

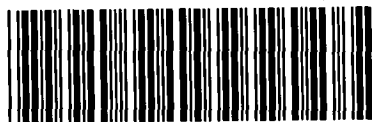
# Synchemicals Limited

Registered number: 00368448

## Directors' report and financial statements

For the year ended 31 August 2016

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## **SYNCHEMICALS LIMITED**

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### **COMPANY INFORMATION**

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<b>Directors</b>	P A Gooding J Plews D Wilkinson A Y Gooding (appointed 14 January 2016)
<b>Company secretary</b>	A Y Gooding
<b>Registered number</b>	00368448
<b>Registered office</b>	Owen Street Coalville LE67 3DE
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor Park View House 58 The Ropewalk Nottingham NG1 5DW
<b>Incorporation</b>	Synchemicals Limited was incorporated on 30 July 1941. Registered in England and incorporated under the Companies Act 2006 as a Private Limited Company, limited by shares.

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**SYNCHEMICALS LIMITED**

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**SYNCHEMICALS LIMITED**

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**NOTICE OF ANNUAL GENERAL MEETING  
FOR THE YEAR ENDED 31 AUGUST 2016**

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Notice is hereby given that the 73rd Annual General Meeting of the members of Synchemicals Limited will be held at Park Farm, Kettlethorpe, Lincolnshire, LN1 2LD on 28th April 2017 at 12.00 to transact the following business:

**NOTICE**

To read the notice convening the meeting.

**MINUTES**

To read and approve the minutes of the previous Annual General Meeting.

**FINANCIAL STATEMENTS**

To receive and consider the financial statements of the Company for the year ended 31 August 2016, together with the reports of the directors and auditors thereon.

**DIVIDENDS**

To declare an interim dividend of 7.5p per share and a final dividend of 22.5p per share, making a total dividend of 30p per share for the year ended 31 August 2016.

**DIRECTORS**

To re-elect the director, retiring by rotation, D Wilkinson.

**AUDITORS**

To appoint the auditors, Mazars LLP, and to authorise the directors to fix their remuneration

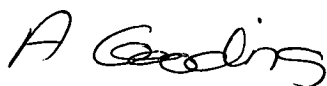
**ANY OTHER BUSINESS**

To transact any other business which is within the scope of the meeting.

**NOTE**

Each member entitled to attend and vote at a meeting of the Company is entitled to appoint a proxy to attend and vote instead of him or her. The proxy need not be a member of the Company.

By order of the Board



A Y Gooding  
Secretary

Date: 27 March 2017

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## SYNCHEMICALS LIMITED

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### CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 AUGUST 2016

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I am delighted to report that the Group has enjoyed an exceptional trading year.

Sustained benign weather conditions in key months helped drive **Vitax Limited**, our manufacturer of garden, amenity and growing media products, towards a strong trading result. A key focus in recent years has been to make progressive investment in the manufacturing and distribution site at Skelmersdale, and this has laid a solid foundation for the Company to meet increased seasonal demand. During the year, a substantial recovery was made of the Solus bad debt incurred in 2014.

The **Organico Limited** poultry fertiliser brands, 6X and GROWORGANIC, which were acquired last year, met sales expectations as their distribution in the trade was expanded. We plan to invest in new machinery for 2017 in order to take advantage of trading opportunities for Organico.

**Nutrel Products Limited**, our specialist manufacturer of fertilisers for commercial horticulture and agriculture, recorded a good trading result for the year, buoyed by increased sales activity in export markets particularly in South American and Middle Eastern countries. During the year, a new bulk storage warehouse was completed. This will increase our resource capacity at the Lincoln site for future trading.

**John Hall (Fertilisers) Limited**, our manufacturer of fertilisers for professional sportsturf and amenity, traded to budget during the period under review. During 2017 it is planned to extend certain manufacturing and storage areas on the Skelmersdale site.

**Showpla Plastics Limited**, our injection moulding business based in Cannock, saw its positive trading results affected by an unforeseen and significant bad debt. During the year, as part of a capital replacement plan, two new mid-range moulding machines were purchased. Showpla's customers continue to focus on cost reduction among the supplier base amid low growth opportunities and inflation concerns.

In early January 2016, I announced a small number of key internal promotions at senior director level across the Group to reflect the now larger trading operations, and to allow the writer to concentrate on his combined role as Group Chairman and Chief Executive. I am delighted with the good progress each promotee has made to date in his/ her position.

#### Outlook

Trading conditions across the Group continue to remain difficult. Rising labour rates, raw material and packaging prices due to the recent drop in the exchange rate are set to add inflationary pressure on our costs. We do not expect our 2017 trading results to match those recorded in the year under review.

As always, our trading performance will also be affected by the weather conditions prevailing during our busiest trading months.

