

Registered number
04674604

SANDERON LIMITED

FINANCIAL STATEMENTS

31 MARCH 2006



Scrutton Bland
Accountants and Registered Auditors
Colchester

SANDERON LIMITED

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SANDERON LIMITED

DIRECTORS, OFFICERS AND ADVISERS

Directors C B H Anderson
 J J H Anderson

Secretary Cargil Management Services Limited

Registered Office 228 London Road
 Marks Tey
 Colchester
 Essex
 CO6 1HD

Registered Number 04674604

Auditors Scrutton Bland
 18 Sir Isaac's Walk
 Colchester
 CO1 1JL

Bankers Barclays Bank plc
 Mile End Road
 London

SANDERON LIMITED

DIRECTORS' REPORT

The directors present their annual report and the financial statements of the company for the year ended 31 March 2006.

Principal activity

The principal activity of the company in the year under review was the import and retail of wooden garden furniture.

Directors

The directors, who served the company throughout the year, unless otherwise stated, and their interests in the company's issued ordinary share capital, were as follows:

		2005
C B H Anderson	-	-
J J H Anderson	-	-

C B H and J J H Anderson hold a controlling interest in C F Anderson & Son Limited, a company which is the beneficial owner of the shares in this company.

During the year, no right to subscribe for shares or debentures in the company were granted to or exercised by any of the company's directors.

Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgments 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that so far as they are aware, there is no relevant audit information of which the company's auditors are unaware. They 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 auditors are aware of that information.

SANDERON LIMITED

DIRECTORS' REPORT

Auditors

A resolution to re-appoint Scrutton Bland as auditors of the company will be put to the members at the Annual General Meeting.

Accounting exemptions

Advantage is taken in the preparation of the directors' report of the special provisions contained in Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board

C B H Anderson

Director

A handwritten signature in black ink, appearing to read 'CBH Anderson', written over two horizontal lines.

Approved by the board on 27th November 2006

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SANDERON LIMITED

We have audited the financial statements on pages 6 to 13, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out on pages 8 and 9.

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 the 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 directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing issued by the Auditing Practices Board. 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

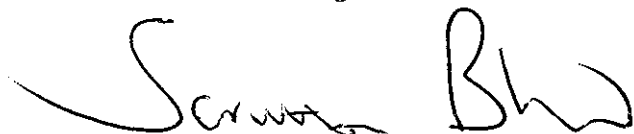
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
SANDERON LIMITED**

Opinion

In our opinion:

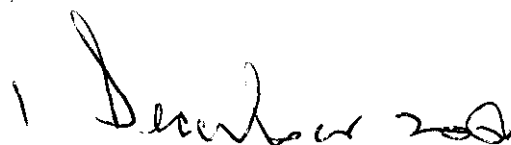
- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the company's affairs as at 31 March 2006 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



SCRUTTON BLAND

Accountants and
Registered Auditors

Colchester



SANDERON LIMITED

**PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2006**

	Notes	£	2005 £
Turnover	2	192,344	274,522
Cost of sales		(120,106)	(208,836)
Gross profit		72,238	65,686
Distribution costs		(17,532)	(18,107)
Administrative expenses		(116,085)	(71,942)
Operating loss	3	(61,379)	(24,363)
Interest payable	4	(948)	(5,815)
Loss on ordinary activities before taxation		(62,327)	(30,178)
Tax on loss on ordinary activities	5	-	-
Loss for the financial year		<u>£ (62,327)</u>	<u>£ (30,178)</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above financial periods.

Total recognised gains and losses

The company has no recognised gains or losses other than the loss for the above financial periods.

SANDERON LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2006**

	Notes	£	2005 £
Fixed assets			
Tangible assets	6	-	625
Current assets			
Stocks	7	117,198	122,580
Debtors	8	10,749	2,580
Cash at bank and in hand		56	190
		128,003	125,350
Creditors: amounts falling due within one year	9	(236,467)	(169,009)
Net current liabilities		(108,464)	(43,659)
Total assets less current liabilities		(108,464)	(43,034)
Creditors: amounts falling due after more than one year	10	(68,379)	(71,482)
Provision for liabilities and charges			
Deferred taxation	11	-	-
		£ (176,843)	£ (114,516)
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	(176,844)	(114,517)
Shareholders' funds - equity interests		£ (176,843)	£ (114,516)

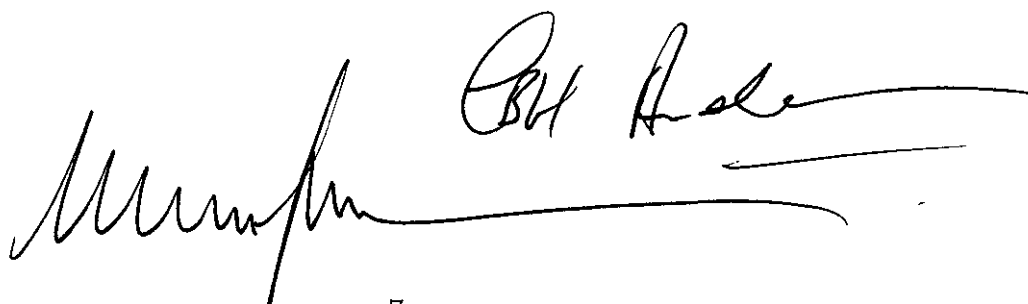
These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the directors on 20 November 2006.

