

J VAN VLIET
LONDON CASH AND CARRY LIMITED

DIRECTOR'S REPORT AND
FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED
26 DECEMBER 1998

Company Number: 2990765 (England and Wales)



J VAN VLIET LONDON CASH AND CARRY LIMITED

Company Information

Director	:	T Kennedy
Secretary	:	J Van Vliet
Company Number	:	2990765 (England and Wales)
Registered Office	:	Parkview Nursery Theobalds Park Road Crews Hill Enfield Middlesex EN2 9BQ
Auditors	:	HURSHENS Chartered Accountants and Registered Auditors 291 Green Lanes Palmers Green London N13 4XS

J VAN VLIET LONDON CASH AND CARRY LIMITED

**Director's Report and Financial Statements
for the 52 weeks ended 26 December 1998**

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J VAN VLIET LONDON CASH AND CARRY LIMITED

Director's Report for the 52 weeks ended 26 December 1998

The director presents his report and the financial statements for the period ended 26 December 1998.

Statement of 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 profit or loss of the company for that period. In preparing those 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 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 company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Principal activities and review of business

The company's principal activity is that of wholesale of flowers, plants and associated goods and services.

The results for the year are set out on page 4.

The director considers the profit on ordinary activities before taxation to be satisfactory given the difficult trading conditions.

Dividends

The director does not recommend a dividend for the period under review.

Fixed assets

Details of movements in fixed assets are set out in note 10 to the financial statements.

J VAN VLIET LONDON CASH AND CARRY LIMITED

Director's Report for the 52 weeks ended 26 December 1998
Continued

Directors

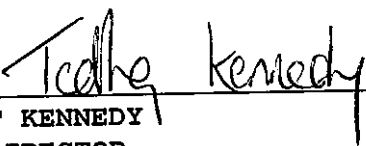
The Director who served during the period and his beneficial interests in the company's issued share capital were:

	1998	1997
L A Heemskerk (Resigned 15 August 1998)	-	-
T Kennedy	-	-

Auditors

Messrs Hurshens, Chartered Accountants, will be proposed for their reappointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the board on 20 May 1999 and signed on its behalf.



T KENNEDY
DIRECTOR

J VAN VLIET LONDON CASH AND CARRY LIMITED

**Auditors' Report to the Shareholders of
J Van Vliet London Cash and Carry Limited**

We have audited the financial statements on pages 4 to 11 which have been prepared under historical cost convention and the accounting policies set out on page 7

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion


We planned our audit so as to obtain all the information and explanations 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. However, the evidence available to us was limited as a result of a computer system failure during the audit of year ended 27 December 1997 financial statements and in consequence it was not possible for us to perform the auditing procedures necessary to obtain sufficient appropriate audit evidence as regards fixed assets and closing bank balances included in the proceeding years' financial statements at £74,783 and £182,495 respectively. Any adjustments to (these figures) would have a consequential effect on the profit for the year ended 26 December 1998.

Qualified opinion arising from limitation in audit scope

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 26 December 1998 and, except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning fixed assets and bank balances as at 28 December 1997, of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to fixed assets and bank balances.

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether proper accounting records had been maintained.



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

Date: 20 May 1999

J VAN VLIET LONDON CASH AND CARRY LIMITED

Profit and Loss Account for the 52 weeks ended 26 December 1998

	Notes	1998 £	1997 £
TURNOVER	2	3,945,506	2,945,834
Cost of Sales		(3,385,843)	(2,575,369)
		-----	-----
Gross Profit		559,663	370,465
Selling and Distribution Costs		(197,435)	(164,566)
Administrative Expenses		(297,858)	(245,597)
		-----	-----
Profit/(Loss) on ordinary activities before interest	3	64,370	(39,698)
Interest received and similar income	6	3,893	5,722
Interest payable	7	(17,882)	(5,958)
		-----	-----
Profit/(Loss) on ordinary activities before taxation		50,381	(39,934)
Taxation on profit on ordinary activities	8	-	-
		-----	-----
Profit/(Loss) on ordinary activities after taxation		50,381	(39,934)
Dividends	9	-	-
		-----	-----
Profit for the period		50,381	(39,934)
Losses B/Fwd		(191,573)	(151,639)
		-----	-----
Losses C/Fwd		(141,192)	(191,573)
		=====	=====

There were no recognised gains or losses for 1998 or 1997 other than those included in the profit and loss account.

The notes on pages 7 to 11 form part of these financial statements.