On behalf of the Board, I would like to express my thanks to the Group's employees for their hard work and commitment throughout the year.

By order of the Board



P A Gooding  
Chairman

Date: 27 March 2017

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## SYNCHEMICALS LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2016

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#### Introduction

The directors present their strategic report for the year ended 31 August 2016.

#### Business review

The business review is set out in the Chairman's Statement on page 2.

#### Principal risks and uncertainties

**Liquidity risk** - The parent Company ensures that it retains at all times adequate levels of liquidity to meet the working capital and investment requirements of the Group. These requirements fluctuate during any given year due to the strong seasonal bias of the business, the prevailing weather patterns, and the need to provide periods of credit. Surplus liquidity balances arising from time to time during the trading cycle are pooled by the parent Company and invested in reputable institutions.

**Credit risk** - The obligation in line with industry practice to offer credit terms to most of our customers represents a significant financial risk. In order to minimise our exposure to bad debts, individual customer credit levels are carefully monitored and credit ratings are undertaken as appropriate.

**Foreign currency risk** - We have an investment in an associated Company operating in the Euro zone, with which we conduct transactions in sterling. Wherever practical, we organise trading relationships such that goods are purchased and/or sold in sterling. On occasions this is not commercially achievable, with the result that there is some exposure to transactions denominated in Euros and USD \$. The net impact of these transactions is broadly neutral during the trading cycle.

**Price risk** - We are exposed to changes in raw material and packaging prices, where these are based on worldwide commodity prices for fertilisers, chemicals and on oil prices. We seek to minimise exposure through fixed supplier agreements where possible.

The directors do not consider that there are any other risks attaching to the use of financial instruments which are material to an assessment of the Group's financial position.

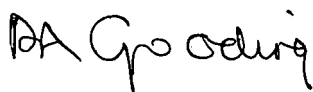
#### Financial key performance indicators

The profit for the year, after taxation, amounted to £1,582,000 (2015 - £1,169,000).

The Group turnover for the year increased from £25.8m to £27.6m, an increase of 7%.

Earnings before interest, taxation, goodwill amortisation, impairment and depreciation were £2.99m compared to £2.26m in the previous year.

This report was approved by the board and signed on its behalf by:-



**P A Gooding**  
Director

Date: 27 March 2017

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## **SYNCHEMICALS LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2016**

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The directors present their report and the financial statements for the year ended 31 August 2016.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the Profit or Loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activity**

The Company's principal activity is to provide management services, finance and accommodation facilities to its trading subsidiary companies.

The principal activities of the subsidiary companies are the manufacture and marketing of products for the home & garden, amenity and commercial horticultural markets, agriculture, and the manufacture of injection moulded plastic products.

The subsidiaries affecting the profits and net assets of the Group in the year are detailed in note 25 to these financial statements.

#### **Directors**

The directors who served during the year were:

P A Gooding  
J Plews  
D Wilkinson  
A Y Gooding (appointed 14 January 2016)

#### **Directors' indemnity**

Appropriate directors' and officers' liability insurance is in place in respect of all of the Company directors.

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**SYNCHEMICALS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Matters covered in the strategic report**

The Group has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 to set out certain information in the Strategic Report as required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

**Disclosure of information to auditor**

Each of the persons who was a director at the time when this Directors' report was approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

**Auditors**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:-



**P A Gooding**  
Director

Date: 27 March 2017



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## **SYNCHEMICALS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SYNCHEMICALS LIMITED**

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We have audited the financial statements of Synchemicals Limited for the year ended 31 August 2016 which comprise the Consolidated Profit and Loss Account, the Consolidated and Company Balance Sheet, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement set out on page 4, 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 Ethical Standards for Auditors. 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.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 August 2016 and of the Group's 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 the 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.

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**SYNCHEMICALS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SYNCHEMICALS LIMITED**

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**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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.



Alistair Wesson (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

27 March 2017

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**SYNCHEMICALS LIMITED**

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**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

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	Note	2016 £000	2015 £000
Turnover	4	27,577	25,792
Cost of sales		(19,452)	(18,263)
<b>Gross profit</b>		<u>8,125</u>	<u>7,529</u>
Distribution costs		(2,684)	(2,548)
Administrative expenses		(3,385)	(3,580)
<b>Operating profit</b>	5	<u>2,056</u>	<u>1,401</u>
Interest receivable and similar income	9	<u>84</u>	<u>182</u>
<b>Profit before taxation</b>		<u>2,140</u>	<u>1,583</u>
Tax on profit	10	<u>(558)</u>	<u>(414)</u>
<b>Profit for the year</b>		<u><u>1,582</u></u>	<u><u>1,169</u></u>
Other comprehensive income	2.4	-	-
<b>Total comprehensive income for the year</b>		<u><u>1,582</u></u>	<u><u>1,169</u></u>
Owners of the Company		<u>1,582</u>	<u>1,169</u>
		<u><u>1,582</u></u>	<u><u>1,169</u></u>

All amounts relate to continuing operations.

