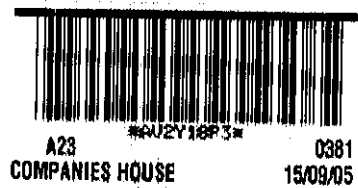


Company Registration No. 2311359 (England and Wales)

**ROCHFORD GARDEN MACHINERY LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2004**



# ROCHFORD GARDEN MACHINERY LIMITED

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# ROCHFORD GARDEN MACHINERY LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2004

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The directors present their report and financial statements for the year ended 30 November 2004.

### Principal activities and review of the business

The principal activity of the company continued to be that of a supplier of garden machinery.

The directors are satisfied with the company's results for the year.

On 30 November 2004 the company acquired all the assets and liabilities and took over the operations of Garden Power Distribution Limited.

### Results and dividends

The results for the year are set out on page 5.

An interim ordinary dividend was paid amounting to £50,000. The directors do not recommend payment of a final dividend.

### Future developments

The directors expect profitability levels to remain consistent in the forthcoming year.

### Directors

The following directors have held office since 1 December 2003:

|                  |                             |
|------------------|-----------------------------|
| P W C Rochford   |                             |
| Mrs E M Rochford |                             |
| Mrs M Rochford   |                             |
| K F Wiggins      | (Resigned 8 September 2004) |
| M D Blair        |                             |
| S A Cooper       | (Appointed 1 December 2004) |

### Directors' interests

The directors' interests in the shares of the company were as stated below:

|                  | Ordinary "A" Shares of £ 1 each |                 |
|------------------|---------------------------------|-----------------|
|                  | 30 November 2004                | 1 December 2003 |
| P W C Rochford   | -                               | -               |
| Mrs E M Rochford | -                               | -               |
| Mrs M Rochford   | -                               | -               |
| M D Blair        | -                               | -               |

|                  | Ordinary "B" Shares of £ 1 each |                 |
|------------------|---------------------------------|-----------------|
|                  | 30 November 2004                | 1 December 2003 |
| P W C Rochford   | -                               | -               |
| Mrs E M Rochford | -                               | -               |
| Mrs M Rochford   | -                               | -               |
| M D Blair        | -                               | -               |

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

# **ROCHFORD GARDEN MACHINERY LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004**

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### **Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Albert Goodman be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board

Mrs E M Rochford  
**Director**  
1 July 2005

A handwritten signature in black ink, appearing to read 'E Rochford', is written over the printed name and date.

## **ROCHFORD GARDEN MACHINERY LIMITED**

### **DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 NOVEMBER 2004**

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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 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

## **ROCHFORD GARDEN MACHINERY LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO ROCHFORD GARDEN MACHINERY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 5 to 17, together with the financial statements of the company for the year ended 30 November 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B 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 directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

#### **Basis of audit opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 17 are properly prepared in accordance with that provision.



**Albert Goodman**  
**Chartered Accountants**  
**Registered Auditor**  
4 July 2005

Hendford Manor  
Yeovil  
Somerset  
BA20 1UN

# ROCHFORD GARDEN MACHINERY LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2004

|  | Notes     | 2004<br>£   | 2003<br>£   |
|--|-----------|-------------|-------------|
| <b>Gross profit</b>                                  |           | 1,560,232   | 1,503,545   |
| Administrative expenses                              |           | (1,401,277) | (1,261,105) |
| <b>Operating profit</b>                              | <b>2</b>  | 158,955     | 242,440     |
| Other interest receivable and similar income         |           | 4,351       | 497         |
| Interest payable and similar charges                 | <b>3</b>  | (27,917)    | (34,358)    |
| <b>Profit on ordinary activities before taxation</b> |           | 135,389     | 208,579     |
| Tax on profit on ordinary activities                 | <b>4</b>  | (20,584)    | (52,711)    |
| <b>Profit on ordinary activities after taxation</b>  |           | 114,805     | 155,868     |
| Dividends  | <b>5</b>  | (50,000)    | (100,000)   |
| <b>Retained profit for the year</b>                  | <b>14</b> | 64,805      | 55,868      |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# ROCHFORD GARDEN MACHINERY LIMITED

