

REGISTERED NUMBER: 04504937 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014  
FOR  
AGROFERTRANS LTD**

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**For The Year Ended 31 December 2014**

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**AGROFERTRANS LTD**

**COMPANY INFORMATION**  
**For The Year Ended 31 December 2014**

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**DIRECTOR:** R Malinin

**SECRETARY:** P C Cawthorne

**REGISTERED OFFICE:** Leonard House  
5 - 7 Newman Road  
Bromley  
Kent  
BR1 1RJ

**REGISTERED NUMBER:** 04504937 (England and Wales)

**AUDITORS:** Crane & Partners  
Chartered Accountants & Statutory Auditors  
Leonard House  
5 - 7 Newman Road  
Bromley  
Kent  
BR1 1RJ

**STRATEGIC REPORT**

**For The Year Ended 31 December 2014**

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The director presents his strategic report for the year ended 31 December 2014.

**REVIEW OF BUSINESS**

The transformation of the company into a vertically integrated structure has continued during the year. As part of this strategy the capacity of the joint venture production facility in Lithuania has been increased and the range of products diversified with the objective to create a more successful and more diversified production and distribution activity.

A range of industrial products are the subject of feasibility studies prior to launching the production of niche products with high market demand and added value.

Alliances have been formed with a few local distributors in Africa and South East Asia in order to become closer to the final consumers and, resident companies have been launched in three new countries to facilitate sales within local markets. The company now has an effective presence in all targeted markets.

Bank facilities have been increased in quantity and ameliorated in quality

The overall range of products traded has been increased and now includes single and compound mineral fertilisers, organo-mineral and bio fertilisers.

The company is now ready to increase volumes and project better results in 2015.

**ON BEHALF OF THE BOARD:**



R Malinin - Director

28 May 2015

**REPORT OF THE DIRECTOR**  
**For The Year Ended 31 December 2014**

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The director presents his report with the financial statements of the company for the year ended 31 December 2014.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2014.

**DIRECTOR**

R Malinin held office during the whole of the period from 1 January 2014 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Crane & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD**



R Malinin - Director

28 May 2015

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AGROFERTRANS LTD**

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We have audited the financial statements of Agrofertrans Ltd for the year ended 31 December 2014 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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 director and auditors**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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**

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's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Director 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 United Kingdom 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

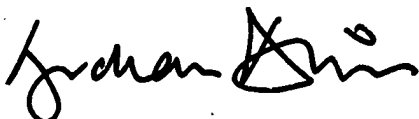
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
AGROFERTRANS LTD**

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

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

- adequate accounting records have not been kept, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Graham Atkin FCA (Senior Statutory Auditor)  
for and on behalf of Crane & Partners  
Chartered Accountants & Statutory Auditors  
Leonard House  
5 - 7 Newman Road  
Bromley  
Kent  
BR1 1RJ

28 May 2015

**PROFIT AND LOSS ACCOUNT**  
**For The Year Ended 31 December 2014**

	Notes	2014 £	2013 £
<b>TURNOVER</b>		139,954,516	184,036,363
Cost of sales		136,150,607	181,614,323
<b>GROSS PROFIT</b>		3,803,909	2,422,040
Administrative expenses		3,773,272	2,398,141
<b>OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	30,637	23,899
Tax on profit on ordinary activities	4	7,183	7,236
<b>PROFIT FOR THE FINANCIAL YEAR</b>		23,454	16,663

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

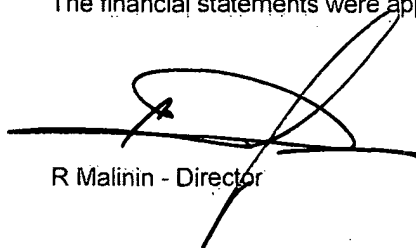


**AGROFERTRANS LTD (REGISTERED NUMBER: 04504937)**

**BALANCE SHEET**  
**31 December 2014**

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	5	94,357	54,996
<b>CURRENT ASSETS</b>			
Stocks	6	3,605,951	6,142,747
Debtors	7	15,059,588	12,702,127
Cash at bank and in hand		2,094,387	924,020
		<u>20,759,926</u>	<u>19,768,894</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>15,403,052</u>	<u>14,396,113</u>
<b>NET CURRENT ASSETS</b>		<u>5,356,874</u>	<u>5,372,781</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,451,231</u>	<u>5,427,777</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	<u>5,000,000</u>	<u>5,000,000</u>
<b>NET ASSETS</b>		<u>451,231</u>	<u>427,777</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1,000,000	1,000,000
Profit and loss account	12	(548,769)	(572,223)
<b>SHAREHOLDERS' FUNDS</b>	15	<u>451,231</u>	<u>427,777</u>

The financial statements were approved by the director on 28 May 2015 and were signed by:

  
R Malinin - Director

The notes form part of these financial statements

**CASH FLOW STATEMENT**  
**For The Year Ended 31 December 2014**

	Notes	2014 £	2013 £
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1</b>	10,677,818	(8,275,458)
<b>Taxation</b>		(7,083)	(5,450)
<b>Capital expenditure</b>	<b>2</b>	(68,547)	(21,821)
<b>Increase/(decrease) in cash in the period</b>		<u>10,602,188</u>	<u>(8,302,729)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>	<b>3</b>		
Increase/(decrease) in cash in the period		<u>10,602,188</u>	<u>(8,302,729)</u>
Change in net debt resulting from cash flows		<u>10,602,188</u>	<u>(8,302,729)</u>
<b>Movement in net debt in the period</b>		<u>10,602,188</u>	<u>(8,302,729)</u>
<b>Net debt at 1 January</b>		<u>(10,265,315)</u>	<u>(1,962,586)</u>
<b>Net funds/(debt) at 31 December</b>		<u>336,873</u>	<u>(10,265,315)</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT**  
For The Year Ended 31 December 2014

