,948	7,948
Depreciation	204,006	313,549
(Profit)/Loss on disposal of fixed assets	(304)	3,101
Increase in stocks	(44,217)	(3,946)
Increase in debtors	(278,938)	(159,408)
Increase/(decrease) in creditors	351,502	(393,630)
Net cash inflow from operating activities	<u>982,905</u>	<u>29,951</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

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

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2006	2005
	£	£
Income from group undertakings	75,000	—
Interest received	28,956	32,030
Interest paid	<u>(59,564)</u>	<u>(60,556)</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance	<u>44,392</u>	<u>(28,526)</u>

TAXATION

	2006	2005
	£	£
TAXATION	<u>(120,732)</u>	<u>(29,403)</u>

CAPITAL EXPENDITURE

	2006	2005
	£	£
Payments to acquire tangible fixed assets	(197,877)	(70,193)
Receipts from sale of fixed assets	<u>39,190</u>	<u>2,500</u>
Net cash outflow from capital expenditure	<u>(158,687)</u>	<u>(67,693)</u>

FINANCING

	2006	2005
	£	£
Repayment of bank loans	(56,593)	(62,820)
Capital element of hire purchase and finance lease	(36,359)	(25,051)
Net outflow from other long-term creditors	<u>—</u>	<u>(18,465)</u>
Net cash outflow from financing	<u>(92,952)</u>	<u>(106,336)</u>

J VAN VLIET LONDON CASH AND CARRY LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

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

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2006 £	2005 £
Increase/(decrease) in cash in the period	504,926	(202,007)
Net cash outflow from bank loans	56,593	62,820
Cash outflow in respect of hire purchase and finance lease	36,359	25,051
Net cash outflow from other long-term creditors	—	18,465
	<u>597,878</u>	<u>(95,671)</u>
Change in net debt	597,878	(95,671)
Net debt at 1 January 2006	(991,399)	(1,034,484)
Net debt at 31 December 2006	<u>(506,302)</u>	<u>(991,399)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2006 £	Cash flows £	At 31 Dec 2006 £
Net cash			
Overdrafts	(522,222)	392,145	(130,077)
Debt			
Debt due within 1 year	(87,177)	—	(87,177)
Debt due after 1 year	(315,370)	56,593	(258,777)
Hire purchase and finance lease agreements	(66,630)	36,359	(30,271)
	<u>(469,177)</u>	<u>92,952</u>	<u>(376,225)</u>
Net debt	<u>(991,399)</u>	<u>485,097</u>	<u>(506,302)</u>