## ABBREVIATED BALANCE SHEET AS AT 30 NOVEMBER 2004

|  | Notes | 2004<br>£          | £               | 2003<br>£          | £              |
|--|-------|--------------------|-----------------|--------------------|----------------|
| <b>Fixed assets</b>  |       |                    |                 |                    |                |
| Tangible assets  | 6     |                    | 241,245         |                    | 169,740        |
| <b>Current assets</b>  |       |                    |                 |                    |                |
| Stocks   | 7     | 1,784,827          |                 | 1,559,856          |                |
| Debtors  | 8     | 779,486            |                 | 986,309            |                |
| Cash at bank and in hand                                       |       | 292,625            |                 | 370                |                |
|  |       | <u>2,856,938</u>   |                 | <u>2,546,535</u>   |                |
| <b>Creditors: amounts falling due within one year</b>          | 9     | <u>(2,112,814)</u> |                 | <u>(1,847,034)</u> |                |
| <b>Net current assets</b>                                      |       |                    | <u>744,124</u>  |                    | <u>699,501</u> |
| <b>Total assets less current liabilities</b>                   |       |                    | <u>985,369</u>  |                    | <u>869,241</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 10    |                    | (58,828)        |                    | (12,209)       |
| <b>Provisions for liabilities and charges</b>                  | 11    |                    | <u>(12,862)</u> |                    | <u>(8,158)</u> |
|  |       |                    | <u>913,679</u>  |                    | <u>848,874</u> |
| <b>Capital and reserves</b>                                    |       |                    |                 |                    |                |
| Called up share capital  | 13    |                    | 200             |                    | 200            |
| Profit and loss account  | 14    |                    | <u>913,479</u>  |                    | <u>848,674</u> |
| <b>Shareholders' funds - equity interests</b>                  | 15    |                    | <u>913,679</u>  |                    | <u>848,874</u> |

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 1 July 2005

P W C Rochford  
Director





**ROCHFORD GARDEN MACHINERY LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2004**

|  | 2004     |                | 2003     |                  |
|--|----------|----------------|----------|------------------|
|  | £        | £              | £        | £                |
| <b>Net cash inflow/(outflow) from operating activities</b>                           |          | 410,130        |          | (326,220)        |
| <b>Returns on investments and servicing of finance</b>                               |          |                |          |                  |
| Interest received  | 4,351    |                | 497      |                  |
| Interest paid  | (27,917) |                | (34,358) |                  |
|  |          |                |          |                  |
| <b>Net cash outflow for returns on investments and servicing of finance</b>          |          | (23,566)       |          | (33,861)         |
| <b>Taxation</b>  |          | (42,277)       |          | (57,340)         |
| <b>Capital expenditure</b>   |          |                |          |                  |
| Payments to acquire tangible assets  | (51,477) |                | (56,459) |                  |
| Receipts from sales of tangible assets   | 72,500   |                | 5,992    |                  |
|  |          |                |          |                  |
| <b>Net cash inflow/(outflow) for capital expenditure</b>                             |          | 21,023         |          | (50,467)         |
| <b>Equity dividends paid</b>   |          | (50,000)       |          | (100,000)        |
|  |          |                |          |                  |
| <b>Net cash inflow/(outflow) before management of liquid resources and financing</b> |          | 315,310        |          | (567,888)        |
| <b>Financing</b>   |          |                |          |                  |
| Capital element of hire purchase contracts   | (71,773) |                | (16,442) |                  |
|  |          |                |          |                  |
| <b>Net cash outflow from financing</b>   |          | (71,773)       |          | (16,442)         |
|  |          |                |          |                  |
| <b>Increase/(decrease) in cash in the year</b>                                       |          | <u>243,537</u> |          | <u>(584,330)</u> |

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2004

|   |   |  |           |           |
|---|---|--|-----------|-----------|
| 1 | Reconciliation of operating profit to net cash inflow/(outflow) from operating activities |  | 2004      | 2003      |
|   |   |  | £         | £         |
|   | Operating profit  |  | 158,955   | 242,440   |
|   | Depreciation of tangible assets   |  | 56,706    | 61,229    |
|   | (Profit)/loss on disposal of tangible assets  |  | (9,114)   | 3,412     |
|   | Increase in stocks  |  | (224,971) | (580,570) |
|   | Decrease/(increase) in debtors  |  | 206,823   | (326,144) |
|   | Increase in creditors within one year   |  | 221,731   | 273,413   |
|   | Net cash inflow/(outflow) from operating activities                                       |  | 410,130   | (326,220) |

