

Registered number: 06495190

AgriCoat NatureSeal Limited

Directors' report and financial statements

For the year ended 31 May 2017

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AgriCoat NatureSeal Limited

Company Information

Directors

William James Barrie
Simon Peter Matthews
Gary Hilton Weiss

Company secretary

Simon Peter Matthews

Registered number

06495190

Registered office

Hays Galleria
1 Hays Lane
London
SE1 2RD

Independent auditor

Kreston Reeves LLP
Chartered Accountants & Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

AgriCoat NatureSeal Limited

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AgriCoat NatureSeal Limited

Directors' report For the year ended 31 May 2017

The directors present their report and the financial statements for the year ended 31 May 2017.

Principal activity

The main business of AgriCoat NatureSeal Limited is supplying speciality formulations designed to maintain the quality and shelf life of fresh cut fruit and vegetables under the NatureSeal brand name.

Directors

The directors who served during the year were:

William James Barrie
Simon Peter Matthews
Gary Hilton Weiss

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.

Auditor

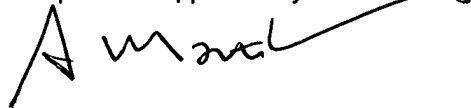
Under section 487(2) of the Companies Act 2006, Kreston Reeves LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A 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 and signed on its behalf.



Simon Peter Matthews
Director

Date: 1 September 2017

**Directors' responsibilities statement
For the year ended 31 May 2017**

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 judgments 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

Independent auditor's report to the shareholders of AgriCoat NatureSeal Limited

We have audited the financial statements of AgriCoat NatureSeal Limited for the year ended 31 May 2017, set out on pages 5 to 12. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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 on page 2, 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

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' 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 May 2017 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, 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 those financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

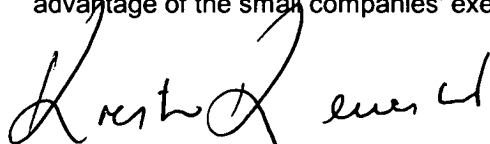
Independent auditor's report to the shareholders of AgriCoat NatureSeal Limited (continued)

Matters on which we are required to report by exception

In the light of our 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 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Rodney Sutton BA ACA FCCA CA(SA) (senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

4 September 2017

AgriCoat NatureSeal Limited

**Statement of income and retained earnings
For the year ended 31 May 2017**

	Note	2017 £	2016 £
Turnover		5,121,117	4,209,814
Cost of sales		(1,752,974)	(1,404,932)
Gross profit		3,368,143	2,804,882
Distribution costs		(82,153)	(74,959)
Administrative expenses		(1,103,444)	(920,509)
Operating profit		2,182,546	1,809,414
Interest receivable and similar income		2,463	2,705
Interest payable and expenses		(50)	-
Profit before tax		2,184,959	1,812,119
Tax on profit		(433,330)	(366,337)
Profit after tax		1,751,629	1,445,782
Retained earnings at the beginning of the year		1,444,150	1,498,368
Profit for the year		1,751,629	1,445,782
Dividends declared and paid	4	(1,450,000)	(1,500,000)
Retained earnings at the end of the year		1,745,779	1,444,150

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 12 form part of these financial statements.

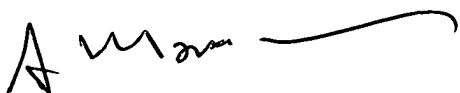
AgriCoat NatureSeal Limited
Registered number: 06495190

Balance sheet
As at 31 May 2017

	Note	2017 £	2017 £	2016 £	2016 £
Current assets					
Stocks		666,433		500,208	
Debtors: amounts falling due within one year	5	799,008		677,422	
Cash at bank and in hand		1,776,190		1,297,294	
		<u>3,241,631</u>		<u>2,474,924</u>	
Creditors: amounts falling due within one year	6	(1,495,842)		(1,030,764)	
Net current assets			1,745,789		1,444,160
Net assets			<u>1,745,789</u>		<u>1,444,160</u>
Capital and reserves					
Called up share capital	7		10		10
Profit and loss account			<u>1,745,779</u>		<u>1,444,150</u>
			<u>1,745,789</u>		<u>1,444,160</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 by:



Simon Peter Matthews
Director

Date: 1 September 2017

The notes on pages 7 to 12 form part of these financial statements.