J VAN VLIET LONDON CASH AND CARRY LIMITED

Balance Sheet as at 26 December 1998

	Notes	1998	1997
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	10(a)	291,932	182,495
Intangible assets	10(b)	4,534	9,067
		-----	-----
		296,466	191,562
<u>CURRENT ASSETS</u>			
Stock for resale		105,213	53,800
Debtors	11	323,203	185,425
Cash at Bank		74,302	74,783
		-----	-----
		502,718	314,008
		=====	=====
<u>CREDITORS: Amounts falling due within one year</u>	12	801,212	674,413
		=====	=====
NET CURRENT LIABILITIES		(298,494)	(360,405)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		(2,028)	(168,843)
<u>CREDITORS: Amounts falling due after more than one year</u>	13	(138,164)	(21,730)
		-----	-----
		(140,192)	(190,573)
		=====	=====
Represented by:			
Called up share capital	14	1,000	1,000
Profit and loss account		(141,192)	(191,573)
		-----	-----
DEFICIENCY IN SHAREHOLDERS' FUNDS	15	(140,192)	(190,573)
		=====	=====

The financial statements were approved by the board on *20 May* 1999 and signed on its behalf.

T. Kennedy

T KENNEDY - Director

The notes on pages 7 to 11 form part of these accounts.

J VAN VLIET LONDON CASH AND CARRY LIMITED

Cash Flow Statement for the 52 weeks ended 26 December 1998

	Notes	1998 £	£	1997 £	£
Net cash inflow from operating activities	17		174,423		221,081
Returns on investments and servicing of finance					
Rent Received		3,893		5,722	
Bank Interest Paid		(17,882)		(5,958)	
		-----		-----	
Net cash outflow from investments and servicing of finance			(13,989)		(236)
			-----		-----
			160,434		220,845
Investing activities					
Payments to acquire tangible fixed assets		(178,983)		(174,293)	
		-----		-----	
Net cash outflow from investing activities			(178,983)		(174,293)
			-----		-----
Net cash inflow before financing			(18,549)		46,552
			=====		=====
Financing					
Capital elements of hire purchase contracts			(18,068)		-
Net cash inflow from financing					
(Decrease)/Increase in cash and cash equivalents	19		(481)		46,552
			-----		-----
			(18,549)		46,552
			=====		=====

J VAN VLIET LONDON CASH AND CARRY LIMITED

Notes to the financial statements for the 52 weeks ended 26 December 1998

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Director's Report and all of which are continuing.

1.2 Turnover

Turnover comprises the invoiced value of services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment	25% reducing balance basis
Furniture, Fixtures, Fittings & Office Equipment	25% reducing balance basis
Plant and Machinery	25% reducing balance basis
Motor Vehicles	25% reducing balance basis

1.4 Intangible fixed assets and amortisation

The leasehold interest is amortised over the length of the lease of three years.

1.5 Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences and realised foreign exchange differences are taken to profit and loss.

1.6 Hire purchase and lease

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net outstanding in each period.

2. Turnover

The whole of the turnover and profit before taxation is attributable to the one principle activity of the company. A geographical analysis of turnover is as follows:

	1998	1997
	£	£
United Kingdom	3,945,506	2,945,834
	=====	=====

J VAN VLIET LONDON CASH AND CARRY LIMITED

**Notes to the financial statements
for the 52 weeks ended 26 December 1998
Continued**

**3. The operating profit/(loss) is stated after
Charging/(Crediting)**

	1998	1997
	£	£
Depreciation of tangible fixed assets	74,080	66,605
Auditors' remuneration	2,500	3,300
Foreign currency exchange (gains)	(2,868)	(994)
Operating lease rentals-land	33,800	33,800
Exceptional item - Suspense account	-	22,119
	=====	=====

4. Staff costs

Staff costs, including director's remuneration, were as follows:

Wages and Salaries	207,807	166,309
Social security costs	16,487	16,087
	-----	-----
	224,294	182,396
	=====	=====

The average weekly number of employees, including directors, during the period was as follows:

Office and Administration	4	4
Selling and Distribution	15	13
	==	==

5. Director's emolument

For services as director	38,941	38,349
	=====	=====

6. Interest received and similar income

Rent received	3,893	5,722
	=====	=====

7. Interest payable

Hire purchase	214	-
Bank overdraft	1,258	5,958
Other interest	16,410	-
	-----	-----
	17,882	5,958
	=====	=====

8. Taxation

There is no liability to UK Corporation Tax based on these accounts.

J VAN VLIET LONDON CASH AND CARRY LIMITED

**Notes to the financial statements
for the 52 weeks ended 26 December 1998
Continued**

9. Dividends

No dividends have been proposed for the period under review.