|   |                              |                 |           |                        |                  |
|---|------------------------------|-----------------|-----------|------------------------|------------------|
| 2 | Analysis of net funds/(debt) | 1 December 2003 | Cash flow | Other non-cash changes | 30 November 2004 |
|   |                              | £               | £         | £                      | £                |
|   | Net cash:                    |                 |           |                        |                  |
|   | Cash at bank and in hand     | 370             | 292,255   | -                      | 292,625          |
|   | Bank overdrafts              | (45,913)        | (48,718)  | -                      | (94,631)         |
|   |                              | (45,543)        | 243,537   | -                      | 197,994          |
|   | Debt:                        |                 |           |                        |                  |
|   | Finance leases               | (43,143)        | 71,771    | (132,400)              | (103,772)        |
|   | Net (debt)/funds             | (88,686)        | 315,308   | (132,400)              | 94,222           |

|   |   |           |           |
|---|---|-----------|-----------|
| 3 | Reconciliation of net cash flow to movement in net funds/(debt) | 2004      | 2003      |
|   |   | £         | £         |
|   | Increase/(decrease) in cash in the year                         | 243,537   | (584,330) |
|   | Cash outflow from decrease in debt and lease financing          | 71,771    | 16,442    |
|   | Change in net debt resulting from cash flows                    | 315,308   | (567,888) |
|   | New finance lease   | (132,400) | -         |
|   | Movement in net funds/(debt) in the year                        | 182,908   | (567,888) |
|   | Opening net (debt)/funds  | (88,686)  | 479,202   |
|   | Closing net funds/(debt)  | 94,222    | (88,686)  |

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 NOVEMBER 2004

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT 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 less estimated residual value of each asset over its expected useful life, as follows:

|                                |                      |
|--------------------------------|----------------------|
| Plant and machinery            | 15% reducing balance |
| Fixtures, fittings & equipment | 33% reducing balance |
| Motor vehicles                 | 25% reducing balance |

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.5 Stock

Stock is valued at the lower of cost and net realisable value.

Cost is computed on an average cost basis.

#### 1.6 Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### 1.7 Deferred taxation

The accounting policy in respect of deferred taxation has been changed to reflect the requirements of FRS 19 - deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

| 2 | Operating profit                           | 2004              | 2003              |
|---|--|-------------------|-------------------|
|   |  | £                 | £                 |
|   | Operating profit is stated after charging: |                   |                   |
|   | Depreciation of tangible assets            | 56,706            | 61,229            |
|   | Loss on disposal of tangible assets        | -                 | 3,412             |
|   | Operating lease rentals                    | 146,572           | 149,913           |
|   | Auditors' remuneration                     | 3,000             | 3,000             |
|   | and after crediting:                       |                   |                   |
|   | Profit on disposal of tangible assets      | (9,114)           | -                 |
|   |  | <u>          </u> | <u>          </u> |
| 3 | Interest payable                           | 2004              | 2003              |
|   |  | £                 | £                 |
|   | Hire purchase interest                     | 3,417             | 4,095             |
|   | On overdue tax                             | -                 | 263               |
|   | Other interest                             | 24,500            | 30,000            |
|   |  | <u>          </u> | <u>          </u> |
|   |  | <u>27,917</u>     | <u>34,358</u>     |

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

| <b>4</b> | <b>Taxation</b>  | <b>2004</b> | <b>2003</b> |
|----------|--|-------------|-------------|
|          |  | <b>£</b>    | <b>£</b>    |
|          | <b>Domestic current year tax</b>   |             |             |
|          | U.K. corporation tax   | 18,977      | 52,146      |
|          | Adjustment for prior years   | (3,097)     | -           |
|          |  | <hr/>       | <hr/>       |
|          | <b>Current tax charge</b>  | 15,880      | 52,146      |
|          | <b>Deferred tax</b>  |             |             |
|          | Deferred tax charge/credit current year  | 4,704       | 565         |
|          |  | <hr/>       | <hr/>       |
|          |  | 20,584      | 52,711      |
|          |  | <hr/>       | <hr/>       |
|          | <b>Factors affecting the tax charge for the year</b>   |             |             |
|          | Profit on ordinary activities before taxation  | 135,389     | 208,579     |
|          |  | <hr/>       | <hr/>       |
|          | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2003: 23.47%) | 25,724      | 48,953      |
|          |  | <hr/>       | <hr/>       |
|          | Effects of:  |             |             |
|          | Non deductible expenses  | 35          | 222         |
|          | Depreciation add back  | 9,042       | 15,170      |
|          | Capital allowances   | (15,824)    | (12,199)    |
|          | Adjustments to previous periods  | (3,097)     | -           |
|          |  | <hr/>       | <hr/>       |
|          |  | (9,844)     | 3,193       |
|          |  | <hr/>       | <hr/>       |
|          | <b>Current tax charge</b>  | 15,880      | 52,146      |
|          |  | <hr/>       | <hr/>       |
| <b>5</b> | <b>Dividends</b>   | <b>2004</b> | <b>2003</b> |
|          |  | <b>£</b>    | <b>£</b>    |
|          | Ordinary interim paid  | 50,000      | 100,000     |
|          |  | <hr/>       | <hr/>       |

