

Company Registration number: 02311359

ROCHFORD GARDEN MACHINERY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

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ROCHFORD GARDEN MACHINERY LIMITED

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ROCHFORD GARDEN MACHINERY LIMITED

COMPANY INFORMATION

Directors P W C Rochford
S Anderson
C Pebworth
E M 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 2011

The directors present their report and the financial statements for the year ended 30 November 2011

Directors of the company

The directors who held office during the year were as follows

P W C Rochford

S Anderson

C Pebworth

E M Rochford

Principal activity

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

Business review

Fair review of the business

Despite the poor general economy overall sales and gross margin maintained the level of 2010, and the directors are pleased to report that the pre-tax profits on ordinary activities after interest payments for the year was £669,816

During the year sales of the company's own brand products to garden machinery dealers saw a meaningful increase, the company also saw excellent growth of the sales of spare parts and accessories, which is a result of the continued investment made in "PlusParts" the company's "On Line spare parts and product shop"

Further developments in PlusParts were introduced during the year that enabled growth in sales to the company's specialist garden machinery dealers throughout the UK. The company also heavily invested in marketing and advertising of its own brand products to raise national awareness, which resulted in an 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 (REPF) and 15% by the company. The annual rent payable by the company to REPF is £179,350. P W Rochford and Mrs E M Rochford are directors of the company and sole shareholders of the ultimate parent company, they are also the sole members and trustees of REPF. The net assets of REPF at 5 April 2012 were £2,552,233

Principal risks and uncertainties

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

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

ROCHFORD GARDEN MACHINERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2011

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 £5,591. Individual donations over £2,000 were

	£
Wincanton Sports Ground Management Company Limited	<u>2,500</u>

In addition to the £4,000, the company provides management and administration time valued at £3,720 and machinery servicing costs valued at £1,730 free of charge, making a total effective donation of £9,450 to the charity.

Monthly bookkeeping duties for Wincanton Sports Ground Management Company Limited are carried out by B Maskell, an employee of Rochford Garden Machinery Limited, on a voluntary basis. This includes all bookkeeping work, preparation of letters and other correspondence and telephone calls, provision of stationery, postage costs and use of a computer. 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 £3,110,316 (2010 - £2,609,438), 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.

ROCHFORD GARDEN MACHINERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2011

Reappointment of auditors

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

Approved by the Board on 28-8-2012 and signed on its behalf by

E M Rochford
Company secretary

E Rochford

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 2011, set out on pages 8 to 23. 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 auditors

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**

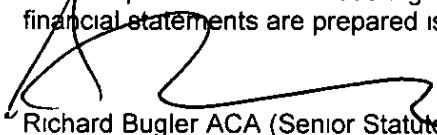
Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 November 2011 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

Date 30-08-2012

ROCHFORD GARDEN MACHINERY LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2011

	Note	2011 £	2010 £
Turnover		11,754,541	11,840,658
Cost of sales		<u>(8,386,176)</u>	<u>(8,495,969)</u>
Gross profit		3,368,365	3,344,689
Administrative expenses		<u>(2,648,791)</u>	<u>(2,570,750)</u>
Operating profit	2	719,574	773,939
Other interest receivable and similar income	5	9,899	26,058
Interest payable and similar charges	6	<u>(59,657)</u>	<u>(44,046)</u>
Profit on ordinary activities before taxation		669,816	755,951
Tax on profit on ordinary activities	7	<u>(136,938)</u>	<u>(172,332)</u>
Profit for the financial year	16	<u><u>532,878</u></u>	<u><u>583,619</u></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 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible fixed assets	8	<u>681,250</u>	<u>704,156</u>
Current assets			
Stocks	9	2,848,766	2,570,527
Debtors	10	1,826,290	1,697,297
Cash at bank and in hand		<u>1,179,772</u>	<u>1,542,909</u>
		5,854,828	5,810,733
Creditors Amounts falling due within one year	11	<u>(3,074,158)</u>	<u>(3,494,823)</u>
Net current assets		<u>2,780,670</u>	<u>2,315,910</u>
Total assets less current liabilities		3,461,920	3,020,066
Creditors Amounts falling due after more than one year	12	(320,487)	(381,415)
Provisions for liabilities	13	<u>(31,117)</u>	<u>(29,213)</u>
Net assets		<u>3,110,316</u>	<u>2,609,438</u>
Capital and reserves			
Called up share capital	14	200	200
Profit and loss account	16	<u>3,110,116</u>	<u>2,609,238</u>
Shareholders' funds	17	<u>3,110,316</u>	<u>2,609,438</u>

28.08.2012

Approved by the Board on

and signed on its behalf by


P W C Rochford
Director

ROCHFORD GARDEN MACHINERY LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2011****Reconciliation of operating profit to net cash flow from operating activities**

	2011 £	2010 £
Operating profit	719,574	773,939
Depreciation, amortisation and impairment charges	84,962	79,845
Loss on disposal of fixed assets	219	2,962
Increase in stocks	(278,239)	(198,277)
Increase in debtors	(128,993)	(341,417)
Increase in creditors	31,382	205,664
Net cash inflow from operating activities	<u>428,905</u>	<u>522,716</u>

