

# **Agrichem (International) Limited**

## **Directors' report and financial statements**

**Year ended 31 December 2014**

*Registered number: 1294237*

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# **Agrichem (International) Limited**

## **Directors' report and financial statements**

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# **Agrichem (International) Limited**

## **Directors and other information**

### **Directors**

J.D. Coyle (Irish)  
E. Feely (Irish)

### **Registered office**

Industrial Estate  
10 Station Road  
Whittlesey  
Peterborough  
Cambridgeshire PE7 2EY

### **Secretary**

E. Feely

### **Auditor**

KPMG  
Chartered Accountants  
Dockgate  
Dock Road  
Galway  
Ireland

### **Bankers**

Allied Irish Banks plc  
Christopher House  
94B London Road  
Leicester

National Westminster Bank  
Cathedral Square  
Peterborough

### **Solicitor**

Hegarty & Co  
48 Broadway  
Peterborough  
Cambridgeshire PE1 1YW

# **Agrichem (International) Limited**

## **Directors' report**

The directors present their directors' report and financial statements for the year ended 31 December 2014.

### **Principal activities, business review and future developments**

The company's main business continues to be the development of niche markets within the agrichemicals trade. The directors are of the opinion that the company is in a good position to take advantage of market conditions in 2015.

### **Principal risks facing the business**

The directors consider that the following are the principal risks and uncertainties faced by the company. Each of these are monitored by the Board of Directors and plans are put in place to mitigate against them where appropriate.

#### *Credit risk*

The company offers credit to its customers. Debt is monitored and reviewed by management on a regular basis to mitigate the risk of bad debts.

#### *Environmental and regulatory risks*

The business exposes risks of environmental liabilities. Compliance with the extensive government regulations to which the company is subject to is expensive and time consuming and may result in the delay or cancellation of product sales. The directors place strong commitment on extensive compliance with all regulations.

### **Results and dividends**

The results for the year are set out in the profit and loss account on page 7. The directors do not recommend the payment of a dividend.

### **Post balance sheet events**

There are no significant post balance sheet events which affect the financial statements of the company.

### **Political and charitable donations**

The company made no political or charitable donations or incurred any political expenditure during the year.

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

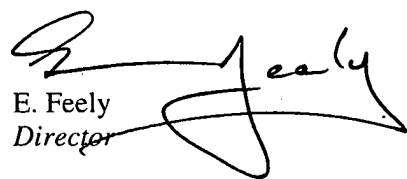
# Agrichem (International) Limited

## Directors' report *(continued)*

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor, KPMG, Chartered Accountants, will be deemed to be reappointed and will therefore continue in office.

On behalf of the board

  
E. Feely  
Director

20 April 2015

# Agrichem (International) Limited

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and 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, they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

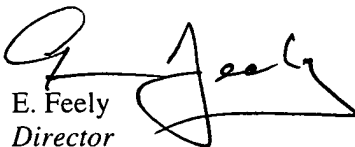
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board

  
E. Feely  
Director

## **Independent auditor's report to the members of Agrichem (International) Limited**

We have audited the financial statements of Agrichem (International) Limited for the year ended 31 December 2014 which comprises the Profit and Loss Account, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

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

As explained more fully in the Directors' Responsibilities Statement set out 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 Financial Reporting Council's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Independent auditor's report to the members of Agrichem (International) Limited** *(continued)*


**Opinion on other matters 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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

  
Conor O'Dowd (*Senior Statutory Auditor*)  
**for and on behalf of KPMG, Statutory Auditor**  
*Chartered Accountants*  
*Dockgate, Dock Road, Galway*

20 April 2015

# Agrichem (International) Limited

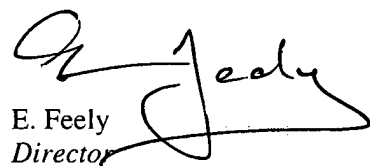
## Profit and loss account

for the year ended 31 December 2014

	Note	2014 STG£	2013 STG£
<b>Turnover</b> - continuing operations	2	<b>850,578</b>	795,648
Cost of sales		<b>(449,836)</b>	(508,815)
<b>Gross profit</b>		<b>400,742</b>	286,833
Operating expenses	3	<b>(349,725)</b>	(241,206)
<b>Operating profit</b> - continuing operations		<b>51,017</b>	45,627
Interest receivable and similar income	4	<b>5,065</b>	3,676
Interest payable and similar charges	5	<b>(711)</b>	(578)
<b>Profit on ordinary activities before taxation</b>	6 - 8	<b>55,371</b>	48,725
Tax on profit on ordinary activities	9	<b>(11,259)</b>	(9,848)
<b>Profit for the financial year</b>	16	<b>44,112</b>	38,877

The company had no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the profit and loss account.