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

### 6 Tangible fixed assets

|                       | Plant and<br>machinery<br>£ | Fixtures,<br>fittings &<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|-----------------------|-----------------------------|---|------------------------|------------|
| <b>Cost</b>           |                             |   |                        |            |
| At 1 December 2003    | 26,269                      | 105,999                                   | 198,893                | 331,161    |
| Additions             | 7,667                       | 21,423                                    | 162,507                | 191,597    |
| Disposals             | -                           | (2,308)                                   | (145,313)              | (147,621)  |
| At 30 November 2004   | 33,936                      | 125,114                                   | 216,087                | 375,137    |
| <b>Depreciation</b>   |                             |   |                        |            |
| At 1 December 2003    | 9,042                       | 54,197                                    | 98,182                 | 161,421    |
| On disposals          | -                           | (1,422)                                   | (82,813)               | (84,235)   |
| Charge for the year   | 3,653                       | 18,442                                    | 34,611                 | 56,706     |
| At 30 November 2004   | 12,695                      | 71,217                                    | 49,980                 | 133,892    |
| <b>Net book value</b> |                             |   |                        |            |
| At 30 November 2004   | 21,241                      | 53,897                                    | 166,107                | 241,245    |
| At 30 November 2003   | 17,227                      | 51,802                                    | 100,711                | 169,740    |

Included above are assets held under finance leases or hire purchase contracts as follows:

|   | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|---|-----------------------------|------------------------|------------|
| <b>Net book values</b>                  |                             |                        |            |
| At 30 November 2004                     | 5,100                       | 120,243                | 125,343    |
| At 30 November 2003                     | -                           | 87,192                 | 87,192     |
| <b>Depreciation charge for the year</b> |                             |                        |            |
| 30 November 2004                        | 900                         | 17,246                 | 18,146     |
| 30 November 2003                        | -                           | 27,711                 | 27,711     |

### 7 Stocks

|                                     | 2004<br>£ | 2003<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 1,784,827 | 1,559,856 |

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

| 8 Debtors   | 2004<br>£        | 2003<br>£        |
|---|------------------|------------------|
| Trade debtors   | 728,339          | 563,183          |
| Amounts owed by parent and fellow subsidiary undertakings | 2                | 2                |
| Amounts owed by participating interests                   | -                | 400,000          |
| Other debtors   | 51,145           | 23,124           |
|   | <u>779,486</u>   | <u>986,309</u>   |
| 9 Creditors: amounts falling due within one year          | 2004<br>£        | 2003<br>£        |
| Bank loans and overdrafts                                 | 94,631           | 45,913           |
| Net obligations under hire purchase contracts             | 44,944           | 30,934           |
| Trade creditors   | 1,311,715        | 1,092,616        |
| Amounts owed to parent and fellow subsidiary undertakings | 25,000           | 50,000           |
| Amounts owed to participating interests                   | 77,865           | -                |
| Corporation tax   | 25,749           | 52,146           |
| Other taxes and social security costs                     | 68,512           | 60,498           |
| Directors' current accounts                               | 334,891          | 377,907          |
| Accruals and deferred income                              | 129,507          | 137,020          |
|   | <u>2,112,814</u> | <u>1,847,034</u> |

The bank overdraft is secured by a mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company.

Hire purchase contracts are secured on the underlying assets acquired.

| 10 Creditors: amounts falling due after more than one year | 2004<br>£     | 2003<br>£     |
|--|---------------|---------------|
| Net obligations under hire purchase contracts              | <u>58,828</u> | <u>12,209</u> |

The bank overdraft is secured by a mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company.

Hire purchase contracts are secured on the underlying assets acquired.

