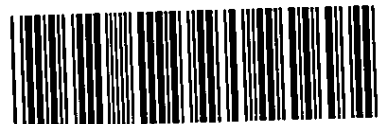


Company Registration No. 748302 (England and Wales)

DARBY NURSERY STOCK LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 28 JANUARY 2007

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DARBY NURSERY STOCK LIMITED

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DARBY NURSERY STOCK LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 28 JANUARY 2007

The directors present their report and financial statements for the period ended 28 January 2007

Principal activities and review of the business

The principal activity of the company continued to be that of the propagation, growing and sale of ornamental shrubs, conifers and trees

Review of the business

The directors are pleased to present their annual report and financial statements for the period ended 28 January 2007

The results for the company show a pre-tax profit of £156,146 (2006 £174,143) for the year and sales of £5,312,610 (2006 £5,681,850)

The company has net assets of £3,040,797 (2006 £3,066,188)

The results were affected by increasingly difficult market conditions and unfavourable weather in Spring 2006, giving rise to a further reduction in total turnover. A better spring season for 2007 means that the current level of turnover should be maintained for the year ending January 2008. Again, cost savings have mitigated the impact of the above, but it will be difficult to, in the future, make further savings.

The company is subject to a number of potential risks including unfavourable weather conditions, competition from other nurseries and a general downturn in the industry.

Given the straightforward nature of the company, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The results for the period are set out on page 4.

The directors have proposed a final dividend for the year amounting £150,000 (2006 £150,000).

Directors

The following directors have held office since 30 January 2006

A R Darby
E A J Darby
C E Darby
J E Lewis
T H Darby
J R Darby
J A Darby
N G Darby

Auditors

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

DARBY NURSERY STOCK LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 28 JANUARY 2007

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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

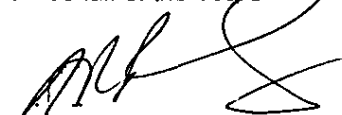
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of disclosure to auditor

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



A R Darby

Director

28-6-2007

INDEPENDENT AUDITORS' REPORT TO DARBY NURSERY STOCK LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 18, together with the financial statements of the company for the period ended 28 January 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, 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 conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

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 4 to 18 are properly prepared in accordance with that provision.



Larking Gowen

**Chartered Accountants
Registered Auditors
Norwich**

3.1 July 2007

DARBY NURSERY STOCK LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 28 JANUARY 2007

		Period ended 28 January 2007 £	Period ended 29 January 2006 £
	Notes		
Gross profit		3,933,084	4,059,390
Staff costs		2,453,948	2,575,894
Depreciation and amortisation		160,635	154,584
Other operating charges		1,133,412	1,154,255
Operating profit	2	153,169	174,657
Other interest receivable and similar income	3	12,329	12,297
Interest payable and similar charges	4	(9,352)	(12,811)
Profit on ordinary activities before taxation		156,146	174,143
Tax on profit on ordinary activities	5	(31,605)	(36,838)
Profit for the period	15	124,541	137,305

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

DARBY NURSERY STOCK LIMITED

ABBREVIATED BALANCE SHEET

AS AT 28 JANUARY 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	7	1,322,990		1,436,977	
Investments	8	110		110	
		<u>1,323,100</u>		<u>1,437,087</u>	
Current assets					
Stocks	9	1,956,125		1,917,808	
Debtors	10	128,735		181,187	
Cash at bank and in hand		151,060		95,090	
		<u>2,235,920</u>		<u>2,194,085</u>	
Creditors. amounts falling due within one year	11	<u>(441,613)</u>		<u>(480,517)</u>	
Net current assets		<u>1,794,307</u>		<u>1,713,568</u>	
Total assets less current liabilities		<u>3,117,407</u>		<u>3,150,655</u>	
Provisions for liabilities	12	<u>(76,678)</u>		<u>(84,467)</u>	
		<u>3,040,729</u>		<u>3,066,188</u>	
Capital and reserves					
Called up share capital	14	6,000		6,000	
Profit and loss account	15	3,034,729		3,060,188	
Shareholders' funds	16	<u>3,040,729</u>		<u>3,066,188</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