The notes on pages 14 to 36 form part of these financial statements.

**SYNCHEMICALS LIMITED**  
**REGISTERED NUMBER: 00368448**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£000	2016 £000	2015 £000
<b>Fixed assets</b>				
Intangible assets	11		469	670
Tangible assets	13		6,378	6,168
Investments	14		100	100
			<u>6,947</u>	<u>6,938</u>
<b>Current assets</b>				
Fixed assets held for sale		50	50	
Stocks	15	3,336	3,435	
Debtors: amounts falling due within one year	16	6,326	6,890	
Cash at bank and in hand	17	13,304	12,175	
		<u>23,016</u>	<u>22,550</u>	
Creditors: amounts falling due within one year	18	(4,096)	(4,724)	
<b>Net current assets</b>			<u>18,920</u>	<u>17,826</u>
<b>Total assets less current liabilities</b>			<u>25,867</u>	<u>24,764</u>
<b>Capital and reserves</b>				
Called up share capital	21		959	959
Other reserves			41	41
Profit and loss account			<u>24,867</u>	<u>23,764</u>
			<u>25,867</u>	<u>24,764</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:-



**P A Gooding**  
Director

Date: 27 March 2017



**J Plews**  
Director

Date: 27 March 2017

The notes on pages 14 to 36 form part of these financial statements.

**SYNCHEMICALS LIMITED**  
**REGISTERED NUMBER: 00368448**

**COMPANY BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£000	2016 £000	£000	2015 £000
<b>Fixed assets</b>					
Tangible assets	13		5,526		5,350
Investments	14		3,065		3,065
			<u>8,591</u>		<u>8,415</u>
<b>Current assets</b>					
Fixed assets held for sale		50		50	
Debtors: amounts falling due within one year	16	526		804	
Cash at bank and in hand	17	14,022		12,028	
		<u>14,598</u>		<u>12,882</u>	
Creditors: amounts falling due within one year	18	(7,027)		(6,274)	
<b>Net current assets</b>			<u>7,571</u>		<u>6,608</u>
<b>Total assets less current liabilities</b>			<u>16,162</u>		<u>15,023</u>
<b>Net assets</b>			<u><u>16,162</u></u>		<u><u>15,023</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		959		959
Other reserves			41		41
Profit and loss account			<u>15,162</u>		<u>14,023</u>
			<u><u>16,162</u></u>		<u><u>15,023</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:-



**P A Gooding**  
Director

Date: 27 March 2017



**J Plews**  
Director

Date: 27 March 2017

The notes on pages 14 to 36 form part of these financial statements.

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**SYNCHEMICALS LIMITED**

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2016**

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	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 September 2015	959	41	23,764	24,764
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,582	1,582
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	1,582	1,582
Dividends: Equity capital	-	-	(479)	(479)
<b>At 31 August 2016</b>	<u>959</u>	<u>41</u>	<u>24,867</u>	<u>25,867</u>

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2015**

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	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 September 2014	959	41	22,859	23,859
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,169	1,169
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	1,169	1,169
Dividends: Equity capital	-	-	(264)	(264)
<b>At 31 August 2015</b>	<u>959</u>	<u>41</u>	<u>23,764</u>	<u>24,764</u>

**Description of Reserves****Profit and Loss Account**

The Profit and Loss Account represents cumulative profits of the Company.

**Capital Redemption Reserve**

The Capital Redemption Reserve is a non-distributable reserve and represents the amounts received above the nominal value paid for shares redeemed, less transaction costs.

Other Comprehensive Income is defined in note 2.4.

The notes on pages 14 to 36 form part of these financial statements.

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**SYNCHEMICALS LIMITED**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2016**

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	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 September 2015	959	41	14,023	15,023
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,618	1,618
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	1,618	1,618
Dividends: Equity capital	-	-	(479)	(479)
<b>At 31 August 2016</b>	<b>959</b>	<b>41</b>	<b>15,162</b>	<b>16,162</b>

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2015**

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	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 September 2014	959	41	14,336	15,336
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(49)	(49)
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(49)	(49)
Dividends: Equity capital	-	-	(264)	(264)
<b>At 31 August 2015</b>	<b>959</b>	<b>41</b>	<b>14,023</b>	<b>15,023</b>

**Description of Reserves****Profit and Loss Account**

The Profit and Loss Account represents cumulative profits of the Company.