Cash flow statement

	2011 £	2010 £
Net cash inflow from operating activities	<u>428,905</u>	<u>522,716</u>
Returns on investments and servicing of finance		
Interest received	9,899	26,058
HP and finance lease interest	(6,071)	(9,181)
Interest paid	<u>(53,586)</u>	<u>(34,865)</u>
	<u>(49,758)</u>	<u>(17,988)</u>
Taxation paid	<u>(157,922)</u>	<u>(93,133)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(78,276)	(21,539)
Sale of tangible fixed assets	<u>16,001</u>	<u>11,500</u>
	<u>(62,275)</u>	<u>(10,039)</u>
Equity dividends paid	<u>(32,000)</u>	<u>(40,000)</u>
Net cash inflow before management of liquid resources and financing	<u>126,950</u>	<u>361,556</u>
Financing		
Repayment of loans and borrowings	(19,652)	(30,930)
Repayment of capital element of finance leases and HP contracts	<u>(85,361)</u>	<u>(101,057)</u>
	<u>(105,013)</u>	<u>(131,987)</u>
Increase in cash	<u>21,937</u>	<u>229,569</u>

ROCHFORD GARDEN MACHINERY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2011

Reconciliation of net cash flow to movement in net debt

	Note	2011 £	2010 £
Increase in cash		21,937	229,569
Cash outflow from repayment of loans		19,652	30,930
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>85,361</u>	<u>101,057</u>
Change in net debt resulting from cash flows	20	126,950	361,556
New finance leases		<u>-</u>	<u>(93,694)</u>
Movement in net debt	20	126,950	267,862
Net funds at 1 December	20	<u>668,818</u>	<u>400,956</u>
Net funds at 30 November	20	<u><u>795,768</u></u>	<u><u>668,818</u></u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

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 2011

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

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

	2011	2010
	£	£
Operating leases - plant and machinery	112	96
Operating leases - other assets	190,635	179,816
Auditor's remuneration - The audit of the company's annual accounts	5,000	5,000
Foreign currency losses	2,503	38,124
Loss on sale of tangible fixed assets	219	2,962
Depreciation of owned assets	<u>84,962</u>	<u>79,845</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

3 Particulars of employees

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

	2011 No.	2010 No
Administration and support	9	10
Sales, marketing and distribution	39	41
	<u>48</u>	<u>51</u>

The aggregate payroll costs were as follows

	2011 £	2010 £
Wages and salaries	1,089,116	1,040,275
Social security costs	103,983	101,541
Staff pensions	56,409	56,600
	<u>1,249,508</u>	<u>1,198,416</u>

4 Directors' remuneration

The directors' remuneration for the year was as follows

	2011 £	2010 £
Remuneration (including benefits in kind)	198,734	177,052
Company contributions paid to money purchase schemes	45,000	45,000

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

	2011 No.	2010 No
Accruing benefits under defined benefit pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director

	2011 £	2010 £
Remuneration	<u>128,697</u>	<u>91,815</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

5 Other interest receivable and similar income

	2011 £	2010 £
Bank interest receivable	9,899	26,052
Other interest receivable	-	6
	<u>9,899</u>	<u>26,058</u>

6 Interest payable and similar charges

	2011 £	2010 £
Interest on bank borrowings	25,444	8,636
Other interest payable	28,142	26,229
Finance charges	6,071	9,181
	<u>59,657</u>	<u>44,046</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

7 Taxation

Tax on profit on ordinary activities

	2011 £	2010 £
Current tax		
Corporation tax charge	135,034	157,922
Deferred tax		
Origination and reversal of timing differences	1,904	14,410
Total tax on profit on ordinary activities	<u>136,938</u>	<u>172,332</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26% (2010 - 28%)

The differences are reconciled below

	2011 £	2010 £
Profit on ordinary activities before taxation	669,816	755,951
Corporation tax at standard rate	174,152	211,666
Depreciation add back less capital allowances	(8,702)	(18,095)
Non deductible expenses	3,305	1,652
Research and development adjustment	(22,603)	(18,844)
Other tax adjustments	(14,845)	(18,457)
Change in tax rates	3,727	-
Total current tax	<u>135,034</u>	<u>157,922</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

8 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 December 2010	434,805	84,370	346,190	285,438	1,150,803
Additions	-	35,198	23,328	19,750	78,276
Disposals	-	(3,213)	(768)	(28,378)	(32,359)
At 30 November 2011	<u>434,805</u>	<u>116,355</u>	<u>368,750</u>	<u>276,810</u>	<u>1,196,720</u>
Depreciation					
At 1 December 2010	25,740	37,308	250,824	132,775	446,647
Charge for the year	8,181	7,494	32,915	36,372	84,962
Eliminated on disposals	-	(892)	(562)	(14,685)	(16,139)
At 30 November 2011	<u>33,921</u>	<u>43,910</u>	<u>283,177</u>	<u>154,462</u>	<u>515,470</u>
Net book value					
At 30 November 2011	<u>400,884</u>	<u>72,445</u>	<u>85,573</u>	<u>122,348</u>	<u>681,250</u>
At 30 November 2010	<u>409,065</u>	<u>47,062</u>	<u>95,366</u>	<u>152,663</u>	<u>704,156</u>

Leased assets

Included within the net book value of tangible fixed assets is £100,811 (2010 - £159,855) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £34,890 (2010 - £36,937).

