

**GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

**COMPANY NUMBER - 2862671**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 1996**



**GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

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**FOR THE YEAR ENDED 31 OCTOBER 1996**

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**AUDITORS REPORT TO THE MEMBERS OF  
GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

**PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985.**

We have examined the abbreviated financial statements on pages 3 to 5 together with the full financial statements of Growell Hydroponics and Plant Lighting Ltd for the year ended 31 October 1996. The scope of our work for the purposes of this report was limited to confirming that the directors are entitled to the exemptions claimed in the directors' statement on page 3 and that the abbreviated financial statements have been properly prepared from the full financial statements.

In our opinion the company is entitled under ss 246 to 247 of the Companies Act 1985 to exemptions conferred by Section A of Part 111 of Schedule 8 to the Act in respect of the year ended 31 October 1996 and the abbreviated financial statements on pages 3 to 5 have been properly prepared in accordance with that Schedule.

On 20th August 1997, we reported, as auditors of Growell Hydroponics and Plant Lighting Ltd to the members on the full financial statements prepared under s 226 of the Companies Act 1985 for the year ended 31 October 1996 and our audit report was as follows:

'We have audited the financial statements set out on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**RESPONSIBILITIES OF DIRECTORS**

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of the 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
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a 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.

**RESPONSIBILITIES OF THE AUDITORS**

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and report our opinion to you.

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED (continued)**

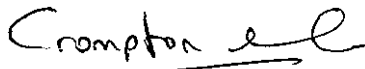
**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Audit 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 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 of the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance 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 the 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 31 October 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**Crompton & Co  
Registered Auditor &  
Chartered Accountants**

**42 Queens Road  
Coventry  
CV1 3DX**

**20th August 1997**

**GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 OCTOBER 1996**

	<u>Notes</u>	<u>£</u>	<u>1996</u>	<u>£</u>	<u>1995</u>	<u>£</u>
<b>FIXED ASSETS</b>						
Intangible assets	2		4,572		5,715	
Tangible assets	3		11,148		12,644	
			<u>15,720</u>		<u>18,359</u>	
<b>CURRENT ASSETS</b>						
Stocks		51,639		27,007		
Debtors		1,620		15,140		
Cash at bank and in hand		7,438		13,894		
		<u>60,697</u>		<u>56,041</u>		
<b>CREDITORS - amounts falling due within one year</b>		<u>78,395</u>		<u>56,453</u>		
<b>NET CURRENT (LIABILITIES)</b>			<u>(17,698)</u>		<u>(412)</u>	
<b>ASSETS LESS CURRENT LIABILITIES</b>			<u>(1,978)</u>		<u>17,947</u>	
<b>CREDITORS - amounts falling due after more than one year</b>			<u>(9,067)</u>		<u>(13,108)</u>	
<b>NET (LIABILITIES)/ASSETS</b>			<u><u>(11,045)</u></u>		<u><u>4,839</u></u>	
<b>CAPITAL AND RESERVES</b>						
Called up share capital	4		9,502		9,502	
Profit and loss account			<u>(20,547)</u>		<u>(4,663)</u>	
<b>SHAREHOLDERS' FUNDS</b>			<u><u>(11,045)</u></u>		<u><u>4,839</u></u>	

In preparing these abbreviated accounts, we have relied upon the exemptions for individual accounts provided by Section 8 of the Companies Act 1985 and we have done so on the ground that the company is entitled to the benefit of those exemptions as a small company.

I K Reynolds

J E Henry

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) Directors

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19th August 1997

The notes on pages 4 to 5 form part of these financial statements.

**GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

**Notes forming part of the abbreviated financial statements  
to 31 October 1996**

**1. ACCOUNTING POLICIES**

The following are the major accounting policies operated by the company in the financial statements for the year ended 31 October 1996.

**1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention.

**1.2 Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**1.3 Tangible fixed assets**

Depreciation is provided at the following rates calculated on a reducing balance basis:

Plant and equipment	25%
Motor vehicles	25%

**1.4 Stocks**

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

**1.5 Deferred taxation**

Deferred taxation has been considered in accordance with Statement of Standard Accounting Practice No 15. The charge for taxation for this year and previous years has been reduced by accelerated capital allowances but provision for this deferred tax has not been made as the tax so deferred is not expected to become payable in the foreseeable future.

**2. INTANGIBLE FIXED ASSETS**

	<b><u>Goodwill</u></b>
	<b>£</b>
Cost:	
At 1 November 1995 and	
At 31 October 1996	8,000
	<hr/>
Amortisation:	
At 1 November 1995	2,285
Charge for the year	1,143
	<hr/>
At 31 October 1996	3,428
	<hr/>
Net book value:	
At 31 October 1996	4,572
	<hr/> <hr/>

**GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

**Notes forming part of the abbreviated financial statements  
to 31 October 1996 - continued**

**3. TANGIBLE FIXED ASSETS**

	<b>Plant and equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost:</b>			
At 1 November 1995	13,865	3,320	17,185
Additions	2,221	-	2,221
	<hr/>	<hr/>	<hr/>
At 31 October 1996	16,086	3,320	19,406
	<hr/>	<hr/>	<hr/>
<b>Depreciation:</b>			
At 1 November 1995	3,519	1,022	4,541
Charge for the year	3,142	575	3,717
	<hr/>	<hr/>	<hr/>
At 31 October 1996	6,661	1,597	8,258
	<hr/>	<hr/>	<hr/>
<b>Net book value:</b>			
At 31 October 1996	9,425	1,723	11,148
	<hr/>	<hr/>	<hr/>

**4. CALLED UP SHARE CAPITAL**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100 Co-Operative shares of £1 each	100	100
19,900 Non-voting investment shares of £1 each	19,900	19,900
	<hr/>	<hr/>
	20,000	20,000
	<hr/>	<hr/>
<b>Allotted, issued and fully paid</b>		
2 Co-Operative shares of £1 each	2	2
9,500 Non-voting investment shares of £1 each	9,500	9,500
	<hr/>	<hr/>
	9,502	9,502
	<hr/>	<hr/>