**Capital Redemption Reserve**

The Capital Redemption Reserve is a non-distributable reserve and represents the amounts received above the nominal value paid for shares redeemed, less transaction costs.

Other Comprehensive Income is defined in note 2.4.

The notes on pages 14 to 36 form part of these financial statements.

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**SYNCHEMICALS LIMITED**

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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	2016 £000	2015 £000
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,582	1,169
<b>Adjustments for:</b>		
Amortisation of intangible assets	201	114
Depreciation of tangible assets	729	683
Impairment of fixed assets	-	60
Profit on disposal of tangible assets	(28)	(20)
Interest received	(84)	(182)
Taxation charge	558	414
Decrease/(increase) in stocks	99	(488)
Decrease/(increase) in debtors	542	(1,548)
(Increase)/decrease in amounts owed by joint venture	(4)	28
(Decrease)/increase in creditors	(657)	1,150
Corporation tax (paid)	(503)	(347)
<b>Net cash generated from operating activities</b>	<u>2,435</u>	<u>1,033</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	-	(781)
Purchase of tangible fixed assets	(1,009)	(789)
Sale of tangible fixed assets	98	33
Purchase of tangible fixed and intangible fixed assets on acquisition	-	(38)
Interest received	84	182
<b>Net cash from investing activities</b>	<u>(827)</u>	<u>(1,393)</u>
<b>Cash flows from financing activities</b>		
Dividends paid	(479)	(264)
<b>Net cash used in financing activities</b>	<u>(479)</u>	<u>(264)</u>
Cash and cash equivalents at beginning of year	12,175	12,799
<b>Cash and cash equivalents at the end of year</b>	<u>13,304</u>	<u>12,175</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	13,304	12,175
	<u>13,304</u>	<u>12,175</u>

The notes on pages 14 to 36 form part of these financial statements.



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## **SYNCHEMICALS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016**

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#### **1. General information**

Synchemicals Limited presents its financial statements for the year ended 31 August 2016. The presentational currency for the financial statements is pounds sterling (£), the currency of the primary economic environment in which the Company operates. The Company is private, limited by shares, and is registered in England. Its registered office address is Owen Street, Coalville, LE67 3DE. The principal activity in the current and preceding year has been to provide management services, finance and accommodation facilities to its trading subsidiary companies.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 26.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Company's accounting policies (see note 3).

FRS 102 allows a qualifying entity certain disclosure exemptions subject to compliance with certain conditions. The qualifying entity must notify these exemptions to the Company's shareholders and receive no subsequent objection to the use of those exemptions.

On the basis that equivalent disclosures are given in these consolidated financial statements, the Company has taken advantage of the above exemptions and has not provided certain disclosures as required by Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

The financial statements for the period ended 31 August 2016 are the Company's first financial statements that comply with FRS 102; the Company's date of transition to FRS 102 is 1 September 2014. Note 26 describes the impact on reported Profit and Loss and Equity upon transition to FRS 102.

##### **2.2 Basis of consolidation**

The consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained.

In accordance with the transitional exemptions available in FRS 102, the Group has chosen not to retrospectively apply the Standard to business combinations that occurred before the date of transition to FRS 102, being 1 September 2014.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**2. Accounting policies (continued)**

**2.3 Going concern**

These accounts have been prepared on a going concern basis. Having carried out a review of the Company's resources and the challenges presented by the current economic climate, the directors are reasonably satisfied that the Company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding actual and provisional discounts and rebates. Revenue is net of value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Definition of Other Comprehensive Income**

Other Comprehensive Income is the difference between net income as stated in the income statement (profit & loss) and Comprehensive Income and represents any gains or losses not recognised in the Profit & Loss Account.

**2.5 Research and development**

Research and Development expenditure is written off to the Profit and Loss Account in the year in which it is incurred.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**2. Accounting policies (continued)**

**2.6 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and Loss Account over its useful economic life of 5 years.

**Other intangible assets**

Intangible assets are recognised at cost, less any accumulated amortisation and any accumulated impairment losses.

**2.7 Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Directors.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 25 to 40 years
Plant & machinery	- 4 years
Motor vehicles	- 3 to 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

**2.8 Investment property**

The Company classifies land and buildings as investment property when it is primarily held to earn rental income or for capital appreciation, or both. Investment property is initially measured at cost which comprises the purchase price and any directly attributable expenditure. The Company has taken the decision to continue to measure investment properties at cost because the properties are rented to only group entities, and are held for operational trading purposes and because the cost of obtaining valuations (along with the effort in doing so) would outweigh the benefits to either the Company or the user of the financial statements. The Directors have also paid regard to the Financial Reporting Exposure Draft "Triennial review 2017 – proposed incremental improvements and clarifications to FRS 102" issued in March 2017, which will eliminate the requirement for investment properties rented to group companies to be held at fair value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**2. Accounting policies (continued)**

**2.9 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.10 Stock and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include the cost of direct materials.

