

FLORAMEDIA (UK) LIMITED



Directors' Report And Financial Statements For the period ended 31 December 2011

FLORAMEDIA (UK) LIMITED

COMPANY INFORMATION

Directors	P H Van Niekerk R N G Mathias
Secretary	P H Van Niekerk
Company number	01567452
Registered office	The Octagon Middleborough Colchester CO1 1TG
Auditors	Kingston Smith LLP Orbital House 20 Eastern Road Romford Essex RM1 3PJ

FLORAMEDIA (UK) LIMITED

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FLORAMEDIA (UK) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the period ended 31 December 2011

Principal activities

The principal activity of the company continued to be that of the production of sales and marketing materials for use in the horticulture and allied trades

Directors

The following directors have held office since 1 January 2011

P H Van Niekerk

Floramedia Group BV

R N G Mathias

(Resigned 3 November 2011)

Auditors

Kingston Smith LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

FLORAMEDIA (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

A handwritten signature in black ink, appearing to read 'R N G Mathias', is written over the text 'On behalf of the board'.

R N G Mathias

Director

27 January 2012

FLORAMEDIA (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FLORAMEDIA (UK) LIMITED

We have audited the financial statements of Floramedia (UK) Limited for the period ended 31 December 2011 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

FLORAMEDIA (UK) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF FLORAMEDIA (UK) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Brian Pope (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

27 January 2012

Chartered Accountants
Statutory Auditor

Orbital House
20 Eastern Road
Romford
Essex
RM1 3PJ

FLORAMEDIA (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Turnover	2	5,017,672	5,224,065
Cost of sales		(3,092,047)	(2,968,279)
Gross profit		1,925,625	2,255,786
Administrative expenses		(1,821,764)	(2,342,853)
Operating profit/(loss)	3	103,861	(87,067)
Other interest receivable and similar income	4	275	329
Other finance income	4	40,614	13,644
Profit/(loss) on ordinary activities before taxation		144,750	(73,094)
Tax on profit/(loss) on ordinary activities	5	(43,709)	21,127
Profit/(loss) for the period	14	101,041	(51,967)

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

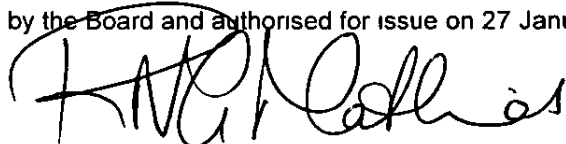
FLORAMEDIA (UK) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Intangible assets	6		9,711		87,884
Tangible assets	7		118,315		141,728
			<u>128,026</u>		<u>229,612</u>
Current assets					
Stocks		582,312		616,368	
Debtors	8	3,031,402		2,329,458	
Deferred tax asset	11	47,776		73,452	
Cash at bank and in hand		126,389		423,175	
		<u>3,787,879</u>		<u>3,442,453</u>	
Creditors: amounts falling due within one year	9	<u>(758,971)</u>		<u>(551,629)</u>	
Net current assets			<u>3,028,908</u>		<u>2,890,824</u>
Total assets less current liabilities			<u>3,156,934</u>		<u>3,120,436</u>
Creditors: amounts falling due after more than one year	10		<u>(73,157)</u>		<u>(137,700)</u>
			<u>3,083,777</u>		<u>2,982,736</u>
Capital and reserves					
Called up share capital	13		3,704,079		3,704,079
Profit and loss account	14		(620,302)		(721,343)
Shareholders' funds	15		<u>3,083,777</u>		<u>2,982,736</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 27 January 2012



R N G Mathias
Director

Company Registration No. 01567452

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year. Turnover is recognised upon dispatch of products or when the right to income is earned.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

1.5 Intangible assets

Intangible assets other than goodwill are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.6 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:

Land and buildings	Straight line over the life of the lease
Plant and machinery	20% and 33 3% straight line

1.7 Leasing

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

1.8 Stock

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

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

1.10 Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

2 Turnover

In the period to 31 December 2011 7% (2010 - 5%) of the company's turnover was to markets outside the United Kingdom.