On behalf of the board

  
E. Feely  
Director

# Agrichem (International) Limited

## Balance sheet

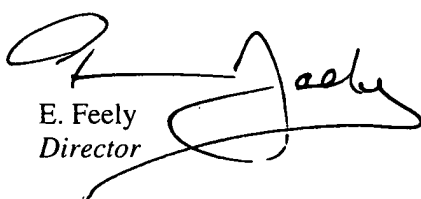
at 31 December 2014

	Note	2014 STG£	2014 STG£	2013 STG£	2013 STG£
<b>Fixed assets</b>					
Tangible fixed assets	10		10,722		15,529
Intangible fixed assets	11		2,548		7,104
			<u>13,270</u>		<u>22,633</u>
<b>Current assets</b>					
Stocks	12	90,949		97,402	
Debtors: amounts falling due within one year	13	96,526		347,594	
Debtors: amounts falling due after one year	13	250,000		-	
Cash at bank and in hand		855,250		809,943	
		<u>1,292,725</u>		<u>1,254,939</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(83,836)</u>		<u>(99,525)</u>	
<b>Net current assets</b>			<u>1,208,889</u>		<u>1,155,414</u>
<b>Net assets</b>			<u>1,222,159</u>		<u>1,178,047</u>
<b>Capital and reserves</b>					
Called up share capital	15	21,000		21,000	
Profit and loss account		1,201,159		1,157,047	
<b>Shareholders' funds</b>	16		<u>1,222,159</u>		<u>1,178,047</u>

The financial statements were approved by the board of directors on  
signed on its behalf by:

20 April

2015 and were

  
E. Feely  
Director

# Agrichem (International) Limited

## Notes

*forming part of the financial statements*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **Basis of preparation**

The financial statements are prepared in accordance with general accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in England and Wales.

#### **Turnover**

Turnover comprises the value of goods, excluding value added tax and trade discounts, delivered during the accounting period. Goods are deemed to have been delivered to customers, when the customers have access to the significant benefits inherent in the goods and exposure to the risks inherent in those benefits.

#### **Tangible fixed assets and depreciation**

Fixed assets are shown at original cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Motor vehicles	25% per annum
Office equipment	25% per annum

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is based on purchase cost on a first in, first out basis.

Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items, where appropriate.

#### **Foreign currencies**

Transactions in foreign currencies are translated into Sterling and recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities arising in foreign currencies are translated into Euro at the rate of exchange ruling at the balance sheet date. Profits and losses arising from exchange differences have been included in the profit and loss account.

# Agrichem (International) Limited

## Notes *(continued)*

### 1 Accounting policies *(continued)*

#### **Taxation**

Current tax is provided on the company's taxable profits, at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### **Pension costs**

The company operates a defined contribution pension scheme for its employees. The company's contributions to this defined contribution pension scheme are charged to the profit and loss account in the period in which they are incurred.

#### **Research and development**

Development costs are capitalised as intangible fixed assets and amortised to the profit and loss account on a basis which matches the revenue from the related product.

All research costs are written off to the profit and loss account as incurred.

#### **Cash flow statement**

The company is exempt from the provision of Financial Reporting Standard No. 1 (Revised 1996) – "Cash Flow Statements" on the grounds that it is a small company.

### 2 Turnover

The company's turnover is derived from the sale of agricultural and horticultural products to customers in the United Kingdom.

# Agrichem (International) Limited

## Notes (continued)

### 3 Operating expenses

	2014 STG£	2013 STG£
Distribution expenses	55,698	59,361
Administration expenses	294,027	181,845
	<u>349,725</u>	<u>241,206</u>

### 4 Interest receivable and similar

	2014 STG£	2013 STG£
Interest receivable and similar income	5,065	3,676
	<u>5,065</u>	<u>3,676</u>

### 5 Interest payable and similar charges

	2014 STG£	2013 STG£
Interest payable on bank loans and overdrafts wholly repayable within five years	711	578
	<u>711</u>	<u>578</u>

### 6 Statutory and other information

	2014 STG£	2013 STG£
Auditor's remuneration, including expenses	2,500	2,500
Depreciation	5,886	5,652
Amortisation of development costs	1,272	3,934
Research and development expenditure not capitalised	41,527	20,302
	<u>48,185</u>	<u>32,388</u>

### 7 Directors remuneration

No remuneration was paid to directors during the year.

