

Financial Statements

Agricola Group Limited

For the year ended 31 December 2014

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COMPANIES HOUSE

Registered number: 4026040

Company Information

Directors	I Gardner N W de Vos A E Traas Y M Knoop S A Steendijk
Secretary	A E Gillard
Registered number	4026040
Registered office	Alton Business Centre Valley Lane Wherstead Ipswich Suffolk IP9 2AX
Auditor	KPMG LLP Chartered Accountants & Statutory Auditor 6 Lower Brook Street Ipswich IP4 1AP
Banker	Lloyds TSB Commercial Finance Boston House The Little Green Richmond Surrey TW9 1QE
Solicitor	Birketts LLP 24-26 Museum Street Ipswich Suffolk IP1 1HZ

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Strategic Report

For the year ended 31 December 2014

The directors present their strategic report for the year ended 31 December 2014.

Review of the business

The profit for the year after taxation amounted to £244k (2013: Loss £59k). The directors do not recommend a final dividend (2013: £nil).

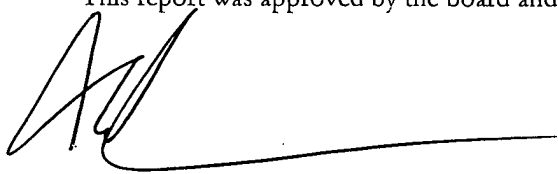
The company's principal activity throughout the year and the preceding year is that of a parent undertaking for a group whose activities continued to be the manufacture and sale of animal feed.

Principal risk and uncertainty

Liquidity risk

At the year end the company has net current liabilities of £37.4m (2013: £37.6m) as a result of the amounts owed to group undertakings. The company has obtained confirmation that the amounts to group undertakings will not be recalled in the foreseeable future and hence the directors have prepared the financial statements on a going concern basis.

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

A handwritten signature in black ink, appearing to be 'A E Gillard', with a long horizontal line extending to the right.

A E Gillard
Secretary

Date: 25 August 2015

Directors' Report

For the year ended 31 December 2014

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

Principal activities

The principal activity of the company during the year was that of a parent undertaking for a group whose activities continued to be the manufacture and sale of animal feed.

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

Directors

The directors who served during the year were:

I Gardner
N W de Vos
A E Traas
Y M Knoop
S A Steendijk (appointed 1 January 2015)

Additional explanations by directors

The company is exempt from preparing group financial statements under section 400(1) of the Companies Act 2006 as it is included in part of a larger group. The results and balance sheet of this company and its subsidiaries have been consolidated into the financial statements of ForFarmers B.V. (previously known as ForFarmers Group B.V.).

Going concern

At the year end, the company had net current liabilities and net liabilities of £37,365k and £1,916k respectively (2013: £37,609k and £2,160k), due to amounts owed to other group undertakings. The ultimate parent undertaking has confirmed that it will provide the necessary financial support to settle any amounts due to other group undertakings for the foreseeable future and hence the directors have prepared the financial statements on a going concern basis.

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 that director is aware, there is no relevant audit information of which the company'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's auditor is aware of that information.

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties subject to conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

Directors' Report

For the year ended 31 December 2014

Auditor

KPMG LLP was appointed as auditor during the year. Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Directors' responsibilities statement

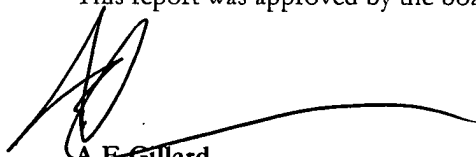
The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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;
- 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 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.

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



A E Gillard
Secretary

Alton Business Centre
Valley Lane
Wherstead
Ipswich
Suffolk
IP9 2AX

Date: 25 August 2015

Independent Auditor's Report to the Members of Agricola Group Limited

We have audited the financial statements of Agricola Group Limited for the year ended 31 December 2014, set out on pages 6-15. The financial reporting framework that has been applied in their preparation is applicable law and UK 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 on page 3 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.

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.

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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of Agricola Group Limited

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.

CH le Strange Meakin

Charles le Strange Meakin (Senior statutory auditor)

for and on behalf of

KPMG LLP

Statutory Auditor

Chartered Accountants

Ipswich

Date: *28th August 2015.*

Profit and Loss Account

For the year ended 31 December 2014

	Note	2014 £000	2013 £000
Interest payable and similar charges	3	<u>(46)</u>	<u>(46)</u>
Loss on ordinary activities before taxation		(46)	(46)
Tax on loss on ordinary activities	4	<u>290</u>	<u>(13)</u>
Profit/(loss) for the financial year	11	<u>244</u>	<u>(59)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 8 to 15 form part of these financial statements.