AgriCoat NatureSeal Limited

Notes to the financial statements For the year ended 31 May 2017

1. General information

AgriCoat NatureSeal Limited is a private company limited by shares and is incorporated in England with the registration number 06495190. The address of the registered office is Hays Galleria, 1 Hays Lane, London, England, SE1 2RD. The principal place of business is Northfield Farm Industrial Estate, Wantage Road, Great Shefford, Hungerford, RG17 7BY.

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 accounting policies.

The financial statements are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue comprises income arising from the supply of speciality formulations designed to maintain the quality and shelf life of fresh cut fruit and vegetables under the NatureSeal brand name

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 is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue 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 revenue 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.

2.3 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. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**Notes to the financial statements
For the year ended 31 May 2017**

2. Accounting policies (continued)

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.

2.6 Financial instruments

The company only enters into basic financial instruments 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, loans to related parties and investments in non-puttable ordinary shares.

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 debtors and creditors, 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

**Notes to the financial statements
For the year ended 31 May 2017**

2. Accounting policies (continued)

2.8 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pounds sterling.

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 income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of income and retained earnings within 'other operating income'.

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 Interest income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

1. The first part of the document is a list of names and addresses of the members of the committee. The names are listed in alphabetical order, and the addresses are listed below each name. The list includes the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The addresses are listed in the same order as the names.

2. The second part of the document is a list of the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The names are listed in alphabetical order, and the addresses are listed below each name. The list includes the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The addresses are listed in the same order as the names.

3. The third part of the document is a list of the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The names are listed in alphabetical order, and the addresses are listed below each name. The list includes the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The addresses are listed in the same order as the names.

4. The fourth part of the document is a list of the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The names are listed in alphabetical order, and the addresses are listed below each name. The list includes the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The addresses are listed in the same order as the names.

5. The fifth part of the document is a list of the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The names are listed in alphabetical order, and the addresses are listed below each name. The list includes the names of the members of the committee, the names of the members of the sub-committee, and the names of the members of the advisory committee. The addresses are listed in the same order as the names.

**Notes to the financial statements
For the year ended 31 May 2017**

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, 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 is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.12 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred.

3. Employees

The company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL)

4. Dividends

	2017 £	2016 £
Dividends paid on equity capital	<u>1,450,000</u>	<u>1,500,000</u>

The company paid dividends of £500,000 after the year end.

AgriCoat NatureSeal Limited

Notes to the financial statements For the year ended 31 May 2017

5. Debtors

	2017 £	2016 £
Trade debtors	773,005	650,314
Prepayments and accrued income	9,758	9,996
Deferred taxation	16,245	17,112
	<u>799,008</u>	<u>677,422</u>

6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	234,623	55,694
Amounts owed to group undertakings	767,309	513,620
Corporation tax	237,200	211,351
Other taxation and social security	78,562	30,643
Other creditors	73,817	73,817
Accruals and deferred income	104,331	145,639
	<u>1,495,842</u>	<u>1,030,764</u>

7. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary shares of £0.01 each	<u>10</u>	<u>10</u>

8. Related party transactions

The company paid dividends of £1,203,500 (2016 - £1,245,000) to Mantrose UK Limited, its immediate parent company.

The company paid dividends of £246,500 (2016 - £255,000) to FreshXtend International Pty Limited, a company which exerts significant influence over the company.

All other related party transactions during the current and prior periods, including key management personnel compensation, were made under normal market conditions.

AgriCoat NatureSeal Limited

Notes to the financial statements For the year ended 31 May 2017

9. Controlling party

The company is a subsidiary undertaking of Mantrose UK Limited by virtue of its 83% interest in the share capital of the company.

The directors regard RPM International Inc., a company incorporated in the United States of America, to be the company's ultimate parent undertaking. RPM International Inc. is the smallest and largest group for which consolidated financial statements are prepared, which can be found on its website www.rpminc.com. RPM International Inc. is registered at 2628 Pearl Road, Medina, Ohio, USA.