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

### 11 Provisions for liabilities and charges

|                             | Deferred tax<br>liability<br>£ |
|-----------------------------|--------------------------------|
| Balance at 1 December 2003  | 8,158                          |
| Profit and loss account     | 4,704                          |
|                             | <hr/>                          |
| Balance at 30 November 2004 | 12,862                         |
|                             | <hr/> <hr/>                    |

The deferred tax liability is made up as follows:

|                                | 2004<br>£   | 2003<br>£   |
|--------------------------------|-------------|-------------|
| Accelerated capital allowances | 12,862      | 9,297       |
| Other timing differences       | -           | (1,139)     |
|                                | <hr/>       | <hr/>       |
|                                | 12,862      | 8,158       |
|                                | <hr/> <hr/> | <hr/> <hr/> |

### 12 Pension costs

#### Defined contribution

|   | 2004<br>£   | 2003<br>£   |
|---|-------------|-------------|
| Contributions payable by the company for the year | 51,143      | 11,630      |
|   | <hr/> <hr/> | <hr/> <hr/> |



# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

| 13 Share capital                              | 2004<br>£     | 2003<br>£     |
|---|---------------|---------------|
| <b>Authorised</b>                             |               |               |
| 5,000 Ordinary "A" Shares of £1 each          | 5,000         | 5,000         |
| 5,000 Ordinary "B" Shares of £1 each          | 5,000         | 5,000         |
|   | <u>10,000</u> | <u>10,000</u> |
| <br><b>Allotted, called up and fully paid</b> |               |               |
| 100 Ordinary "A" Shares of £1 each            | 100           | 100           |
| 100 Ordinary "B" Shares of £1 each            | 100           | 100           |
|   | <u>200</u>    | <u>200</u>    |

"A" ordinary shares have voting rights, while "B" ordinary shares have no voting rights.

The "B" ordinary shares have priority to the residue (if any) on winding up in the proportion to the nominal amount paid up on such shares.

### 14 Statement of movements on profit and loss account

|                              | Profit and<br>loss<br>account<br>£ |
|------------------------------|------------------------------------|
| Balance at 1 December 2003   | 848,674                            |
| Retained profit for the year | <u>64,805</u>                      |
| Balance at 30 November 2004  | <u>913,479</u>                     |

### 15 Reconciliation of movements in shareholders' funds

|                                     | 2004<br>£       | 2003<br>£        |
|-------------------------------------|-----------------|------------------|
| Profit for the financial year       | 114,805         | 155,868          |
| Dividends                           | <u>(50,000)</u> | <u>(100,000)</u> |
| Net addition to shareholders' funds | 64,805          | 55,868           |
| Opening shareholders' funds         | <u>848,874</u>  | <u>793,006</u>   |
| Closing shareholders' funds         | <u>913,679</u>  | <u>848,874</u>   |

### 16 Contingent liabilities

There is a cross guarantee dated 5 February 2003 between the company and Garden Power Distribution Limited. In aggregate there is no bank borrowing at 30 November 2004.

# ROCHFORD GARDEN MACHINERY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

### 17 Financial commitments

At 30 November 2004 the company had annual commitments under non-cancellable operating leases as follows:

|                    | <b>Land and buildings</b> |             |
|--------------------|---------------------------|-------------|
|                    | <b>2004</b>               | <b>2003</b> |
|                    | <b>£</b>                  | <b>£</b>    |
| Expiry date:       |                           |             |
| In over five years | 140,000                   | 140,000     |

### 18 Directors' emoluments

|   | <b>2004</b> | <b>2003</b> |
|---|-------------|-------------|
|   | <b>£</b>    | <b>£</b>    |
| Emoluments for qualifying services                      | 88,853      | 94,105      |
| Company pension contributions to money purchase schemes | 43,749      | 4,286       |
|   | 132,602     | 98,391      |

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2003- 2).

### 19 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

|                      | <b>2004</b>   | <b>2003</b>   |
|----------------------|---------------|---------------|
|                      | <b>Number</b> | <b>Number</b> |
| Administrative staff | 9             | 8             |
| Sales staff          | 14            | 12            |
| Parts and workshop   | 21            | 18            |
|                      | 44            | 38            |

#### Employment costs

|                       | <b>£</b> | <b>£</b> |
|-----------------------|----------|----------|
| Wages and salaries    | 621,882  | 587,241  |
| Social security costs | 54,747   | 55,182   |
| Other pension costs   | 51,143   | 11,630   |
|                       | 727,772  | 654,053  |

## **ROCHFORD GARDEN MACHINERY LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004**

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#### **20 Ultimate parent company**

Rochford Holdings Limited is the ultimate parent company being the owner of 100 "A" ordinary shares and 50 "B" ordinary shares in the company.

Rochford Holdings Limited is controlled by Mr P W C Rochford and Mrs E M Rochford by virtue of the fact that together they own 100% of its issued share capital.