

Registered number: 03250500

AGRIKING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2021

MONDAY



AB0QSP88

A06

28/03/2022

#328

COMPANIES HOUSE

AGRIKING LIMITED

CONTENTS

| | Page |
|--|----------------|
| Directors' report | 1 - 2 |
| Independent auditor's report | 3 - 6 |
| Statement of comprehensive income | 7 |
| Balance sheet | 8 |
| Statement of changes in equity | 9 |
| Notes to the financial statements | 10 - 14 |

AGRIKING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2021**

The directors present their report and the financial statements for the year ended 30 November 2021.

Principal activity

The Company's principal activity is that of the sale of livestock feed and supplements.

Directors

The directors who served during the year were:

M R Hanrahan
D Curley
T Temple

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the 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 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping 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 to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AGRIKING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2021**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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's auditor is aware of that information.

COVID-19

The Company has considered the impact of COVID-19 and the ensuing economic shutdown in preparing these financial statements. As the circumstances were in existence at the balance sheet date, the events, and any impact after the year-end that related to conditions in existence at that date, have been treated as an adjusting event.

The COVID-19 pandemic and the ensuing economic shutdown have not had a notable impact on the Company during the financial year. The Company has continued to trade profitably and have not had to utilise any government assistance measures during the financial year.

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows, and the impact of subsequent events in making their assessment. In the view of the directors, the future trading performance and availability of working capital are expected to be such as to enable the Company to continue to trade and meet its debts as they fall due for a period of at least twelve months from the date of signing the financial statements.

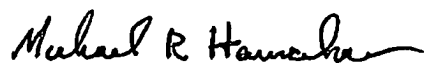
Auditor

The auditor, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on **24/03/22** and signed on its behalf.



**M R Hanrahan
Director**

AGRIKING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIKING LIMITED

Opinion

We have audited the financial statements of Agriking Limited (the 'Company') for the year ended 30 November 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2021 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AGRIKING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIKING LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

AGRIKING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIKING LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- A review of legal and professional expense nominal accounts for any indications of non-compliance with laws and regulations; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

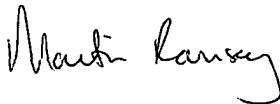
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

AGRIKING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIKING LIMITED (CONTINUED)

Use of our report

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.



Martin Ramsey BSc (Hons) FCCA (Senior statutory auditor)
for and on behalf of
MHA MacIntyre Hudson (Statutory auditors)
Birmingham, United Kingdom
Date: 24 March 2022

AGRIKING LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2021**

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Turnover | 3,913,594 | 3,477,747 |
| Cost of sales | (1,576,020) | (1,459,394) |
| Gross profit | 2,337,574 | 2,018,353 |
| Distribution costs | (1,044,630) | (927,669) |
| Administrative expenses | (1,261,650) | (865,428) |
| Operating profit | 31,294 | 225,256 |
| Interest payable and similar expenses | (42,379) | (48,262) |
| (Loss)/profit before tax | (11,085) | 176,994 |
| Tax on (loss)/profit | 2,211 | (14,715) |
| (Loss)/profit for the financial year | (8,874) | 162,279 |

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 10 to 14 form part of these financial statements.

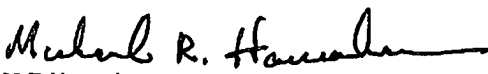
AGRIKING LIMITED
REGISTERED NUMBER: 03250500

BALANCE SHEET
AS AT 30 NOVEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---|------|----------------------|----------------------|
| Current assets | | | |
| Stocks | | 881,554 | 409,523 |
| Debtors: amounts falling due within one year | 4 | 1,635,373 | 1,458,540 |
| Cash at bank and in hand | | 417,177 | 385,224 |
| | | <u>2,934,104</u> | <u>2,253,287</u> |
| Creditors: amounts falling due within one year | 5 | <u>(1,542,632)</u> | <u>(855,482)</u> |
| Net current assets | | 1,391,472 | 1,397,805 |
| Creditors: amounts falling due after more than one year | 6 | <u>(1,303,977)</u> | <u>(1,301,436)</u> |
| Net assets | | 87,495 | 96,369 |
| Capital and reserves | | | |
| Called up share capital | | 1 | 1 |
| Profit and loss account | | <u>87,494</u> | <u>96,368</u> |
| | | <u>87,495</u> | <u>96,369</u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 March 2022


M R Hanrahan
Director

The notes on pages 10 to 14 form part of these financial statements.

