

Company Registration number 02311359

ROCHFORD GARDEN MACHINERY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

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ROCHFORD GARDEN MACHINERY LIMITED

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ROCHFORD GARDEN MACHINERY LIMITED
COMPANY INFORMATION

Directors E M Rochford
S Anderson
C Pebworth
M J Rochford
K J Rochford

Company secretary E M Rochford

Registered office Wincanton Business Park
Wincanton
Somerset
BA9 9RS

Auditors Albert Goodman LLP
Hendford Manor
Hendford
Yeovil
Somerset
BA20 1UN

ROCHFORD GARDEN MACHINERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2012

The directors present their report and the financial statements for the year ended 30 November 2012

Directors of the company

The directors who held office during the year were as follows

P W Rochford (resigned 5 July 2013)

E M Rochford

S Anderson

C Pebworth

M J Rochford (appointed 1 July 2012)

The following director was appointed after the year end

K J Rochford (appointed 1 January 2013)

Principal activity

The principal activity of the company is the importation, distribution, sales and repair of commercial and consumer horticultural machinery and associated spare parts

Business review

Fair review of the business

In 2012 the general economy continued to be difficult. The country also experienced unusual weather - a dry spring and drought followed by record wet weather that was a challenge for most businesses within the sector. The directors are therefore pleased to report total sales increased by 4.7%, and the net profit after interest payments for the year was £766,150 an increase of 14.4% over 2011.

Sales of the company's own brand products to garden machinery dealers throughout the UK produced another meaningful increase. The company also delivered continued growth of spare part and accessory sales. The excellent growth is partly due to the continued investment in "PlusParts", the company's "On-Line spare parts and product shop" used extensively by garden machinery dealers, and the company's continued investment in marketing and advertising of its own brand products to raise national awareness, resulting in increased demand from consumers and specialist garden machinery dealers.

The leasehold land and buildings from which the company operates are 85% owned by the Rochford Executive Pension Fund and 15% by the company. The annual rent payable by the company to Rochford Executive Pension Fund is £179,350. P W Rochford was and E M Rochford is a director of the company and the joint shareholders of the ultimate parent company Rochford Holdings Limited. They are also sole members and Trustees of Rochford Executive Pension Fund. Net assets of Rochford Executive Pension Fund at 12 January increased to £3,477,304.

Principal risks and uncertainties

The company is subject to general business and economic risks in the same way as similar businesses within the sector.

ROCHFORD GARDEN MACHINERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2012

Financial instruments

Objectives and policies

The company's principal financial instruments comprise bank balances, trade creditors, trade debtors, loans to the company, and hire purchase agreements. The main purpose for these instruments is to raise funds for the company's operations.

Price risk, credit risk, liquidity risk and cash flow risk

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the availability of a bank overdraft. The company also makes use of money markets for deposits of excess funds at certain times throughout the year. In respect of loans, these comprise of loans from the bank, the shareholders, and hire purchase financing institutions. The company ensures that sufficient funds are available to meet repayments. Loans from the shareholders are subject to market rate interest and are payable on demand. Trade debtors are managed by strict policies concerning credit offered to customers, and are regularly monitored for outstanding amounts. Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due for payment.

Charitable donations

During the year the company made charitable donations of £7,437. Individual donations were

	£
Wincanton Sports Ground Management Limited	5,000

In addition to the above donation, Rochford Garden Machinery Limited provides a credit to Wincanton Sports Ground for service work of £2,805, and monthly bookkeeping duties are performed by B Maskell, an employee of Rochford Garden Machinery Limited. The company makes no charge for this service. This includes all bookkeeping work, VAT returns, payroll, preparation of letters and other correspondence and telephone calls, provision of stationery, postage costs and use of computer systems. The directors are of the opinion that had a fee been charged for this work it would be in the region of £500 per month (£6,000 per annum).

Future developments

The company has further strengthened its balance sheet during the year with a closing balance of £3,666,066 (2011 - £3,110,316), and has sufficient cash reserves at the year end to meet forthcoming requirements.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Reappointment of auditors

The auditors Albert Goodman LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

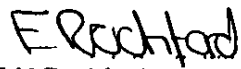
ROCHFORD GARDEN MACHINERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2012

Approved by the Board on

9 8 2013

and signed on its behalf by



E M Rochford
Director

ROCHFORD GARDEN MACHINERY LIMITED

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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCHFORD GARDEN MACHINERY LIMITED

We have audited the financial statements of Rochford Garden Machinery Limited for the year ended 30 November 2012, set out on pages 8 to 24. 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 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 auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), 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 (APB'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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCHFORD GARDEN MACHINERY LIMITED

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 November 2012 and of its profit for the year 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 year for which the financial statements are prepared is consistent with the financial statements