At each Balance Sheet date, stocks and work in progress are assessed for impairment. If stock is impaired, the carrying amount is reduced to its cost price less costs to complete and sell. The impairment is recognised immediately in the Profit and Loss Account.

**2.11 Debtors**

Short term debtors, classified as due within one year, are measured at transaction price, less any impairment.

Inter company loans receivable, classified as due within one year, are recorded at transaction value.

**2.12 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions. There are a range of holdings from those repayable without penalty on notice of not more than 24 hours to others which have notice periods of up to 12 months. Cash equivalents are considered to be highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.13 Creditors**

Short term creditors, classified as payable within one year, are measured at the transaction price.

Other financial liabilities including inter company loans, classified as payable within one year, are recorded at transaction value.

**2.14 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

**2.15 Foreign currency translation**

**Functional and presentational currency**

The Company's functional and presentational currency is pounds sterling (£).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**2. Accounting policies (continued)**

**2.16 Financial instruments**

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, debtors and creditors. The Company has chosen to apply the measurement and recognition provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instrument Issues in full.

**Financial assets - Classified as basic instruments**

Financial assets are defined as cash or any asset from another entity, or a contractual right to receive cash or another financial asset from another entity. The categories of financial assets held by the Company are trade debtors, other debtors and cash at bank and in hand.

Debtors are assets with fixed or determinable payments that are not quoted on an active market, other than those that are categorised as financial assets at transaction value through the Profit and Loss Account. These are initially recognised at the transaction price.

At each Balance Sheet date, they are subsequently measured at cost.

**Financial liabilities - Classified as basic instruments**

Financial liabilities are defined as any liability that is contractual obligation to pay cash or another financial asset to another entity. Financial liabilities held by the Company include trade creditors and accruals and deferred income. The only category of financial liability held by the Company is that measured at cost.

**2.17 Pensions**

**Defined contribution pension plan**

The Group, which includes the Company and its subsidiaries, operates defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts due but not yet paid are shown in accruals as a liability in the Balance Sheet. The assets of the plans are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**2. Accounting policies (continued)**

**2.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

The Directors have not identified any critical judgements or key sources of estimation uncertainty in preparing these financial statements.

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**SYNCHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**4. Turnover - Group**

The primary reporting segment is by class of business:

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
Horticulture	19,445	18,787
Plastic injection moulding	8,132	7,005
	<u>27,577</u>	<u>25,792</u>

The secondary reporting segment is by geographical area:

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
United Kingdom	25,399	24,725
Overseas	2,178	1,067
	<u>27,577</u>	<u>25,792</u>

**5. Operating profit - Group**

The group operating profit is stated after charging/(crediting):

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
Research and development	127	86
Depreciation of tangible fixed assets	729	683
Profit on sale of fixed assets	(28)	(20)
Amortisation of intangible assets, including goodwill	201	114
Exchange rate differences	(57)	5
Bad debts recovered	(225)	-
	<u></u>	<u></u>

**6. Auditor's remuneration - Group**

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
Fees payable to the Group's auditor for the audit of the Group's annual accounts	35	35
All other services	8	10
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**7. Employees - Group**

Staff costs, including directors' remuneration, were as follows:

	<b>2016 £000</b>	<b>2015 £000</b>
Wages and salaries	4,919	4,171
Social security costs	470	384
Cost of defined contribution scheme	47	128
	<u>5,436</u>	<u>4,683</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2016 No.</b>	<b>2015 No.</b>
Horticulture	124	128
Plastic injection moulding	86	73
	<u>210</u>	<u>201</u>

**8. Directors' remuneration - Company**

	<b>2016 £000</b>	<b>2015 £000</b>
Directors' emoluments	311	198
Company contributions to defined contribution pension schemes	9	2
	<u>320</u>	<u>200</u>

During the year retirement benefits were accruing to 2 directors (2015 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £149,000 (2015 - £147,000).