AGRIKING LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021**

| | Called up share capital | Profit and loss account | Total equity |
|--|------------------------------------|------------------------------------|---------------------|
| | £ | £ | £ |
| At 1 December 2019 | 1 | (65,911) | (65,910) |
| Profit for the year | - | 162,279 | 162,279 |
| At 1 December 2020 | 1 | 96,368 | 96,369 |
| Comprehensive Income for the year | | | |
| Loss for the year | - | (8,874) | (8,874) |
| At 30 November 2021 | 1 | 87,494 | 87,495 |

The notes on pages 10 to 14 form part of these financial statements.

AGRIKING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

1. General information

Agriking Limited (the Company) is a private company limited by shares, incorporated and domiciled in England. The address of the registered office and principal place of business is House Field, Sussex Business Village, Lake Lane, Barnham, PO22 0AL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Going concern

The future trading of the Company is expected to be profitable, but currently the Company remains dependent upon continuing financial support from its parent company, Agri-King Inc. The directors of the parent company have confirmed the continuance of this financial support for the foreseeable future and for not less than 12 months from the date of signing of these financial statements. On the basis of this confirmation, the directors consider it appropriate that the financial statements are prepared under the going concern basis.

2.3 Turnover

Turnover is recognised when the goods have been delivered to customers and the risks and rewards of ownership have transferred. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sale of goods

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company 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.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

AGRIKING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

2. Accounting policies (continued)

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Provision is made for slow moving or obsolete stock.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Financial Instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

The Company's functional currencies are Sterling and Euros as the Company makes sales both in the United Kingdom and to countries in the European Union. The presentational currency is Sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the Balance sheet date. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign currency transactions are translated into Sterling at the average rate of exchange.

Exchange gains and losses are recognised in the Statement of comprehensive income.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

AGRIKING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

2. Accounting policies (continued)**2.11 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge 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.

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

1. 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;
2. 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.

AGRIKING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

3. Employees

The average monthly number of employees, including directors, during the year was 28 (2020 - 28).

4. Debtors

| | 2021 £ | 2020 £ |
|---------------|------------------|------------------|
| Trade debtors | <u>1,635,373</u> | <u>1,458,540</u> |

5. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|----------------|
| Trade creditors | 34,281 | 26,607 |
| Amounts owed to group undertakings | 1,077,858 | 461,905 |
| Corporation tax | - | 30,930 |
| Other taxation and social security | 54,127 | 17,187 |
| Accruals and deferred income | 376,366 | 318,853 |
| | <u>1,542,632</u> | <u>855,482</u> |

6. Creditors: Amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|------------------|
| Amounts owed to group undertakings | <u>1,303,977</u> | <u>1,301,436</u> |

7. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £28,848 (2020: £26,330). Contributions totalling £5,990 (2020: £3,740) were payable to the fund at the balance sheet date.

AGRIKING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

8. Commitments under operating leases

At 30 November 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Not later than 1 year | 15,250 | 15,250 |
| Later than 1 year and not later than 5 years | 59,729 | 74,979 |
| | <u>74,979</u> | <u>90,229</u> |

9. Related party transactions

The Company has taken advantage of the exemption provided by section 33 of FRS 102 not to disclose transactions with other group members.

10. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is Agri-King Inc., which is registered in the USA. Copies of the group report and financial statements may be obtained from Agri-King Inc., 18246 Waller Road, P O Box 208, Fulton, IL, USA, 61252-0208.

This is the largest and smallest group of undertakings for which group accounts are drawn up and of which the Company is a member.