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	2014 £	2013 £
Operating profit	30,637	23,899
Depreciation charges	29,186	19,147
Decrease/(increase) in stocks	2,536,796	(2,052,312)
(Increase)/decrease in debtors	(2,357,461)	10,746,734
Increase/(decrease) in creditors	10,438,660	(17,012,926)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>10,677,818</b>	<b>(8,275,458)</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2014 £	2013 £
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(68,547)	(21,821)
<b>Net cash outflow for capital expenditure</b>	<b>(68,547)</b>	<b>(21,821)</b>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.14 £	Cash flow £	At 31.12.14 £
Net cash:			
Cash at bank and in hand	924,020	1,170,367	2,094,387
Bank overdrafts	(11,189,335)	9,431,821	(1,757,514)
	(10,265,315)	10,602,188	336,873
<b>Total</b>	<b>(10,265,315)</b>	<b>10,602,188</b>	<b>336,873</b>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Year Ended 31 December 2014**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings                      -    25% on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**2. STAFF COSTS**

	2014 £	2013 £
Wages and salaries	<u>393,904</u>	<u>410,787</u>

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

	2014	2013
Office and administration	<u>24</u>	<u>24</u>

**3. OPERATING PROFIT**

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

	2014 £	2013 £
Depreciation - owned assets	29,186	19,147
Auditors' remuneration	8,000	7,500
Other non- audit services	24,943	13,070
Foreign exchange differences	<u>1,009</u>	<u>(37,442)</u>
Director's remuneration	<u>19,799</u>	<u>19,963</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 31 December 2014**

**4. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2014 £	2013 £
Current tax:		
UK corporation tax	7,183	7,236
	<u>7,183</u>	<u>7,236</u>
Tax on profit on ordinary activities	<u>7,183</u>	<u>7,236</u>

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	30,637	23,899
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 20%)	6,127	4,780
Effects of:		
Expenses not deductible for tax purposes	3,898	2,643
Capital allowances in excess of depreciation	(2,842)	(187)
Current tax charge	<u>7,183</u>	<u>7,236</u>

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2014	220,484
Additions	68,547
At 31 December 2014	<u>289,031</u>
<b>DEPRECIATION</b>	
At 1 January 2014	165,488
Charge for year	29,186
At 31 December 2014	<u>194,674</u>
<b>NET BOOK VALUE</b>	
At 31 December 2014	<u>94,357</u>
At 31 December 2013	<u>54,996</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 31 December 2014**

**6. STOCKS**

	2014 £	2013 £
Stocks	<u>3,605,951</u>	<u>6,142,747</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Trade debtors	14,934,864	11,850,999
Other debtors	2,438	2,438
VAT	72,442	862
Prepayments	49,844	847,828
	<u>15,059,588</u>	<u>12,702,127</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Bank loans and overdrafts (see note 10)	1,757,514	11,189,335
Trade creditors	13,001,232	2,388,655
Amounts owed to group undertakings	599,220	360,981
Tax	7,184	7,084
Other creditors	32,285	423,656
Accrued expenses	5,617	26,402
	<u>15,403,052</u>	<u>14,396,113</u>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2014 £	2013 £
Subordinated loan	<u>5,000,000</u>	<u>5,000,000</u>

The Subordinated Loan has resulted from an agreement between the parent company, AGFT Handel S.A., and the company's principal bankers. The agreement states that the parent company cannot withdraw loan funds without the prior written consent of the banks. Therefore, this amount has been shown as falling due greater than one year.

**10. LOANS**

An analysis of the maturity of loans is given below:

	2014 £	2013 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>1,757,514</u>	<u>11,189,335</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 31 December 2014**

**11. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2014	2013
		£1	£	£
1,000,000	Ordinary		<u>1,000,000</u>	<u>1,000,000</u>

**12. RESERVES**

	Profit and loss account £
At 1 January 2014	(572,223)
Profit for the year	<u>23,454</u>
At 31 December 2014	<u>(548,769)</u>

**13. ULTIMATE PARENT COMPANY**

The immediate controlling party is AGFT Handel S.A., a company incorporated and registered in Mauritius.

**14. RELATED PARTY DISCLOSURES**

The following transactions took place between the company and its related parties during the period:

	Nature of relationship	Sold to £	Purchased from £	Balance due from/(to)at 31/12/14 £
AGFT Handel SA	Parent company	-	275,738	(5,599,219)
Sunfert SA	Fellow subsidiary	-	-	(18,750)
Fertilife Trading Ltd	Common control	-	-	-

**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2014	2013
	£	£
Profit for the financial year	23,454	16,663
Foreign currency adjustment		
<b>Net addition to shareholders' funds</b>	<u>23,454</u>	<u>16,663</u>
Opening shareholders' funds	427,777	411,114
<b>Closing shareholders' funds</b>	<u>451,231</u>	<u>427,777</u>