**9. Interest receivable - Group**

	<b>2016 £000</b>	<b>2015 £000</b>
Bank deposit interest	84	182
	<u>84</u>	<u>182</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**10. Taxation**

	<b>2016 £000</b>	<b>2015 £000</b>
<b>Corporation tax</b>		
Current tax on profits for the year	537	415
Adjustments in respect of previous periods	-	(17)
<b>Total current tax</b>	<u>537</u>	<u>398</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(2)	16
Adjustments in respect of previous periods	23	-
<b>Total deferred tax</b>	<u>21</u>	<u>16</u>
<b>Taxation on profit on ordinary activities</b>	<u>558</u>	<u>414</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.58%). The differences are explained below:

	<b>2016 £000</b>	<b>2015 £000</b>
Profit on ordinary activities before tax	<u>2,140</u>	<u>1,583</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.58%)	429	325
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill, depreciation and impairment	87	57
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	17
Capital allowances for year in excess of depreciation	4	21
Utilisation of tax losses	(5)	(5)
Adjustments to tax charge in respect of prior periods	-	(17)
Short term timing difference leading to an increase in taxation	18	-
Changes in provisions leading to an increase in the tax charge	24	16
<b>Total tax charge for the year</b>	<u>558</u>	<u>414</u>

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**SYNCHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**11. Intangible assets****Group and Company**

	<b>Goodwill</b>	<b>Other</b>	<b>Total</b>
	<b>£000</b>	<b>intangibles</b>	<b>£000</b>
		<b>£000</b>	
<b>Cost</b>			
At 1 September 2015	1,431	93	1,524
At 31 August 2016	1,431	93	1,524
<b>Amortisation</b>			
At 1 September 2015	761	93	854
Charge for the year	201	-	201
At 31 August 2016	962	93	1,055
<b>Net book value</b>			
At 31 August 2016	469	-	469
At 31 August 2015	670	-	670

**12. The Company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements. The profit after tax of the Company for the year was £1,618,000 (2015 - loss of £49,000).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**13. Tangible fixed assets****Group**

	<b>Freehold property £000</b>	<b>Plant &amp; machinery under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Motor vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>					
At 1 September 2015	7,972	129	2,815	626	11,542
Additions	377	-	431	201	1,009
Disposals	-	-	(59)	(234)	(293)
Transfers between classes	-	(129)	129	-	-
At 31 August 2016	8,349	-	3,316	593	12,258
<b>Depreciation</b>					
At 1 September 2015	2,622	-	2,355	397	5,374
Charge for the year	223	-	361	145	729
Disposals	-	-	(59)	(164)	(223)
At 31 August 2016	2,845	-	2,657	378	5,880
<b>Net book value</b>					
At 31 August 2016	5,504	-	659	215	6,378
At 31 August 2015	5,350	129	460	229	6,168

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**13. Tangible fixed assets (continued)****Company**

	<b>Freehold property £000</b>	<b>Plant &amp; machinery £000</b>	<b>Motor vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>				
At 1 September 2015	7,972	20	54	8,046
Additions	377	-	29	406
Disposals	-	-	(54)	(54)
At 31 August 2016	8,349	20	29	8,398
<b>Depreciation</b>				
At 1 September 2015	2,622	20	54	2,696
Charge for the year	223	-	7	230
Disposals	-	-	(54)	(54)
At 31 August 2016	2,845	20	7	2,872
At 31 August 2016	5,504	-	22	5,526
At 31 August 2015	5,350	-	-	5,350

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**14. Fixed asset investments****Group**

	<b>Investments in associated undertakings £000</b>
<b>Cost</b>	
At 1 September 2015	555
At 31 August 2016	555
<b>Impairment</b>	
At 1 September 2015	455
At 31 August 2016	455
<b>Net book value</b>	
At 31 August 2016	100
At 31 August 2015	100

The investment in associate undertakings is a 37% (2015: 37%) holding in Clairstone Company Limited, a Company incorporated and trading in Eire that produces growing media, and a 50% (2015: 50%) holding in Horti Pro Products Limited, a Company that produces propagation plugs for young plants.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**14. Fixed asset investments (continued)****Company**

**Shares in  
Group and  
associated  
undertakings  
£000**

**Cost**

At 1 September 2015 3,259

At 31 August 2016 3,259

**Impairment**

At 1 September 2015 194

At 31 August 2016 194

**Net book value**

At 31 August 2016 3,065

At 31 August 2015 3,065

Details of the subsidiary undertakings can be found under note number 25.

**15. Stocks**

	<b>Group 2016 £000</b>	<b>Group 2015 £000</b>	<b>Company 2016 £000</b>	<b>Company 2015 £000</b>
Raw materials and consumables	2,600	2,453	-	-
Finished goods and goods for resale	736	982	-	-
	<u>3,336</u>	<u>3,435</u>	<u>-</u>	<u>-</u>

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**16. Debtors**

	<b>Group 2016 £000</b>	<b>Group 2015 £000</b>	<b>Company 2016 £000</b>	<b>Company 2015 £000</b>
Trade debtors	5,614	5,782	-	-
Amounts owed by group undertakings	-	-	20	90
Other debtors	585	960	491	695
Deferred taxation	127	148	15	19
	<u>6,326</u>	<u>6,890</u>	<u>526</u>	<u>804</u>

In the prior year the Company advanced a loan of £250,689 to Mr P Gooding. In the current year £15,265 was repaid. The board resolved to provide for the loan to be written off during the year ended 31 August 2015.