Balance Sheet

As at 31 December 2014

	Note	£000	2014 £000	2013 £000
Fixed assets				
Investments	5		40,015	40,015
Current assets				
Debtors	6	23,759		23,469
Creditors: amounts falling due within one year	7	(61,124)	(61,078)	
Net current liabilities			(37,365)	(37,609)
Total assets less current liabilities			2,650	2,406
Creditors: amounts falling due after more than one year	8		(4,566)	(4,566)
Net liabilities			(1,916)	(2,160)
Capital and reserves				
Called up share capital	10		101	101
Profit and loss account	11		(2,017)	(2,261)
Shareholders' deficit	12		(1,916)	(2,160)

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



I Gardner
Director

Date: 25 August 2015

The notes on pages 8 to 15 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

1.2 Going concern

At the year end, the company had net current liabilities and net liabilities of £37,365k and £1,916k respectively (2013: £37,609k and £2,160k), due to amounts owed to other group undertakings. The ultimate parent undertaking has confirmed that it will provide the necessary financial support to settle any amounts due to other group undertakings for the foreseeable future and hence the directors have prepared the financial statements on a going concern basis.

1.3 Group financial statements

The company is exempt from preparation of group financial statements under section 400(1) of the Companies Act 2006 as its included in part of a larger group. The results and balance sheet of the company and its subsidiaries have been consolidated into the cash statement of its parent undertaking, the financial statements of which are publically available.

1.4 Investments

Investments are included at cost less any provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.5 Financial instruments

Financial liability and equity instruments are classified according to the substance of the contractual arrangements entered into.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, these financial instruments are classified as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to the financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

Where none of the contractual terms of the share capital meet the definition of a financial liability, then this is classified as an equity instrument. Dividends and distributions relating to equity instruments are debited to equity.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.6 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charges to tax only where the replacements assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.7 Cash flow statement

The company has taken advantage of the exemption available under FRS 7 not to prepare a cash flow statement as its cash flows are consolidated into the cash statement of its parent undertaking, the financial statements of which are publically available.

2. Operating profit

The company had no employees in the year or prior year and hence no wages or salaries have been paid to employees, including the directors (all of which are remunerated by other group undertakings), during the year.

Director's remuneration for qualifying services is deemed to be £nil (2013: £nil). No director was a member of a defined contribution or a defined benefit pension scheme to which the company contributes in either the current or the prior year. In addition no director received shares for qualifying services to the company or exercised share options in either the current year or prior year.

Auditor's remuneration of £6,000 (2013: £6,000) for the audit of the financial statements and tax compliance has been borne by another group undertaking.

3. Interest payable and similar charges

	2014 £000	2013 £000
Fixed preferential dividend payable on preference shares	46	46

Notes to the Financial Statements

For the year ended 31 December 2014

4. Tax

	2014 £000	2013 £000
Analysis of tax (credit) in the year		
Current tax (see note below)		
UK corporation tax (credit) on loss for the year	(296)	-
Deferred tax (see note 9)		
Movement in deferred tax asset	6	13
Tax on loss on ordinary activities	<u>(290)</u>	<u>13</u>

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 £000	2013 £000
Loss on ordinary activities before tax	<u>(46)</u>	<u>(46)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	(10)	(11)
Effects of:		
Expenses not deductible for tax purposes	10	11
Notional interest payable	(296)	-
Current tax credit for the year (see note above)	<u>(296)</u>	<u>-</u>

Factors that may affect future tax charges

The main rate of corporation tax was reduced from 24% to 23% from 1 April 2014. The Finance Act 2013, enacted on 17 July 2013, reduced further the main rate of corporation tax to 21% from 1 April 2014 and 20% from 1 April 2015. Deferred tax has been restated accordingly in the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2014

5. Investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2014 and 31 December 2014	40,015
Net book value	
At 31 December 2014	40,015
At 31 December 2013	40,015

Notes to the Financial Statements

For the year ended 31 December 2014

5. Investments (continued)

As at 31 December 2014 the company had interest in the following subsidiary undertakings:

	Class of shares held	Proportion of nominal value of issued shares held	Nature of business	Country of incorporation
Agricola Holdings Limited	Ordinary	100%	Intermediate parent undertaking	England and Wales
* ForFarmers UK Limited (formerly BOCM PAULS Ltd)	Ordinary	100%	Feed manufacture and sale	England and Wales
* BOCM Silcock Limited	Ordinary	100%	Dormant	England and Wales
* Breckland Farms Limited	Ordinary	100%	Dormant	England and Wales
* Broomco (2524) Limited	Ordinary	100%	Dormant	England and Wales
* Castle Feeds Limited	Ordinary	100%	Dormant	England and Wales
* Cranswick Mill Property Limited	Ordinary	100%	Dormant	England and Wales
* Daisy Hill Pigs (MBF) Limited	Ordinary	100%	Dormant	England and Wales
* Pauls Agriculture Limited	Ordinary	100%	Dormant	England and Wales
* Unitrition International Limited	Ordinary	100%	Dormant	England and Wales
* BOCM Pauls Srl	Ordinary	100%	Importing and trading of animal feedstuffs	Romania
* Tremains Limited	Ordinary	100%	Dormant	England and Wales
* BOCM Pauls GmbH	Ordinary	100%	Dormant	Germany
* Leaffield Feeds Limited	Ordinary	76%	Feed manufacture and sale	England and Wales
* Dairy Direct Limited	Ordinary	100%	Sale of prepared animal feeds	England and Wales
* H.S. T. Feeds Limited	Ordinary	100%	Feed manufacture and sale	England and Wales
* Wheyfeed Holdings Limited	Ordinary	100%	Bulk transportation of animal feed	England and Wales
* BOCM Pauls OOO	Ordinary	100%	Import and trading of animal feedstuffs	Russia
* Wheyfeed Limited	Ordinary	100%	Bulk transportation of animal feed	England and Wales
* Indirect subsidiary				

