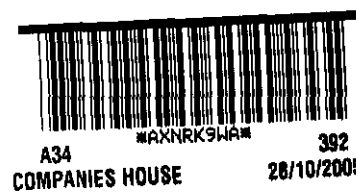


**Country Gardens Limited**

**Report and Financial Statements**

**2 January 2005**

**Registered Company Number : 1750654**



# **COUNTRY GARDENS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2004**

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**COUNTRY GARDENS LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2004**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

S Murfin  
G J Price

**SECRETARY**

S Murfin

**REGISTERED OFFICE**

c/o Wyevale Garden Centres Plc  
Kings Acre Road  
Hereford  
HR4 0SE

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
Birmingham

# **COUNTRY GARDENS LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report on the affairs of the company together with the financial statements for the 53 weeks ended 2 January 2005.

## **PRINCIPAL ACTIVITIES & BUSINESS REVIEW**

The company has not traded during either period end. The directors do not envisage that this company will trade for the foreseeable future.

## **DIRECTORS**

The directors who served during the year and subsequently were as follows:

R J Hewitt (resigned on 13 September 2005)

S Murfin

G J Price

S Murfin and G J Price are also directors of Wyevalle Garden Centres plc., the ultimate parent company, and their interests in the shares of that company are disclosed in its financial statements.

R J Hewitt was a director of Wyevalle Garden Centres plc. as at 2 January 2005 and resigned on 13 September 2005. His interests in the shares of that company are disclosed in its financial statements.

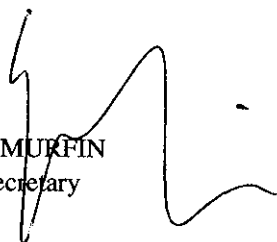
No director has any interests requiring disclosure under schedule 7 of the Companies Act 1985.

## **AUDITORS**

BDO Stoy Hayward resigned as Auditors on 30 November 2004 and the directors appointed Deloitte & Touche LLP as its successor with effect from 13 December 2004. A resolution to re-appoint Deloitte & Touche LLP as Auditors to the Company and that their remuneration be determined by the directors will be proposed at the next Annual General Meeting.

Approved by the Board of Directors on 24 October 2005  
and signed on its behalf by:

S MURFIN  
Secretary

A handwritten signature in black ink, appearing to be 'S. Murfin', written over the printed name and title.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed;
- 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY GARDENS LIMITED**

We have audited the financial statements of Country Gardens Limited for the 53 weeks ended 2 January 2005 which comprise the profit and loss account, the balance sheet, the note of historical cost profit and losses and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters which we are required to state to them in an auditors' 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 the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

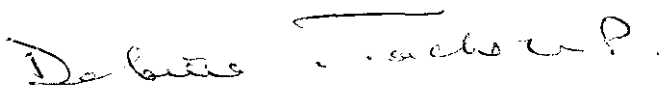
### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 2 January 2005 and of its loss for the year and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Birmingham

28 ~~X~~ October 2005

## COUNTRY GARDENS LIMITED

### PROFIT AND LOSS ACCOUNT

As at 2 January 2005

	Notes	2004	2003
		£ 000	£ 000
Operating Expenses	4	<u>(17)</u>	<u>-</u>
Operating Loss		<u>(17)</u>	<u>-</u>
Loss on ordinary activities before and after taxation	5	(17)	-
Retained profit brought forward		<u>25,022</u>	<u>25,022</u>
Retained profit carried forward		<u>25,005</u>	<u>25,022</u>

All amounts relate to continuing activities.

The accompanying notes form an integral part of these accounts.

There are no recognised gains and losses other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is given.

# COUNTRY GARDENS LIMITED

## BALANCE SHEET

As at 2 January 2005

	Notes	2004 £ 000	2003 As Restated £ 000
<b>Fixed Assets</b>			
Tangible assets	6	224	8,539
<b>Current Assets</b>			
Debtors	7	80,350	72,052
<b>Creditors: Amounts falling due within one year</b>	8	(23,494)	(23,494)
<b>Net assets</b>		<u>57,080</u>	<u>57,097</u>
<b>Capital and Reserves</b>			
Called up share capital	9	7,279	7,279
Share premium account	10	22,015	22,015
Revaluation reserve	10	72	2,781
Profit and loss account	10	27,714	25,022
<b>Equity shareholders' funds</b>		<u>57,080</u>	<u>57,097</u>

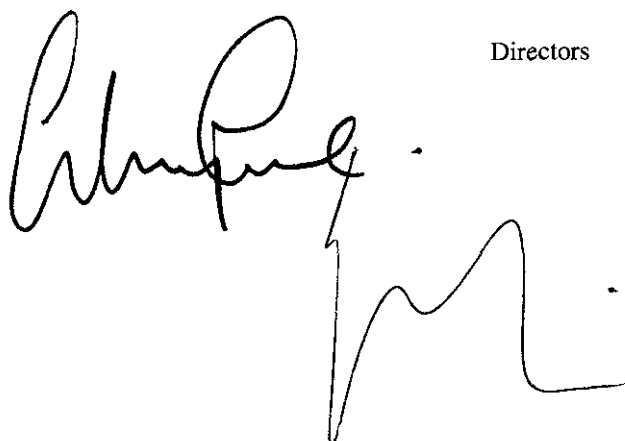
The accompanying notes form an integral part of this balance sheet.

