

AGRI SGJ LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2017

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AGRI SGJ LIMITED

COMPANY INFORMATION

Directors	C A Critcher G B Critcher S M Critcher J Critcher
Company secretary	S M Critcher
Registered number	03487312
Registered office	Unit 6 Cae Gwyrdd Tongwynlais Cardiff South Glamorgan CF15 7AB
Independent auditor	James Cowper Kreston Chartered Accountants and Statutory Auditor Mill House Overbridge Square Hambridge Lane Newbury Berkshire RG14 5UX

AGRI SGJ LIMITED
REGISTERED NUMBER: 03487312

BALANCE SHEET
AS AT 31 DECEMBER 2017

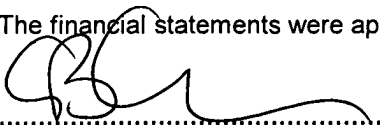
	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	1,447,944	515,967
		<u>1,447,944</u>	<u>515,967</u>
Current assets			
Debtors: amounts falling due within one year	6	1,790,814	2,580,883
Cash at bank and in hand	7	679,139	358,515
		<u>2,469,953</u>	<u>2,939,398</u>
Creditors: amounts falling due within one year	8	(1,710,711)	(1,939,288)
Net current assets		<u>759,242</u>	<u>1,000,110</u>
Total assets less current liabilities		<u>2,207,186</u>	<u>1,516,077</u>
Creditors: amounts falling due after more than one year	9	(884,042)	(246,609)
Provisions for liabilities			
Deferred tax	10	(54,009)	(71,006)
Net assets		<u>1,269,135</u>	<u>1,198,462</u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	12	1,269,035	1,198,362
		<u>1,269,135</u>	<u>1,198,462</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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



G B Critcher

Director

Date:

27/3/18

The notes on pages 2 to 11 form part of these financial statements.

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Agri SGJ Limited is a private company limited by share capital and incorporated in England and Wales. The address of the principal place of business is Unit 6, Cae Gwyrdd, Tongwynlais, Cardiff, Wales, CF15 7AB.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue consists of the total value of services sold in the year, net of any discounts, rebates and value added tax.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model 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 management.

Land is not depreciated. Depreciation on other assets 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:

Fixtures & fittings	- 33% per annum
Motor vehicles	- 33% per annum
Plant & machinery	- 20 - 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 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.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are 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.

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.6 Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans with related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.7 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.

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. 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 exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.9 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.10 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.12 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 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 the Statement of Comprehensive Income 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.

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.14 Current and deferred 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates 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. Employees

The average monthly number of employees, including directors, during the year was 7 (2016: 6).

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	72,648	34,615
Adjustments in respect of previous periods	-	(2,806)
Total current tax	<u>72,648</u>	<u>31,809</u>
Deferred tax		
Origination and reversal of timing differences	(16,997)	18,315
Taxation on profit on ordinary activities	<u>55,651</u>	<u>50,124</u>

AGRI SGJ LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 January 2017	-	687,756	37,666	60,962	786,384
Additions	1,053,130	21,686	-	-	1,074,816
Disposals	-	-	(8,604)	-	(8,604)
At 31 December 2017	<u>1,053,130</u>	<u>709,442</u>	<u>29,062</u>	<u>60,962</u>	<u>1,852,596</u>
Depreciation					
At 1 January 2017	-	209,192	37,666	23,559	270,417
Charge for the year on owned assets	-	126,656	-	16,182	142,838
Disposals	-	-	(8,604)	-	(8,604)
At 31 December 2017	<u>-</u>	<u>335,848</u>	<u>29,062</u>	<u>39,741</u>	<u>404,651</u>
Net book value					
At 31 December 2017	<u>1,053,130</u>	<u>373,594</u>	<u>-</u>	<u>21,221</u>	<u>1,447,945</u>
At 31 December 2016	<u>-</u>	<u>478,564</u>	<u>-</u>	<u>37,403</u>	<u>515,967</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant & machinery	<u>157,154</u>	<u>306,760</u>