Richard Bugler ACA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor

Hendford Manor
Hendford
Yeovil
Somerset
BA20 1UN

9 August 2013

ROCHFORD GARDEN MACHINERY LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2012

	Note	2012 £	2011 £
Turnover		12,306,650	11,754,541
Cost of sales		<u>(8,784,703)</u>	<u>(8,386,176)</u>
Gross profit		3,521,947	3,368,365
Administrative expenses		<u>(2,731,207)</u>	<u>(2,648,791)</u>
Operating profit	2	790,740	719,574
Other interest receivable and similar income	5	8,558	9,899
Interest payable and similar charges	6	<u>(33,148)</u>	<u>(59,657)</u>
Profit on ordinary activities before taxation		766,150	669,816
Tax on profit on ordinary activities	7	<u>(155,400)</u>	<u>(136,938)</u>
Profit for the financial year	16	<u>610,750</u>	<u>532,878</u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

ROCHFORD GARDEN MACHINERY LIMITED
(REGISTRATION NUMBER: 02311359)
BALANCE SHEET AT 30 NOVEMBER 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible fixed assets	8	<u>663,803</u>	<u>681,250</u>
Current assets			
Stocks	9	3,030,539	2,848,766
Debtors	10	1,818,734	1,826,290
Cash at bank and in hand		<u>1,502,313</u>	<u>1,179,772</u>
		6,351,586	5,854,828
Creditors Amounts falling due within one year	11	<u>(3,014,911)</u>	<u>(3,074,158)</u>
Net current assets		<u>3,336,675</u>	<u>2,780,670</u>
Total assets less current liabilities		4,000,478	3,461,920
Creditors Amounts falling due after more than one year	12	(308,751)	(320,487)
Provisions for liabilities	13	<u>(25,661)</u>	<u>(31,117)</u>
Net assets		<u><u>3,666,066</u></u>	<u><u>3,110,316</u></u>
Capital and reserves			
Called up share capital	14	200	200
Profit and loss account	16	<u>3,665,866</u>	<u>3,110,116</u>
Shareholders' funds	17	<u><u>3,666,066</u></u>	<u><u>3,110,316</u></u>

Approved by the Board on 9.8.2013 and signed on its behalf by

E Rochford
E M Rochford
Director

ROCHFORD GARDEN MACHINERY LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2012****Reconciliation of operating profit to net cash flow from operating activities**

	2012 £	2011 £
Operating profit	790,740	719,574
Depreciation, amortisation and impairment charges	81,547	84,962
(Profit)/loss on disposal of fixed assets	(6,835)	219
Increase in stocks	(181,773)	(278,239)
Decrease/(increase) in debtors	7,556	(128,993)
(Decrease)/increase in creditors	(397,291)	31,382
Net cash inflow from operating activities	<u>293,944</u>	<u>428,905</u>

Cash flow statement

	2012 £	2011 £
Net cash inflow from operating activities	<u>293,944</u>	<u>428,905</u>
Returns on investments and servicing of finance		
Interest received	8,558	9,899
HP and finance lease interest	(3,657)	(6,071)
Interest paid	<u>(29,491)</u>	<u>(53,586)</u>
	<u>(24,590)</u>	<u>(49,758)</u>
Taxation paid	<u>(135,034)</u>	<u>(157,922)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(24,017)	(78,276)
Sale of tangible fixed assets	<u>36,752</u>	<u>16,001</u>
	<u>12,735</u>	<u>(62,275)</u>
Equity dividends paid	<u>(55,000)</u>	<u>(32,000)</u>
Net cash inflow before management of liquid resources and financing	<u>92,055</u>	<u>126,950</u>
Financing		
Repayment of loans and borrowings	(25,916)	(19,652)
Repayment of capital element of finance leases and HP contracts	<u>(61,178)</u>	<u>(85,361)</u>
	<u>(87,094)</u>	<u>(105,013)</u>
Increase in cash	<u>4,961</u>	<u>21,937</u>

ROCHFORD GARDEN MACHINERY LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2012**

Reconciliation of net cash flow to movement in net debt

	Note	2012 £	2011 £
Increase in cash		4,961	21,937
Cash outflow from repayment of loans		25,916	19,652
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>61,178</u>	<u>85,361</u>
Change in net debt resulting from cash flows	20	92,055	126,950
 New finance leases		<u>(70,000)</u>	<u>-</u>
Movement in net debt	20	22,055	126,950
Net funds at 1 December	20	<u>795,768</u>	<u>668,818</u>
Net funds at 30 November	20	<u>817,823</u>	<u>795,768</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	Depreciation method and rate
Freehold land and buildings	2% straight line
Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	33% reducing balance
Motor vehicles	25% reducing balance

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost is computed on an average cost basis