C B H Anderson

J J H Anderson

Directors



SANDERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2006

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Going concern

The company has net liabilities and is funded by bank funding, by a loan from one of the directors, and by advances made by the holding company, C F Anderson & Son Limited. The director has agreed not to require repayment of this loan in the next 12 months. The holding company has agreed to continue to provide the support needed to allow the company to trade for the foreseeable future and the financial statements have therefore been prepared on the basis of a going concern.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of valued added tax and trade discounts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor vehicles	-	25% straight line
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Stocks

Stocks, comprising goods held for resale, are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and net realisable value is the price at which the stock can be realised in the normal course of business.

Taxation

The charge for taxation is based on the loss for the period. The charge takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision is made for deferred taxation on all timing differences. The rate of tax used is that which is expected to be applied when the liability is expected to crystallise, based on tax rates that have been enacted by the balance sheet date. Deferred taxation assets are recognised when their recoverability is sufficiently certain.

SANDERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2006

1 ACCOUNTING POLICIES - (continued)

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 arising in the normal course of trading are dealt with in the profit and loss account for the year.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 TURNOVER

Turnover represents the amount receivable for goods sold during the period, exclusive of VAT.

3 OPERATING LOSS

The operating loss is stated after charging:

		2005
	£	£
Depreciation of tangible fixed assets	625	625
Auditors' remuneration : in respect of audit services	2,600	1,000
Directors' emoluments (see below)	34,330	-
	<hr/>	<hr/>
Directors' remuneration		
Aggregate emoluments	£ 34,330	£ -
	<hr/>	<hr/>

There are no retirement benefits accruing under defined contribution pension schemes on behalf of the directors.

SANDERON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006**

4 INTEREST PAYABLE

		2005
	£	£
Bank overdraft	653	4,183
Other interest	295	1,632
	<u>£ 948</u>	<u>£ 5,815</u>

5 TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

		2005
Based on the loss for the period		
Corporation tax at 19% (2005 : 19%)	£ -	£ -

6 TANGIBLE FIXED ASSETS

	Motor vehicles £
Cost	
At 31 March 2005 and 2006	<u>2,500</u>
Depreciation	
At 31 March 2005	1,875
Charge for year	<u>625</u>
At 31 March 2006	<u>2,500</u>
Net book values	
At 31 March 2006	<u>£ -</u>
At 31 March 2005	<u>£ 625</u>

SANDERON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006**

7 STOCKS

		2005
Finished goods	<u>£ 117,198</u>	<u>£ 122,580</u>

8 DEBTORS

	£	2005 £
Trade debtors	10,164	1,970
Other debtors	585	610
	<u>£ 10,749</u>	<u>£ 2,580</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	2005 £
Bank overdraft	9,204	-
Trade creditors	12,464	19,445
Amounts owed to group undertakings	211,444	145,499
Other creditors	3,355	4,065
	<u>£ 236,467</u>	<u>£ 169,009</u>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

		2005
Director's loan account	<u>£ 68,379</u>	<u>£ 71,482</u>

SANDERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2006

11 DEFERRED TAXATION

The deferred taxation asset of the company is £33,424 (2005 : £21,718). This has not been provided for within the financial statements since its recovery is not sufficiently certain.

12 CALLED UP SHARE CAPITAL

		2005
Authorised :		
1,000 ordinary shares of £1 each	£ 1,000	£ 1,000
Allotted, called up and fully paid :		
1 ordinary share of £1 each	£ 1	£ 1

13 RESERVES

	Profit and loss account £
At 1 April 2005	(114,517)
Loss for the year	(62,327)
At 31 March 2006	£ (176,844)

SANDERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2006

14 RELATED PARTIES

The ultimate parent company is C F Anderson & Son Limited.

During the year, the company paid rent to C F Anderson & Son Limited of £30,000 (2005 : £30,000).

At 31 March 2006 £141,751 (2005 : £86,108) was owed to C F Anderson & Son Limited. This balance is included in note 9 to the financial statements.

At 31 March 2006 £69,693, (2005 : £59,391) was owed to C F Anderson Timber Products Limited. This balance is included in note 9 to the financial statements.

During the period J J H Anderson withdrew funds of £3,103 (2005 : provided further funds of £27,857) from the company. The balance owed to J J H Anderson is shown in note 10 to the financial statements.