**17. Cash and cash equivalents**

	<b>Group 2016 £000</b>	<b>Group 2015 £000</b>	<b>Company 2016 £000</b>	<b>Company 2015 £000</b>
Cash at bank and in hand	13,304	12,175	14,022	12,028
	<u>13,304</u>	<u>12,175</u>	<u>14,022</u>	<u>12,028</u>

**18. Creditors: Amounts falling due within one year**

	<b>Group 2016 £000</b>	<b>Group 2015 £000</b>	<b>Company 2016 £000</b>	<b>Company 2015 £000</b>
Trade creditors	1,308	1,908	-	-
Amounts owed to group undertakings	-	-	6,616	5,485
Corporation tax	548	519	81	179
Taxation and social security	575	367	10	43
Accruals and deferred income	1,665	1,930	320	567
	<u>4,096</u>	<u>4,724</u>	<u>7,027</u>	<u>6,274</u>

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**SYNCHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**19. Financial instruments**

	<b>Group 2016 £000</b>	<b>Group 2015 £000</b>	<b>Company 2016 £000</b>	<b>Company 2015 £000</b>
<b>Financial assets</b>				
Financial assets measured at cost	13,304	12,175	14,022	12,028
Financial assets that are debt instruments measured at cost	6,199	6,742	511	785
	<u>19,503</u>	<u>18,917</u>	<u>14,533</u>	<u>12,813</u>
<b>Financial liabilities</b>				
Financial liabilities that are debt instruments measured at cost	(2,973)	(3,838)	(6,936)	(6,052)
	<u>(2,973)</u>	<u>(3,838)</u>	<u>(6,936)</u>	<u>(6,052)</u>
<b>Group</b>				

Financial assets measured at cost comprises of cash and bank in hand balances of £13,304k (2015: £12,175k).

Financial assets that are debt instruments measured at cost comprise of trade debtors of £5,614k (2015: £5,782k) and other debtors of £585k (2015: £960k).

Financial liabilities that are debt instruments measured at cost comprise of trade creditors of £1,308k (2015: £1,908k) and accruals and deferred income of £1,665k (2015: £1,930k).

**Company**

Financial assets measured at cost comprises of bank and cash balances of £14,022k (2015: £12,028k).

Financial assets that are debt instruments measured at cost comprise of amounts owed by group undertakings of £20k (2015: £90k) and other debtors of £491k (2015: £695k).

Financial liabilities that are debt instruments measured at cost comprise of amounts owed to group undertakings of £6,616k (2015: £5,485k) and accruals and deferred income of £320k (2015: £567k).

No amortisation of cost is considered necessary.

**20. Deferred taxation****Group**

	<b>2016 £000</b>	<b>2015 £000</b>
At beginning of year	148	164
Charged to the profit and loss	(21)	(16)
<b>At end of year</b>	<u>127</u>	<u>148</u>



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**SYNCHEMICALS LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2016**

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**20. Deferred taxation (continued)****Company**

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
At beginning of year	19	23
Charged to the profit and loss	(4)	(4)
<b>At end of year</b>	<b>15</b>	<b>19</b>

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Excess of depreciation over capital allowances	127	144	15	19
Trading losses available for future relief	-	4	-	-
	<b>127</b>	<b>148</b>	<b>15</b>	<b>19</b>

**21. Share capital**

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
959,000 Ordinary shares of £1 each	959	959

**22. Dividends**

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
Dividends paid on equity capital	479	264
	<b>479</b>	<b>264</b>

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**SYNCHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**23. Related party transactions**

Synchemicals Limited has taken advantage of the exemption contained in Section 33 of FRS 102 - "Related Party Disclosures" and therefore has not disclosed transactions or balances with wholly owned members of the Synchemicals Limited group.

**Key management personnel**

Key Management Personnel is defined as the directors and key management of the Group. As required by FRS 102, the aggregate compensation of Key Management Personnel in the period was £1,166k (2015: £1,036k).

We have a number of Key Management Personnel whose close family members (spouses, siblings etc.) also work in the Group and their remuneration in the period was £183k (2015: £296k).