Approved by the Board and authorised for issue on 28-6-2007

JR Darby
Director

A R Darby
Director

DARBY NURSERY STOCK LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 28 JANUARY 2007

	Period ended 28 January 2007 £	Period ended 29 January 2006 £
Net cash inflow from operating activities	262,523	432,232
Returns on investments and servicing of finance		
Interest received	12,329	12,297
Interest paid	(8,139)	(11,567)
Interest element of finance lease rentals	(1,213)	(1,244)
Net cash inflow/(outflow) for returns on investments and servicing of finance	2,977	(514)
Taxation	(36,837)	(55,131)
Capital expenditure		
Payments to acquire tangible assets	(50,619)	(152,267)
Receipts from sales of tangible assets	8,300	11,112
Net cash outflow for capital expenditure	(42,319)	(141,155)
Equity dividends paid	(150,000)	(150,900)
Net cash inflow before management of liquid resources and financing	36,344	84,532
Increase in cash in the period	36,344	84,532

DARBY NURSERY STOCK LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 28 JANUARY 2007

1	Reconciliation of operating profit to net cash inflow from operating activities		2007	2006
			£	£
	Operating profit		153,169	174,657
	Depreciation of tangible assets		160,635	154,584
	Profit on disposal of tangible assets		(4,329)	(5,749)
	(Increase)/decrease in stocks		(38,317)	155,321
	Decrease in debtors		52,452	102,238
	Decrease in creditors within one year		(60,717)	(149,985)
	Net effect of foreign exchange differences		(370)	1,166
	Net cash inflow from operating activities		262,523	432,232

2	Analysis of net funds	30 January 2006	Cash flow	Other non-cash changes	28 January 2007
		£	£	£	£
	Net cash				
	Cash at bank and in hand	95,090	55,600	370	151,060
	Bank overdrafts	(74,394)	(19,256)	-	(93,650)
		20,696	36,344	370	57,410
	Net funds	20,696	36,344	370	57,410

3	Reconciliation of net cash flow to movement in net funds	2007	2006
		£	£
	Increase in cash in the period	36,344	84,532
	Net effect of foreign exchange differences	370	(1,166)
	Movement in net funds in the period	36,714	83,366
	Opening net funds/(debt)	20,696	(62,670)
	Closing net funds	57,410	20,696

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company makes up its financial statements to the nearest Sunday to 31 January each year. Consequently these financial statements are for the fifty two weeks ended 28 January 2007

1.2 Turnover

Turnover represents amounts receivable for goods and services, less returns, net of VAT and after excluding trade and other discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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

Freehold buildings	4 or 15% straight line
Property improvements	5,10,15 or 25% straight line
Plant and machinery	20 or 25% straight line

No depreciation is provided in respect of freehold land

1.4 Leasing

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 using the sum of digits method.

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

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stocks consist of horticultural produce and growing crops, and are valued at the lower of cost and net realisable value. Cost includes all direct expenditure and a proportion of fixed and variable costs.

1.7 Pensions

The company operates a defined contribution pension scheme. The pension cost charge represents the contributions payable by the company under the rules of the scheme.

1.8 Deferred taxation

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.

1.9 Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

1 Accounting policies

1.10 Changes in accounting policies

The company has adopted FRS21, 'Events after the balance sheet date' in the previous periods financial statements. The adoption of this standard represents a change in accounting policy.

The effect of the change in accounting policy to adopt FRS 21 was to recognise the final proposed dividend for the period ended 30 January 2005 of £150,900 in 2006 and the final proposed dividend for the period ended 01 February 2004 in 2005. The change resulted in a prior year adjustment of £150,900, being a credit to reserves (2005 £360,000).