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

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, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging

	2012 £	2011 £
Operating leases - plant and machinery	-	112
Operating leases - other assets	196,190	190,635
Auditor's remuneration - The audit of the company's annual accounts	6,000	5,000
Foreign currency (gains)/losses	(16,438)	2,503
(Profit)/loss on sale of tangible fixed assets	(6,835)	219
Depreciation of owned assets	67,699	50,072
Depreciation of assets held under finance lease and hire purchase contracts	13,848	34,890

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2012 No.	2011 No
Administration and support	8	9
Sales, marketing and distribution	42	39
	<u>50</u>	<u>48</u>

The aggregate payroll costs were as follows

	2012 £	2011 £
Wages and salaries	1,120,695	1,089,116
Social security costs	116,760	103,983
Staff pensions	95,755	56,409
	<u>1,333,210</u>	<u>1,249,508</u>

4 Directors' remuneration

The directors' remuneration for the year was as follows

	2012 £	2011 £
Remuneration (including benefits in kind)	264,084	200,384
Company contributions paid to money purchase schemes	85,000	45,000
	<u>349,084</u>	<u>245,384</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

During the year the number of directors who were receiving benefits and share incentives was as follows

	2012 No.	2011 No.
Accruing benefits under defined benefit pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director

	2012 £	2011 £
Remuneration	<u>151,027</u>	<u>128,697</u>

5 Other interest receivable and similar income

	2012 £	2011 £
Bank interest receivable	<u>8,558</u>	<u>9,899</u>

6 Interest payable and similar charges

	2012 £	2011 £
Interest on bank borrowings	6,072	25,444
Other interest payable	23,419	28,142
Finance charges	<u>3,657</u>	<u>6,071</u>
	<u>33,148</u>	<u>59,657</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

7 Taxation

Tax on profit on ordinary activities

	2012 £	2011 £
Current tax		
Corporation tax charge	160,856	135,034
Deferred tax		
Origination and reversal of timing differences	(5,456)	1,904
Total tax on profit on ordinary activities	<u>155,400</u>	<u>136,938</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24.67% (2011 - 26%)

The differences are reconciled below

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>766,150</u>	<u>669,816</u>
Corporation tax at standard rate	188,983	174,152
Depreciation add back less capital allowances	7,232	(14,845)
Other tax adjustments	(9,445)	(22,603)
Non deductible expenses	(14)	(8,702)
Other tax relief	(25,900)	3,305
Change in tax rates	-	3,727
Total current tax	<u>160,856</u>	<u>135,034</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

8 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 December 2011	434,805	116,355	368,750	276,810	1,196,720
Additions	-	33,157	34,110	26,750	94,017
Disposals	-	-	-	(82,870)	(82,870)
At 30 November 2012	434,805	149,512	402,860	220,690	1,207,867
Depreciation					
At 1 December 2011	33,921	43,910	283,177	154,462	515,470
Charge for the year	8,614	11,123	31,014	30,796	81,547
Eliminated on disposals	-	-	-	(52,953)	(52,953)
At 30 November 2012	42,535	55,033	314,191	132,305	544,064
Net book value					
At 30 November 2012	392,270	94,479	88,669	88,385	663,803
At 30 November 2011	400,884	72,445	85,573	122,348	681,250

Leased assets

Included within the net book value of tangible fixed assets is £76,736 (2011 - £100,811) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £13,848 (2011 - £34,890).

9 Stocks

	2012 £	2011 £
Finished goods	3,030,539	2,848,766

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

10 Debtors

	2012	2011
	£	£
Trade debtors	1,731,453	1,825,591
Other debtors	87,281	699
	<u>1,818,734</u>	<u>1,826,290</u>

11 Creditors. Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	1,774,004	1,886,783
Bank loans and overdrafts	343,750	25,303
Obligations under finance lease and hire purchase contracts	31,989	38,214
Corporation tax	160,856	135,034
Other taxes and social security	172,807	273,493
Other creditors	11,496	3,350
Directors' current accounts	199,999	449,466
Accruals and deferred income	320,010	262,515
	<u>3,014,911</u>	<u>3,074,158</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company

	2012 £	2011 £
Bank loan and overdraft	343,750	25,303
Hire purchase	31,989	38,214
	<u>375,739</u>	<u>63,517</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

The bank loan is secured against the freehold property. The original loan term is 15 years, payable by annual instalments. The interest is charged at 1% above the Bank of England base rate.

12 Creditors. Amounts falling due after more than one year

	2012 £	2011 £
Bank loans and overdrafts	280,979	307,762
Obligations under finance lease and hire purchase contracts	27,772	12,725
	<u>308,751</u>	<u>320,487</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company

The bank loan is secured against the freehold property. The original loan term is 15 years, payable by annual instalments. Interest is charged at 1% above the Bank of England base rate.