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. Debtors

	2017 £	2016 £
Trade debtors	1,424,397	1,615,084
Amounts owed by group undertakings	2	2
Amounts owed by associated undertakings	282,939	769,803
Other debtors	80,666	193,184
Prepayments and accrued income	2,810	2,810
	<u>1,790,814</u>	<u>2,580,883</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	679,139	358,515
Less: bank overdrafts	-	(29,133)
	<u>679,139</u>	<u>329,382</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	-	29,133
Bank loans	90,063	50,000
Trade creditors	1,337,018	1,647,915
Amounts owed to group undertakings	110,000	30,000
Corporation tax	69,862	31,809
Other taxation and social security	17,902	10,982
Obligations under finance lease and hire purchase contracts	69,615	115,598
Other creditors	3,101	8,190
Accruals and deferred income	13,150	15,661
	<u>1,710,711</u>	<u>1,939,288</u>

Security

The bank holds a fixed and floating charge over the assets of the Company. The obligations under finance lease, hire purchase contracts and bank loans are secured over the assets to which they relate.

AGRI SGJ LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

	2017 £	2016 £
Bank loans	869,603	162,500
Net obligations under finance leases and hire purchase contracts	14,439	84,109
	<u>884,042</u>	<u>246,609</u>

Security

The obligations under finance lease, hire purchase contracts and bank loans are secured over the assets to which they relate.

10. Deferred taxation

	2017 £	2016 £
At beginning of year	(71,006)	(52,691)
Charged to profit or loss	16,997	(18,315)
At end of year	<u>(54,009)</u>	<u>(71,006)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	<u>(54,009)</u>	<u>(71,006)</u>

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

11. Share capital

	2017 £	2016 £
Authorised		
10 Ordinary A shares of £1 each	10	10
330 Ordinary B shares of £1 each	330	330
330 Ordinary C shares of £1 each	330	330
330 Ordinary D shares of £1 each	330	330
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 Ordinary A share of £1	1	1
33 Ordinary B shares of £1 each	33	33
33 Ordinary C shares of £1 each	33	33
33 Ordinary D shares of £1 each	33	33
	<u>100</u>	<u>100</u>

12. Reserves

Profit & loss account

The Profit and loss reserve account represents profits distributable to shareholders. Dividends declared in the year on equity capital totalled £110,000 (2016: £30,000).

13. Pension commitments

The Company operates a defined contributions 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 £34,457 (2016: £30,000). Contributions totalling £263 (2016: £263) were payable to the fund at the balance sheet date and are included in creditors.

14. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	11,994	2,667
Later than 1 year and not later than 5 years	16,991	-
	<u>28,985</u>	<u>2,667</u>

AGRI SGJ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

15. Other financial commitments

During the year the Company entered into forward exchange contracts.

At the year end the Company was committed to purchasing Euro €110,738 (2016: £nil) at an average deal of €1.107 to £1.

At the year end the Company was committed to purchasing US Dollar £277,314 (2016: £nil) at an average deal of \$1.346 to £1.

At the year end the Company was committed to purchasing Sterling £nil (2016: £106,852) at an average deal of €nil (2016: €1.137) to £1.

At the year end the Company was committed to selling US Dollars of \$132,639 (2016: \$220,961) at an average deal of \$1.334 (2016: \$1.235) to £1.

At the year end the Company was committed to selling Sterling £182,836 (2016: £nil) at an average deal of €1.154 (2016 €1.166) to £1.

At the year end the Company was committed to selling Sterling £116,118 (2016: £72,777) at an average deal of \$1.351 (2016: \$1.166) to £1.

16. Related party transactions

Transactions with Agri Fruit Limited, a related party through common control, relate to purchases of £2,936,313 (2016: £1,969,763), a management charge received of £142,445 (2016: £117,005) and recharges made in relation to expenses incurred on the company's behalf. The Company has continued to invest in the farm as part of its initial five year plan. Further expenditure is planned over the next two to three years to bring the facilities and production up to the standard required in order to realise its full potential. Agri Fruit Limited owed the Company £282,939 (2016: £769,803) in respect of these transactions as at the year end.

Director loan accounts that were overdrawn as at the year end totalled £16,955 (£2016: £10,008). The maximum balance overdrawn during the year was £16,955. Balances are included in Other debtors.

Director loan accounts that were in credit as at the year end totalled £3,100 (£2016: £8,279). Balances are included in Other creditors.

17. Controlling party

The ultimate holding company during the year was Hennan Limited who owned 100% of the issued share capital. The directors of Agri SGJ Limited equally own Hennan Limited and equally control Agri SGJ Limited.

18. Auditor's information

The auditors report on the accounts for the year ended 31 December 2017 was unqualified.

The audit report was signed by Robert Holland BSc FCA on behalf of James Cowper Kreston.