2 Operating profit	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	160,635	154,584
Operating lease rentals	27,652	26,343
Auditors' remuneration	11,720	11,200
and after crediting		
Profit on disposal of tangible assets	(4,329)	(5,749)
	<u><u> </u></u>	<u><u> </u></u>
 3 Investment income	 2007	 2006
	£	£
Bank interest	12,324	12,271
Other interest	5	26
	<u> </u>	<u> </u>
	<u><u>12,329</u></u>	<u><u>12,297</u></u>
 4 Interest payable	 2007	 2006
	£	£
On bank loans and overdrafts	8,139	11,567
Lease finance charges	1,213	1,244
	<u> </u>	<u> </u>
	<u><u>9,352</u></u>	<u><u>12,811</u></u>

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

5	Taxation	2007 £	2006 £
	Domestic current year tax		
	U K corporation tax	39,395	36,838
	Current tax charge	39,395	36,838
	Deferred tax		
	Deferred tax charge/credit current year	(7,790)	-
		31,605	36,838
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	156,146	174,143
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 - 30.00%)	46,844	52,243
	Effects of		
	Non deductible expenses	2,189	628
	Depreciation add back	46,892	44,651
	Capital allowances	(34,537)	(39,356)
	Other tax adjustments	(21,993)	(21,328)
		(7,449)	(15,405)
	Current tax charge	39,395	36,838
6	Dividends	2007 £	2006 £
	Ordinary dividend paid	150,000	150,900

A dividend was declared after the balance sheet date amounting to £150,000

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

7 Tangible fixed assets

	Freehold land and buildings £	Property improvements £	Plant and machinery £	Total £
Cost				
At 30 January 2006	537,768	1,756,410	1,338,083	3,632,261
Additions	-	-	50,620	50,620
Disposals	-	-	(31,770)	(31,770)
At 28 January 2007	537,768	1,756,410	1,356,933	3,651,111
Depreciation				
At 30 January 2006	58,785	954,961	1,181,538	2,195,284
On disposals	-	-	(27,799)	(27,799)
Charge for the period	29,275	72,708	58,653	160,636
At 28 January 2007	88,060	1,027,669	1,212,392	2,328,121
Net book value				
At 28 January 2007	449,708	728,741	144,541	1,322,990
At 29 January 2006	478,983	801,449	156,545	1,436,977

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

	Plant and machinery £
Net book values	
At 28 January 2007	7,806
At 29 January 2006	10,377
Depreciation charge for the period	
At 28 January 2007	2,570
At 29 January 2006	2,570

Included within freehold land and buildings is land at cost of £351,407 (2006 - £351,407)

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

8 Fixed asset investments

	Unlisted investments	Shares in participating interests	Total
	£	£	£
Cost			
At 30 January 2006 & at 28 January 2007	100	10	110

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Participating interests			
The Anglia Group of Nurseries Ltd	England	Ordinary	33

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves	Profit for the year
	£	£
The Anglia Group of Nurseries Ltd	932	(499)

9 Stocks

	2007	2006
	£	£
Raw materials and consumables	168,612	179,636
Finished goods and goods for resale	1,787,513	1,738,172
	1,956,125	1,917,808

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

10 Debtors	2007 £	2006 £
Trade debtors	74,150	105,066
Other debtors	28,335	49,871
Prepayments and accrued income	26,250	26,250
	<u>128,735</u>	<u>181,187</u>
11 Creditors' amounts falling due within one year	2007 £	2006 £
Bank loans and overdrafts	93,650	74,394
Trade creditors	206,459	260,954
Corporation tax	39,395	36,838
Other taxes and social security costs	41,722	46,215
Directors' current accounts	23,850	23,850
Other creditors	6,331	7,008
Accruals and deferred income	30,206	31,258
	<u>441,613</u>	<u>480,517</u>

The bank overdraft is secured by a fixed and floating charge on the assets of the company given under a debenture dated 16 December 1993. In addition the company's bankers hold a legal charge over the following assets - Drove Farmhouse and land at Severalls Road, Methwold dated 18 April 1994, Broad Fen Farm, Methwold dated 31 March 1988 and land at Methwold Hythe dated 31 October 1989 and 31 May 1990.