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

3	Operating profit/(loss)	2011	2010
		£	£
	Operating profit/(loss) is stated after charging		
	Depreciation of tangible assets and amortisation of intangible assets	126,628	211,661
	Loss/(gain) on foreign exchange	16,926	(59,033)
	Auditors' remuneration	13,500	13,500
	Directors' remuneration	111,557	115,610
	Loss on disposal of tangible assets	-	76,695
		<u> </u>	<u> </u>
4	Investment income	2011	2010
		£	£
	Bank interest	275	329
	Interest receivable from group company	40,614	13,644
		<u> </u>	<u> </u>
		<u>40,889</u>	<u>13,973</u>

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

5	Taxation	2011	2010
		£	£
	Domestic current year tax		
	U K corporation tax	18,033	5,486
	Total current tax	18,033	5,486
	Deferred tax		
	Deferred tax charge/(credit) current year	25,676	(26,613)
		43,709	(21,127)
	Factors affecting the tax charge for the period		
	Profit/(loss) on ordinary activities before taxation	144,750	(73,094)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2010 - 28.00%)	37,635	(20,466)
	Effects of		
	Non deductible expenses and provision movements	(8,691)	12,844
	Capital allowances and depreciation	(11,857)	13,108
	Change of tax rate	946	-
		(19,602)	25,952
	Current tax charge for the period	18,033	5,486
6	Intangible fixed assets	Databases	Goodwill
		£	£
	Cost		
	At 1 January 2011 & at 31 December 2011	13,061	697,534
	Amortisation		
	At 1 January 2011	2,680	620,031
	Charge for the period	670	77,503
	At 31 December 2011	3,350	697,534
	Net book value		
	At 31 December 2011	9,711	-
	At 31 January 2010	10,381	77,503

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

7 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2011	110,314	411,902	522,216
Additions	4,350	20,691	25,041
Disposals	-	(89,084)	(89,084)
At 31 December 2011	114,664	343,509	458,173
Depreciation			
At 1 January 2011	17,569	362,919	380,488
On disposals	-	(89,084)	(89,084)
Charge for the period	19,778	28,676	48,454
At 31 December 2011	37,347	302,511	339,858
Net book value			
At 31 December 2011	77,317	40,998	118,315
At 31 January 2010	92,745	48,983	141,728

8 Debtors

	2011	2010 restated
	£	£
Trade debtors	1,028,835	1,005,080
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,914,757	1,229,336
Other debtors	87,810	95,042
	3,031,402	2,329,458

Included within amounts owed by group undertakings and undertakings in which the company has a participating interest is £850,000 in relation to amounts due from group undertakings, which was included within other debtors in the prior year. The balance has been restated as the directors feel that this reflects the true nature of the balance. The adjustment has no impact on net assets or the result for the year.

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

9 Creditors: amounts falling due within one year	2011	2010
	£	£
Trade creditors	310,134	204,684
Amounts owed to group undertakings and undertakings in which the company has a participating interest	15,797	-
Taxation and social security	170,053	109,386
Other creditors	262,987	237,559
	<u>758,971</u>	<u>551,629</u>
10 Creditors: amounts falling due after more than one year	2011	2010
	£	£
Other creditors	<u>73,157</u>	<u>137,700</u>
11 Provisions for liabilities		
The deferred tax asset (included in debtors, note 8) is made up as follows:		
	2011	
	£	
Balance at 1 January 2011	(73,452)	
Profit and loss account	25,676	
	<u>(47,776)</u>	
Balance at 31 December 2011	<u>(47,776)</u>	
	2011	2010
	£	£
Decelerated capital allowances	(42,290)	(58,312)
Accruals for pension costs and other post-retirement benefits that will be deductible for tax purposes only when paid	(5,213)	(4,594)
Other timing differences	(273)	(10,546)
	<u>(47,776)</u>	<u>(73,452)</u>

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

12 Pension and other post-retirement benefit commitments

Defined contribution

	2011 £	2010 £
Contributions payable by the company for the period	26,276	28,756

13 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
3,704,079 Ordinary shares of £1 each	3,704,079	3,704,079

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2011	(721,343)
Profit for the period	101,041
Balance at 31 December 2011	(620,302)

15 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit/(loss) for the financial period	101,041	(51,967)
Opening shareholders' funds	2,982,736	3,034,703
Closing shareholders' funds	3,083,777	2,982,736

FLORAMEDIA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2011

16 Financial commitments

At 31 December 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012

	Other 2011 £	2010 £
Operating leases which expire		
Within one year	50,794	6,532
Between two and five years	87,386	58,528
In over five years	58,334	116,383
	<u>196,514</u>	<u>181,443</u>

17 Ultimate parent undertaking and control

The company's immediate controlling party and parent undertaking is Floramedia Group BV, a corporation organised and existing under the laws of the Netherlands

Mercurius Groep BV, a corporation organised and existing under the laws of the Netherlands has a 100% interest in Floramedia Group BV

HAL Holding NV, a Netherlands Antilles corporation, has a 100% interest in the Mercurius Groep BV

All shares in the capital of HAL Holding NV are held by HAL Trust, a trust under Bermuda law and subject to a trust deed. The HAL Trust is listed at the Euronext Amsterdam Stock Exchange

The directors regard the company as being under the ultimate control of HAL Trust

18 Related party relationships and transactions

As a wholly owned subsidiary of Floramedia Group BV, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of that group headed by Mercurius Groep BV