10(a) Tangible fixed assets

	Motor Vehicles	Computer Equipment	Fixtures, Fittings & Office Equipment	Plant & Machinery	Total
Cost	£	£	£	£	£
B/Fwd at 28.12.97	23,725	32,112	172,753	48,842	277,432
Additions	76,297	13,600	81,974	7,112	178,983
	-----	-----	-----	-----	-----
C/Fwd at 26.12.98	100,022	45,712	254,727	55,954	456,415
	=====	=====	=====	=====	=====
Depreciation					
B/Fwd at 28.12.97	5,931	16,429	57,672	14,905	94,937
Charge for the year	1,960	7,320	49,263	11,003	69,547
	-----	-----	-----	-----	-----
C/Fwd at 26.12.98	7,891	23,749	106,935	25,908	164,483
	=====	=====	=====	=====	=====
Net book value					
At 26.12.98	92,131	21,963	147,792	30,046	291,932
	=====	=====	=====	=====	=====
At 27.12.97	17,794	15,683	115,081	33,937	182,495
	=====	=====	=====	=====	=====

Included in fixed assets are those financed under hire purchase and finance leases with a Net book value of £24,967 (1997: £NIL)

10(b) Intangible fixed assets

	Short Lease	Total
Cost	£	£
B/Fwd at 28.12.97	13,600	13,600
	-----	-----
C/Fwd at 26.12.98	13,600	13,600
	=====	=====
Depreciation		
B/Fwd at 28.12.97	4,533	4,533
Charge for the year	4,533	4,533
	-----	-----
C/Fwd at 26.12.98	9,066	9,066
	=====	=====
Net book value		
At 26.12.98	4,534	4,534
	=====	=====
At 27.12.97	9,067	9,067
	=====	=====

J VAN VLIET LONDON CASH AND CARRY LIMITED

**Notes to the financial statements
for the 52 weeks ended 26 December 1998
Continued**

11. Debtors	1998	1997
	£	£
Trade debtors	257,983	147,263
Prepayments	39,486	29,884
Sundry debtors	24,734	7,278
Due from holding company - Torojac N.V	1,000	1,000
	-----	-----
	323,203	185,425
	=====	=====
12. Creditors: amounts falling due within one year	1998	1997
	£	£
Loan	59,612	105,859
Trade creditors	598,558	385,810
Hire purchase and finance leases	8,259	-
Social security and other taxes	130,077	178,994
Accruals and deferred income	4,706	3,750
	-----	-----
	801,212	674,413
	=====	=====
13. Creditors: amounts falling after more than one year	1998	1997
	£	£
Loan	128,354	21,731
Hire purchase and finance lease	9,810	-
	-----	-----
	138,164	21,731
	=====	=====
14. Called up share capital	1998	1997
Authorised	£	£
1000 Ordinary share of £1 each	1,000	1,000
	=====	=====
Issued		
1000 Ordinary share of £1 each	1,000	1,000
	=====	=====

J VAN VLIET LONDON CASH AND CARRY LIMITED

**Notes to the financial statements
for the 52 weeks ended 26 December 1998
Continued**

15. Movement on shareholders' funds			
	1998	1997	
	£	£	
Profit/(Loss) for the period	50,381	(39,934)	
Opening shareholders' funds	(190,573)	(150,639)	
	-----	-----	
Closing shareholders' funds	(140,192)	(190,573)	
	=====	=====	
16. Holding Company			
The ultimate holding company of J Van Vliet London Cash and Carry Limited is Torojac N.V, incorporated in Holland.			
17. Reconciliation of operating profit/(loss) to net cash inflow from operating activities			
	1998	1997	
	£	£	
Operating Profit/(Loss)	64,370	(39,698)	
Depreciation	74,080	66,605	
Increase in stocks	(51,413)	11,125	
Increase in debtors	(137,778)	2,473	
Increase in creditors	225,164	180,576	
	-----	-----	
Net Cash inflow form operating activities	174,423	221,081	
	=====	=====	
18. Analysis of changes in cash and cash Equivalents during the period			
	74,783	28,231	
Balance at 28.12.97			
Net cash (outflow)/inflow	(481)	46,552	
	-----	-----	
Balance at 26.12.98	74,302	74,783	
	=====	=====	
19. Analysis of the balances on cash and cash equivalents as shown in the balance sheet			
	1998	1997	Change in year
	£	£	£
Cash at bank and in hand	74,302	74,783	(481)
	=====	=====	=====
20. Financial commitments			
At 26 December 1998 the company had annual commitments under an operating lease of £33,800 with respect to land and buildings expiring between 2-5 years.			