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 30 January 2006	84,467
Profit and loss account	(7,790)
	<u>76,678</u>
Balance at 28 January 2007	<u>76,678</u>

The deferred tax liability is made up as follows

	2007 £	2006 £
Accelerated capital allowances	<u>76,678</u>	<u>84,467</u>

13 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. There were unpaid contributions at the period end of £2,881 (2006: £3,255).

	2007 £	2006 £
Contributions payable by the company for the period	<u>88,284</u>	<u>159,538</u>

14 Share capital

	2007 £	2006 £
Authorised		
6,000 Ordinary shares of £1 each	<u>6,000</u>	<u>6,000</u>
Allotted, called up and fully paid		
6,000 Ordinary shares of £1 each	<u>6,000</u>	<u>6,000</u>

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 30 January 2006	3,060,188
Profit for the period	124,541
Dividends paid	(150,000)
Balance at 28 January 2007	<u>3,034,729</u>

16 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit for the financial period	124,541	137,305
Dividends	(150,000)	(150,900)
Net depletion in shareholders' funds	(25,459)	(13,595)
Opening shareholders' funds	<u>3,066,188</u>	<u>3,079,783</u>
Closing shareholders' funds	<u>3,040,729</u>	<u>3,066,188</u>

17 Contingent liabilities

An indemnity of £15,000 has been provided to H M Customs & Excise regarding the payment of VAT on imports, from 20th February 1998 until further notice

18 Financial commitments

At 28 January 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 28 January 2008

	Land and buildings	
	2007 £	2006 £
Operating leases which expire In over five years	<u>27,652</u>	<u>27,652</u>

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

19 Directors' emoluments	2007 £	2006 £
Emoluments for qualifying services	211,100	206,681
Company pension contributions to money purchase schemes	52,510	124,110
	<u>263,610</u>	<u>330,791</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 6 (2006 - 6)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	77,209	77,209
Company pension contributions to money purchase schemes	37,200	46,000
	<u>77,209</u>	<u>46,000</u>

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

20 Transactions with directors

For the purpose of Schedule 6 Part II and Section 232 of the Companies Act 1985, the following directors have declared their material interests

N G Darby	Darby Plants Limited
A R Darby	A R and Mrs E F A Darby, Anglia Group of Nurseries Limited
J R Darby	Darby Plants Limited
Mrs J E Lewis	Anglia Group of Nurseries Limited
J A Darby	Darby Methwold

During the period the company traded with Darby Methwold, Darby Plants Limited and A R and Mrs E F A Darby on a normal commercial basis. The material items are detailed below -

Transactions	Sales		Purchases	
	2007	2006	2007	2006
	£	£	£	£
Darby Plants Limited	20,672	14,089	39,691	28,032
Balances at the period end		Sales Ledger		Purchase Ledger
	2007	2006	2007	2006
	£	£	£	£
Darby Plants Limited	7,068	1,776	8,315	2,289

At the period end the directors were owed the following amounts by the company in respect of their current accounts -

A R Darby	£2,950(2006 £2,950)
Mrs J E Lewis	£2,950(2006 £2,950)
N G Darby	£5,000(2006 £5,000)
T H Darby	£5,000(2006 £5,000)
J A Darby	£5,000(2006 £5,000)
J R Darby	£2,950(2006 £2,950)

DARBY NURSERY STOCK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 28 JANUARY 2007

21 Employees

Number of employees

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

	2007 Number	2006 Number
Production	55	59
Sales	6	6
Administration	16	16
	<hr/> 77	<hr/> 81
	<hr/>	<hr/>

Employment costs

	2007 £	2006 £
Wages and salaries	2,254,811	2,273,876
Social security costs	142,773	142,480
Other pension costs	88,284	159,538
	<hr/> 2,485,868	<hr/> 2,575,894
	<hr/>	<hr/>