**24. Controlling party**

The directors do not consider that there is an ultimate controlling party.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**25. Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
John Hall (Fertilisers) Limited	England & Wales	Ordinary	100 %	Manufacturer of fertilisers and industrial organics
Nutrel Products Limited	England & Wales	Ordinary	100 %	Manufacturer and supplier of horticultural micro-nutrients
Organico Limited	England & Wales	Ordinary	100 %	Manufacturer of natural fertilisers
Showpla Plastics Limited	England & Wales	Ordinary	100 %	Manufacturer of injection moulded plastic components
Vitax Limited	England & Wales	Ordinary	100 %	Manufacturer of chemicals and fertilisers
Corry & Company Limited	England & Wales	Ordinary	100 %	Dormant
Natural Fertilisers Limited(*)	England & Wales	Ordinary	100 %	Dormant
Slug Gone Limited	England & Wales	Ordinary	100 %	Dormant
Spread Garden Supplies Limited	England & Wales	Ordinary	100 %	Dormant
Supaturf Products Limited	England & Wales	Ordinary	100 %	Dormant
Thomas Elliot Limited	England & Wales	Ordinary	100 %	Dormant

(\*)On 27 September 2016, Natural Fertilisers Limited was dissolved.

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26. First time adoption of FRS 102

Group

	As previously stated 1 September 2014 £000	Effect of transition 1 September 2014 £000	FRS 102 (as restated) 1 September 2014 £000	As previously stated 31 August 2015 £000	Effect of transition 31 August 2015 £000	FRS 102 (as restated) 31 August 2015 £000
Note						
Fixed assets	6,200	-	6,200	6,938	-	6,938
Current assets	20,899	-	20,899	22,402	-	22,402
Creditors: amounts falling due within one year	(3,400)	-	(3,400)	(4,724)	-	(4,724)
<b>Net current assets</b>	<b>17,499</b>	<b>-</b>	<b>17,499</b>	<b>17,678</b>	<b>-</b>	<b>17,678</b>
<b>Total assets less current liabilities</b>	<b>23,699</b>	<b>-</b>	<b>23,699</b>	<b>24,616</b>	<b>-</b>	<b>24,616</b>
Provisions for liabilities	160	-	160	148	-	148
<b>Net assets</b>	<b>23,859</b>	<b>-</b>	<b>23,859</b>	<b>24,764</b>	<b>-</b>	<b>24,764</b>
Capital and reserves	23,859	-	23,859	24,764	-	24,764

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FOR THE YEAR ENDED 31 AUGUST 2016**

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**26. First time adoption of FRS 102 (continued)**

	<b>Note</b>	<b>As previously stated 31 August 2015 £000</b>	<b>Effect of transition 31 August 2015 £000</b>	<b>FRS 102 (as restated) 31 August 2015 £000</b>
Turnover		25,792	-	25,792
Cost of sales		(18,263)	-	(18,263)
		<hr/>	<hr/>	<hr/>
		7,529	-	7,529
Distribution expenses		(2,548)	-	(2,548)
Administrative expenses		(3,580)	-	(3,580)
		<hr/>	<hr/>	<hr/>
<b>Operating profit</b>		1,401	-	1,401
Interest receivable and similar income		182	-	182
Taxation		(414)	-	(414)
		<hr/>	<hr/>	<hr/>
<b>Profit on ordinary activities after taxation and for the financial year</b>		1,169	-	1,169
		<hr/>	<hr/>	<hr/>

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SYNCHEMICALS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016

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26. First time adoption of FRS 102 (continued)

Company

	As previously stated 1 September 2014 £000	Effect of transition 1 September 2014 £000	FRS 102 (as restated) 1 September 2014 £000	As previously stated 31 August 2015 £000	Effect of transition 31 August 2015 £000	FRS 102 (as restated) 31 August 2015 £000
Note						
Fixed assets	7,567	-	7,567	8,415	-	8,415
Current assets	13,128	-	13,128	12,863	-	12,863
Creditors: amounts falling due within one year	(5,382)	-	(5,382)	(6,274)	-	(6,274)
<b>Net current assets</b>	<b>7,746</b>	<b>-</b>	<b>7,746</b>	<b>6,589</b>	<b>-</b>	<b>6,589</b>
<b>Total assets less current liabilities</b>	<b>15,313</b>	<b>-</b>	<b>15,313</b>	<b>15,004</b>	<b>-</b>	<b>15,004</b>
Provisions for liabilities	23	-	23	19	-	19
<b>Net assets</b>	<b>15,336</b>	<b>-</b>	<b>15,336</b>	<b>15,023</b>	<b>-</b>	<b>15,023</b>
Capital and reserves	15,336	-	15,336	15,023	-	15,023

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**SYNCHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**26. First time adoption of FRS 102 (continued)**

	Note	As previously stated 31 August 2015 £000	Effect of transition 31 August 2015 £000	FRS 102 (as restated) 31 August 2015 £000
Turnover		885	-	885
		885	-	885
Administrative expenses		(939)	-	(939)
<b>Operating profit</b>		(54)	-	(54)
Interest receivable and similar income		182	-	182
Taxation		(177)	-	(177)
<b>Loss on ordinary activities after taxation and for the financial year</b>		(49)	-	(49)