Approved by the Board of Directors on 24 October 2005  
and signed on its behalf by:

S Murfin

Directors

G J Price





## COUNTRY GARDENS LIMITED

### Note of Historical Cost Profits and Losses 53 weeks ended 2 January 2005

	2004 £'000	2003 £'000
Reported profit on ordinary activities before taxation	(17)	-
Realisation of property revaluation gains of prior years	<u>2,709</u>	<u>2,220</u>
Historical cost profit on ordinary activities before taxation	<u>2,692</u>	<u>2,220</u>
Historical cost profit for the year retained after taxation	<u>2,692</u>	<u>2,220</u>

# COUNTRY GARDENS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

53 weeks ended 2 January 2005

### 1 ACCOUNTING POLICIES

#### Basis of accounting

The principal accounting policies are summarised below which have all been applied consistently throughout the period and preceding period. The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

#### Tangible fixed assets

Tangible fixed assets are stated at cost or valuation. Cost comprises original cost and the costs of development. On adoption of FRS15 the company has followed the transitional provisions to retain the book value of land and buildings, certain of which were revalued in 1998.

#### Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less residual value, of each asset on a straight line basis over its expected useful life as follows:

Freehold buildings - Over 50 years on cost or valuation less residual value.

### 2 Cash Flow Statement

Under the provisions of Financial Reporting Standard Number One, the Company has not prepared a cash flow statement because its immediate parent company, Wyevale Garden Centres Plc, which holds more than 90% of the Company's share capital, has prepared consolidated accounts. These consolidated accounts include the accounts of the Company for the year ended 2 January 2005, contain a consolidated cash flow statement and are publicly available.

### 3 Information regarding directors and employees

No emoluments were payable to the directors, who were the only employees, of the company during the current and preceding period.

### 4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

Depreciation

2004

£000

2003

£000

17

-

### 5 Tax on loss on ordinary activities before taxation

2004

£000

2003

£000

#### Current tax reconciliation:

Loss on ordinary activities before tax

(17)

-

Current tax at 30%

(5)

-

Effects of:

Expenses not deductible for tax purposes

5

Total current tax

-

-

# COUNTRY GARDENS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) 53 weeks ended 2 January 2005

### 6 Tangible fixed assets

	Long Leasehold £ 000	Short Leasehold £ 000	Total £ 000
<b>Cost or valuation</b>			
At 28 December 2003	8,298	250	8,548
Group transfers	(8,298)	-	(8,298)
At 2 January 2005	-	250	250
<b>Analysed as follows:</b>			
Cost	-	130	130
Valuation	-	120	120
	-	250	250
<b>Depreciation</b>			
At 28 December 2003	-	9	9
Charge for the year	-	17	17
Group transfers	-	-	-
At 2 January 2005	-	26	26
<b>Net book value</b>			
At 2 January 2005	-	224	224
At 28 December 2003	8,298	241	8,539

Tangible fixed assets are stated at cost or valuation. A full valuation of the portfolio was conducted at 31 December 1998 by Knight Frank using the Existing Use Basis as defined by the RICS Appraisal and Valuation Manual.

### 7 Debtors

	2004 £ 000	2003 As Restated £ 000
Amounts falling due within one year		
Group undertakings	80,350	72,052

The inter-company debtor balance brought forward has been restated to increase it by £23,494,000. This is because in the prior year the inter-company creditor balance was incorrectly offset against the inter-company debtor balance as a result of the inter-company balances being between different entities. The prior year inter-company creditor balance has therefore also been restated by £23,494,000 (See note 6).

# COUNTRY GARDENS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) 53 weeks ended 2 January 2005

8	Creditors - due within one year	2004	2003
		£ 000	As Restated £ 000
	Group undertakings	23,494	23,494
9	Called up share capital	2004	2003
	Authorised - number	34,920,000	34,920,000
	Ordinary shares of 25p each	£8,730,000	£8,730,000
	Allotted and fully paid - number	29,115,934	29,115,934
	Ordinary shares of 25p each	£7,278,984	£7,278,984
10	Reserves	Share premium account £ 000	Revaluation reserve £ 000
			Profit & loss account £ 000
	At 29 December 2003	22,015	2,781
	Transfer to profit and loss account	-	(2,709)
	Retained loss for the year	-	(17)
	At 2 January 2005	22,015	72

## 11 Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking and controlling party is Wyevale Garden Centres plc, a company registered in England and Wales and listed on the London Stock Exchange.

Wyevale Garden Centres plc produces group accounts, which are available to the public and may be obtained from Wyevale Garden Centres plc, Kings Acre Road, Hereford, HR4 0SE.