9 Stocks

	2011 £	2010 £
Finished goods	<u>2,848,766</u>	<u>2,570,527</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

10 Debtors

	2011 £	2010 £
Trade debtors	1,825,591	1,528,156
Other debtors	699	-
Prepayments and accrued income	-	169,141
	<u>1,826,290</u>	<u>1,697,297</u>

11 Creditors' Amounts falling due within one year

	2011 £	2010 £
Trade creditors	1,886,783	1,961,992
Bank loans and overdrafts	25,303	410,377
Obligations under finance lease and hire purchase contracts	38,214	82,299
Corporation tax	135,034	157,922
Other taxes and social security	273,493	219,700
Other creditors	3,350	-
Directors' current accounts	449,466	441,886
Accruals and deferred income	262,515	220,647
	<u>3,074,158</u>	<u>3,494,823</u>

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

	2011 £	2010 £
Bank loan and overdraft	25,303	410,377
Hire purchase	38,214	82,299
	<u>63,517</u>	<u>492,676</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.

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

12 Creditors' Amounts falling due after more than one year

	2011	2010
	£	£
Bank loans and overdrafts	307,762	327,414
Obligations under finance lease and hire purchase contracts	12,725	54,001
	<u>320,487</u>	<u>381,415</u>

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

	2011	2010
	£	£
Bank loan	307,762	327,414
Hire purchase	12,725	54,001
	<u>320,487</u>	<u>381,415</u>

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.

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

	2011	2010
	£	£
After more than five years by instalments	207,566	227,218
	<u>207,566</u>	<u>227,218</u>

Obligations under finance leases and HP contracts

Amounts repayable

	2011	2010
	£	£
In one year or less on demand	38,214	82,299
Between one and two years	12,725	54,001
	<u>50,939</u>	<u>136,300</u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

13 Provisions

	Deferred tax £	Total £
At 1 December 2010	29,213	29,213
Charged to the profit and loss account	<u>1,904</u>	<u>1,904</u>
At 30 November 2011	<u><u>31,117</u></u>	<u><u>31,117</u></u>

Analysis of deferred tax

	2011 £	2010 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>31,117</u>	<u>29,213</u>
	<u><u>31,117</u></u>	<u><u>29,213</u></u>

14 Share capital

Allotted, called up and fully paid shares

	2011		2010	
	No.	£	No	£
Ordinary A shares of £1 each	100	100	100	100
Ordinary B shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
	<u><u>200</u></u>	<u><u>200</u></u>	<u><u>200</u></u>	<u><u>200</u></u>

"A" ordinary shares have voting rights, while "B" ordinary shares have no voting rights but full dividend 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

15 Dividends

	2011 £	2010 £
Dividends paid		
Current year interim dividend paid	<u><u>32,000</u></u>	<u><u>40,000</u></u>

ROCHFORD GARDEN MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

16 Reserves

	Profit and loss account £	Total £
At 1 December 2010	2,609,238	2,609,238
Profit for the year	532,878	532,878
Dividends	(32,000)	(32,000)
At 30 November 2011	<u>3,110,116</u>	<u>3,110,116</u>

17 Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Profit attributable to the members of the company	532,878	583,619
Dividends	(32,000)	(40,000)
Net addition to shareholders' funds	500,878	543,619
Shareholders' funds at 1 December	<u>2,609,438</u>	<u>2,065,819</u>
Shareholders' funds at 30 November	<u>3,110,316</u>	<u>2,609,438</u>

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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 £56,409 (2010 - £56,600).

Contributions totalling £nil (2010 - £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 2011 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire

	2011 £	2010 £
Land and buildings		
Over five years	<u>179,350</u>	<u>179,350</u>
Other		
Within one year	10,210	-
Within two and five years	<u>-</u>	<u>12,234</u>
	<u>10,210</u>	<u>12,234</u>

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20 Analysis of net debt

	At 1 December 2010 £	Cash flow £	At 30 November 2011 £
Cash at bank and in hand	1,542,909	(363,137)	1,179,772
Bank overdraft	(385,328)	385,074	(254)
	<u>1,157,581</u>	<u>21,937</u>	<u>1,179,518</u>
Debt due within one year	(25,049)	-	(25,049)
Debt due after more than one year	(327,414)	19,652	(307,762)
Finance leases and hire purchase contracts	(136,300)	85,361	(50,939)
Net funds	<u>668,818</u>	<u>126,950</u>	<u>795,768</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 £28,142 (2010 - £29,808) 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 £449,466 (2010 - £441,886).

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 (2010 - £179,032). At the balance sheet date the amount due to Rochford Executive Pension Scheme was £nil (2010 - £nil).

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. The ultimate controlling party is P W C & E M Rochford.