Notes to the Financial Statements

For the year ended 31 December 2014

6. Debtors

	2014 £000	2013 £000
Amounts owed by group undertakings	23,337	23,337
Tax recoverable	296	-
Deferred tax asset (see note 9)	126	132
	<u>23,759</u>	<u>23,469</u>

7. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Amounts owed to group undertakings	59,133	59,133
Accruals and deferred income	1,991	1,945
	<u>61,124</u>	<u>61,078</u>

The amounts owed to group undertakings are interest free and repayable on demand.

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

	2014 £000	2013 £000
Preference shares (Note 10)	<u>4,566</u>	<u>4,566</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 10.

Creditors include amounts not wholly repayable within 5 years as follows:

	2014 £000	2013 £000
Repayable by instalments	<u>4,566</u>	<u>4,566</u>

9. Deferred tax asset

	2014 £000	2013 £000
At 1 January	132	145
Charge for the year - change in tax rates in year	(6)	(13)
	<u>126</u>	<u>132</u>
At 31 December		

Notes to the Financial Statements

For the year ended 31 December 2014

9. Deferred tax asset (continued)

The deferred taxation consists of the tax asset of timing differences in respect of:

	2014 £000	2013 £000
Other short-term timing differences - unpaid interest	126	132

10. Share capital

	2014 £000	2013 £000
Shares classified as capital		
Allotted, called up and fully paid		
10,000,000 Ordinary shares of £0.01 each	100	100
1,000 Deferred ordinary shares of £1 each	1	1
	<u>101</u>	<u>101</u>
Shares classified as financial liabilities		
Allotted, called up and fully paid		
374,062,500 'A' preference shares shares of £0.01 each	3,741	3,741
82,500,000 'B' preference shares shares of £0.01 each	825	825
	<u>4,566</u>	<u>4,566</u>

The preference shares carry an entitlement to a fixed preferential dividend at the rate of 1%.

(i) the order of priority on capital and exit are as follows:

- first, to holders of the 'A' preference shares the issue price of such shares
- second, to holders of the 'B' preference shares all unpaid arrears and accruals of any preference dividends which were frozen at 31 December 2007. The total accrued dividend at the date of conversion was £571,069
- third, to the holders of the 'B' preference shares the issue price of such shares
- fourth, to the holders of the 'A' preference shares all unpaid arrears and accruals of any 'A' preference dividend
- fifth, to the holders of the 'B' preference shares all unpaid arrears and accruals of any 'B' preference dividend
- lastly, distribution to the holders of the ordinary shares on provision that after the first £1m of distribution the nominal value of the deferred shares is returned before the balance is distributed to the ordinary shareholders

(ii) the deferred shares do not have any rights to dividends other than as set out above.

(iii) the deferred shares do not have any voting rights.

Notes to the Financial Statements

For the year ended 31 December 2014

11. Movement on reserves

	Profit and loss account £000
At 1 January 2014	(2,261)
Profit for the financial year	244
	<hr/>
At 31 December 2014	(2,017)
	<hr/>

12. Reconciliation of shareholders' deficit

	2014 £000	2013 £000
At 1 January	(2,160)	(2,101)
(Loss) for the financial year	244	(59)
	<hr/>	<hr/>
At 31 December	(1,916)	(2,160)
	<hr/>	<hr/>

13. Capital commitments

The company had no capital commitments at 31 December 2014 or 31 December 2013.

14. Contingent liabilities

There were no contingent liabilities at 31 December 2014 or 31 December 2013.

15. Related party transactions

The company has taken advantage of the exemption in FRS 8 "Related party disclosures" and has not disclosed transactions with group undertakings.

16. Ultimate parent undertaking and controlling party

The directors consider the ultimate parent undertaking of this company is its parent undertaking, ForFarmers B.V. (previously known as ForFarmers Group B.V.) which is incorporated in the Netherlands. The directors consider that the controlling related parties of the company are the directors and management of the ultimate parent undertaking by virtue of their majority shareholding.

The largest and smallest group of undertakings for which group financial statements have been drawn up is that headed by ForFarmers B.V. (previously known as ForFarmers Group B.V.).

Copies of the group financial statements can be obtained from ForFarmers B.V. (previously known as ForFarmers Group B.V.) office at Kwinkweerd 12, NL-7241 CW Lochem, Netherlands.