Hire purchase contracts are secured on the underlying assets acquired

	2012 £	2011 £
Bank loan	280,979	307,762
Hire purchase	27,772	12,725
	<u>308,751</u>	<u>320,487</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

Included in the creditors are the following amounts due after more than five years

	2012 £	2011 £
After more than five years by instalments	<u>177,315</u>	<u>207,566</u>

Obligations under finance leases and HP contracts

Amounts repayable:

	2012 £	2011 £
In one year or less on demand	31,989	38,214
Between one and two years	<u>27,772</u>	<u>12,725</u>
	<u>59,761</u>	<u>50,939</u>

13 Provisions

	Deferred tax £	Total £
At 1 December 2011	31,117	31,117
Credited to the profit and loss account	<u>(5,456)</u>	<u>(5,456)</u>
At 30 November 2012	<u>25,661</u>	<u>25,661</u>

Analysis of deferred tax

	2012 £	2011 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>25,661</u>	<u>31,117</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

14 Share capital

Allotted, called up and fully paid shares

	2012		2011	
	No	£	No.	£
Ordinary A shares of £1 each	100	100	100	100
Ordinary B shares of £1 each	100	100	100	100
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

15 Dividends

	2012	2011
	£	£
Dividends paid		
Current year interim dividend paid	<u>55,000</u>	<u>32,000</u>

16 Reserves

	Profit and loss account	Total
	£	£
At 1 December 2011	3,110,116	3,110,116
Profit for the year	610,750	610,750
Dividends	<u>(55,000)</u>	<u>(55,000)</u>
At 30 November 2012	<u>3,665,866</u>	<u>3,665,866</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2012

17 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Profit attributable to the members of the company	610,750	532,878
Dividends	<u>(55,000)</u>	<u>(32,000)</u>
Net addition to shareholders' funds	555,750	500,878
Shareholders' funds at 1 December	<u>3,110,316</u>	<u>2,609,438</u>
Shareholders' funds at 30 November	<u><u>3,666,066</u></u>	<u><u>3,110,316</u></u>

18 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £95,755 (2011 - £56,409).

Contributions totalling £nil (2011 - £nil) were payable to the scheme at the end of the year and are included in creditors.

19 Commitments

Operating lease commitments

As at 30 November 2012 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire

	2012 £	2011 £
Land and buildings		
Over five years	<u>195,500</u>	<u>179,350</u>
Other		
Within one year	-	10,210
Within two and five years	<u>9,545</u>	<u>-</u>
	<u><u>9,545</u></u>	<u><u>10,210</u></u>

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20 Analysis of net debt

	At 1 December 2011 £	Cash flow £	Other non-cash changes £	At 30 November 2012 £
Cash at bank and in hand	1,179,772	322,541	-	1,502,313
Bank overdraft	(254)	(317,580)	-	(317,834)
	<u>1,179,518</u>	<u>4,961</u>	<u>-</u>	<u>1,184,479</u>
Debt due within one year	(25,303)	(613)	-	(25,916)
Debt due after more than one year	(307,762)	26,783	-	(280,979)
Finance leases and hire purchase contracts	(50,939)	61,178	(70,000)	(59,761)
Net funds	<u>795,514</u>	<u>92,309</u>	<u>(70,000)</u>	<u>817,823</u>

21 Related party transactions

Other related party transactions

During the year the company made the following related party transactions

P W C Rochford and E M Rochford

(Directors)

P W C & E M Rochford maintain a joint loan account with the company. Interest of £23,419 (2011 - £28,142) has been charged on the balance. There are no fixed terms for repayment. At the balance sheet date the amount due to P W C Rochford and E M Rochford was £199,999 (2011 - £449,466).

Rochford Executive Pension Scheme

(P W C & E M Rochford are members and trustees of the pension scheme)

The leasehold land and buildings from which the company operates are 85% owned by the Rochford Executive Pension Scheme.

The annual rent was £179,350 (2011 - £179,350). At the balance sheet date the amount due to Rochford Executive Pension Scheme was £nil (2011 - £nil).

Rochford Holdings Limited

(Holding company which owns 100% of Ordinary A Shares and 50% of Ordinary B Shares in Rochford Garden Machinery Limited)

Amounts paid are dividends in respect of the Ordinary A Shares held. At the balance sheet date the amount due to Rochford Holdings Limited was £nil (2011 - £nil).

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22 Control

The company is controlled by Rochford Holdings Limited. Rochford Holdings Limited is the ultimate parent company being the owner of 100 "A" ordinary shares and 50 "B" ordinary shares in the company. The consolidated accounts for Rochford Holdings Limited can be obtained from Companies House.