# Agrichem (International) Limited

## Notes (continued)

### 8 Staff numbers and costs

The average number of persons employed by the company during the year, analysed by category, was as follows:

	Number of employees	
	2014	2013
Distribution	1	1
Administration	1	1
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2014 STG£	2013 STG£
Wages and salaries	49,326	50,535
Social welfare costs	4,906	4,777
Pension	1,339	1,989
	<hr/>	<hr/>
	55,571	57,301
	<hr/>	<hr/>

### 9 Tax on profit on ordinary activities

	2014 STG£	2013 STG£
<i>United Kingdom corporation tax</i>		
Current corporation tax	-	9,848
	<hr/>	<hr/>

#### *Factors affecting tax charge for the year*

The current tax charge differs from the standard rate of tax in the United Kingdom. The differences are explained below:

	2014 STG£	2013 STG£
Profit on ordinary activities before tax	55,371	48,725
	<hr/>	<hr/>
Current tax at 20%	11,074	9,745
<i>Effects of:</i>		
Differences between depreciation and capital allowances	238	103
Overprovision in prior year	(53)	-
	<hr/>	<hr/>
<b>Current tax charge for year (see above)</b>	<b>11,259</b>	<b>9,848</b>
	<hr/>	<hr/>

# Agrichem (International) Limited

## Notes (continued)

### 10 Tangible fixed assets

	Office equipment STG£	Motor vehicles STG£	Total STG£
<i>Cost</i>			
At beginning of year	18,931	19,850	38,781
Additions in year	1,079	-	1,079
<b>At end of year</b>	<b>20,010</b>	<b>19,850</b>	<b>39,860</b>
<i>Depreciation</i>			
At beginning of year	18,284	4,968	23,252
Charge for year	918	4,968	5,886
<b>At end of year</b>	<b>19,202</b>	<b>9,936</b>	<b>29,138</b>
<i>Net book value</i>			
<b>At 31 December 2014</b>	<b>808</b>	<b>9,914</b>	<b>10,722</b>
At 31 December 2013	647	14,882	15,529

### 11 Intangible fixed assets

	Development costs STG£
<i>Cost</i>	
At beginning of year	295,935
Provision for impairment	(295,935)
Additions in year	3,820
<b>At end of year</b>	<b>3,820</b>
<i>Amortisation</i>	
At beginning of year	288,831
Provision for impairment	(288,831)
Amortisation in year	1,272
<b>At end of year</b>	<b>1,272</b>
<i>Net book value</i>	
<b>At 31 December 2014</b>	<b>2,548</b>
At 31 December 2013	7,104

# Agrichem (International) Limited

## Notes (continued)

### 12 Stocks

	2014 STG£	2013 STG£
Raw materials	5,511	22,012
Finished goods and goods for resale	85,438	75,390
	<u>90,949</u>	<u>97,402</u>

### 13 Debtors

	2014 STG£	2013 STG£
<i>Amounts falling due within one year</i>		
Trade debtors	12,240	59,302
Amounts due from group undertakings (see below) (note 18)	82,096	288,292
Prepayments	2,190	-
	<u>96,526</u>	<u>347,594</u>
<i>Amounts falling due after one year</i>		
Amounts due from group undertakings (see below)	250,000	-

Amounts due from group undertakings are interest free.

### 14 Creditors: amounts falling due within one year

	2014 STG£	2013 STG£
Trade creditors	2,785	28,047
Tax creditors (see below)	13,771	14,984
Accruals	67,280	56,494
	<u>83,836</u>	<u>99,525</u>
<b>Tax creditors</b>		
VAT	1,344	3,967
Corporation tax	11,312	9,848
National Insurance contributions	1,115	1,169
	<u>13,771</u>	<u>14,984</u>

# Agrichem (International) Limited

## Notes (continued)

### 15 Called up shared capital

	2014 STG£	2013 STG£
<i>Authorised</i>		
20,000 "A" ordinary shares of STG£1 each	20,000	20,000
20,000 "B" ordinary shares of STG£1 each	20,000	20,000
20,000 "C" ordinary shares of STG£1 each	20,000	20,000
	<hr/>	<hr/>
	60,000	60,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
10,500 "A" ordinary shares of STG£1 each	10,500	10,500
2,625 "B" ordinary shares of STG£1 each	2,625	2,625
7,875 "C" ordinary shares of STG£1 each	7,875	7,875
	<hr/>	<hr/>
	21,000	21,000
	<hr/>	<hr/>

The "A", "B" and "C" ordinary shares rank pari passu and carry equal voting rights.

### 16 Reconciliation of movements in shareholders' funds

	2014 STG£	2013 STG£
At beginning of year	1,178,047	1,139,170
Profit for the year	44,112	38,877
	<hr/>	<hr/>
At end of year	1,222,159	1,178,047
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### 17 Ultimate parent undertaking

The company's immediate and ultimate parent undertaking is Hygeia Group Limited, a company incorporated and operating in the Republic of Ireland.

### 18 Related party transactions

During the year, the company purchased goods amounting to STG£138,912 (2013: STG£178,128) from Hygeia Chemicals Limited, a group company. The company was charged net management charges of STG£83,882 (2013: STG£83,882). During the year, the company made a contribution of Stg£100,000 to Hygeia Chemicals Limited towards costs incurred by Hygeia Chemicals Limited in the prior year. The balance due by Hygeia Chemicals Limited at 31 December 2014 amounted to STG£332,096 (2013: STG£288,292).

### 19 Approval of financial statements

The directors approved these financial statements on 20 April 2015.