Grant Thornton

Abbreviated Financial Statements

Agrihealth (NI) Limited

For the year ended 30 September 2016

Registered number: NI17710

Abbreviated accounts

Company Information

Directors	Mr. R. H. Patton Mr. S. M. Guinan Mr. C. Maguire Mr. M. J. McAllister Mr. C. Cunningham
Company secretary	Mr. C. Maguire
Registered number	NI17710
Registered office	9 Silverwood Industrial Area Silverwood Road Lurgan Craigavon Co. Armagh
Independent auditors	Grant Thornton Chartered Accountants & Statutory Audit Firm Molyneux House Bride Street Dublin 8
Bankers	Ulster Bank Limited 14/16 Market Street Lurgan Craigavon Co. Armagh
Solicitors	Barry Healy & Co. Solicitors Laurel Lodge Hillside Monaghan

Contents

Strategic report

For the year ended 30 September 2016

Business review

The directors are satisfied with the results of the current year.

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic risk

The risk of increased interest rates and or inflation having an adverse impact on served markets.

The risk of unrealistic increases in wages or infrastructural cost impacting adversely on competitiveness of the company and its principal customers.

These are managed by innovative product sourcing and strict control of costs.

Competitor risk

The directors of the company manage competition through close attention to customer service levels and product innovation.

Financial risk

The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Financial key performance indicators

The company considers the following measures to be important indicators of the underlying performance of the business:

The turnover for the year amounted to £14,325,399 (2015: £14,212,955).

The gross profit for the year amounted to £3,087,481 (2015: £3,018,334).

This report was approved by the board on 30 January 2017 and signed on its behalf.

Mr. R. H. Patton
Director

Directors' report

For the year ended 30 September 2016

The directors present their report and the financial statements for the year ended 30 September 2016.

Results and dividends

The profit for the year, after taxation, amounted to £49,362 (2015 - £64,404).

The directors have not recommended a dividend.

The directors and secretary and their interests in the shares of the parent company

The directors who served during the year and their interests in the company's issued share capital were:

	Ordinary shares of £1.30 each in the parent company		Non Voting Redeemable Preference shares of £1.00 each in the parent company	
	30/9/16	1/10/15	**30/9/16**	1/10/15
Mr. R. H. Patton	**102,804**	102,804	**822,000**	822,000
Mr. S. M. Guinan	-	-	-	-
Mr. C. Maguire	-	-	-	-
Mr. M. J. McAllister	-	-	-	-
Mr. C. Cunningham	-	-	-	-

Future developments

The company plans to continue its present activities.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, Grant Thornton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Directors' report (continued)
For the year ended 30 September 2016

This report was approved by the board on 30 January 2017 and signed on its behalf.

Mr. R. H. Patton
Director

Independent auditors' report to Agrihealth (NI) Limited

We have examined the abbreviated accounts, which comprise the abbreviated Income statement, the Statement of financial position and the related notes, together with the financial statements of Agrihealth (NI) Limited for the year ended 30 September 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts which comprise the abbreviated Income statement, the Statement of financial position and the related notes have been properly prepared in accordance with the regulations made under that section.

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 30 September 2016 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.

Grant Thornton

Independent auditors' report to Agrihealth (NI) Limited

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.

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.

Turlough Mullen FCA
for and on behalf of
Grant Thornton
Chartered Accountants
Statutory Audit Firm

Molyneux House
Bride Street
Dublin 8

30 January 2017

Abbreviated statement of comprehensive income

For the year ended 30 September 2016

	Note	2016 £	2015 £
Gross profit		**3,099,981**	3,030,833
		3,099,981	3,030,833
Distribution costs		**(173,434)**	(171,490)
Administrative expenses		**(2,859,959)**	(2,769,083)
Other interest receivable and similar income	6	**2,005**	2,690
Interest payable and similar expenses	7	**(6,132)**	(9,895)
Profit before taxation		**62,461**	83,055
Taxation on profit	8	**(13,099)**	(18,651)
Profit for the financial year		**49,362**	64,404
Other comprehensive income for the year			
Unrealised surplus on revaluation of tangible fixed assets		-	75,452
Other comprehensive income for the year		-	75,452
Total comprehensive income for the year		**49,362**	139,856

There were no recognised gains and losses for 2016 or 2015 other than those included in the abbreviated statement of comprehensive income.

The notes on pages 9 to 25 form part of these financial statements.

Agrihealth (NI) Limited

Registered number:NI17710

Abbreviated statement of financial position

As at 30 September 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	9		**237,851**		299,441
Tangible assets	10		**1,721,592**		1,849,717
Investments	11		**1,001**		260,195
			1,960,444		2,409,353
Current assets					
Stocks	12	**2,985,536**		3,143,950	
Debtors: amounts falling due within one year	13	**2,985,549**		2,926,919	
Cash at bank and in hand	14	**1,203,674**		760,630	
		7,174,759		6,831,499	
Creditors: amounts falling due within one year	15	**(2,299,349)**		(7,064,302)	
Net current assets/(liabilities)			**4,875,410**		(232,803)
Total assets less current liabilities			**6,835,854**		2,176,550
Creditors: amounts falling due after more than one year			**-**		(150,119)
Provisions for liabilities					
Deferred tax	17	**(62,000)**		(76,000)	
			(62,000)		(76,000)
Net assets			6,773,854		1,950,431
Capital and reserves					
Called up share capital	18		**2**		2
Revaluation reserve	19		**591,966**		591,966
Capital contribution reserve	19		**4,774,061**		-
Profit and loss account	19		**1,407,825**		1,358,463
			6,773,854		1,950,431

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 30 January 2017.

Mr. R. H. Patton

Director

The notes on pages 9 to 25 form part of these financial statements.

Abbreviated statement of financial position (continued)
As at 30 September 2016

Statement of changes in equity
For the year ended 30 September 2016

	Called up share capital	Capital contribution reserve	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2015	2	-	591,966	1,358,463	1,950,431
Profit for the year	-	-	-	49,362	49,362
Received for the year	-	4,774,061	-	-	4,774,061
At 30 September 2016	2	4,774,061	591,966	1,407,825	6,773,854

Statement of changes in equity
For the year ended 30 September 2015

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 October 2014	2	516,514	1,294,059	1,810,575
Profit for the year	-	-	64,404	64,404
Surplus on revaluation of freehold property	-	75,452	-	75,452
At 30 September 2015	2	591,966	1,358,463	1,950,431

The notes on pages 9 to 25 form part of these financial statements.

Notes to the abbreviated financial statements

For the year ended 30 September 2016

1. General information

Agrihealth (NI) Limited is a members limited liability company, which is registered and incorporated in Northern Ireland. The company's registered office is 9 Silverwood Industrial Area, Silverwood Road, Lurgan, Craigavon, Co Armagh, BT66 6LN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated financial statements have been extracted, have been prepared under the historical cost convention as modified by the revaluation of freehold propertyand in accordance with applicable accounting standards and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 22.

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 (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Agrihealth Limited as at 30.09.2016 and these financial statements may be obtained from companies house.

Notes to the abbreviated financial statements
For the year ended 30 September 2016

2. Accounting policies (continued)

2.3 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 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.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

2.5 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.

Notes to the abbreviated financial statements

For the year ended 30 September 2016

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation 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:

Freehold property	- 2% straight line
Plant and machinery	- 10% straight line
Motor vehicles	- 25% straight line
Equipment	- 10%/20% straight line

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.

2.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.7 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Notes to the abbreviated financial statements
For the year ended 30 September 2016

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on normal levels of cost and comprises the cost of purchase, ie. suppliers' invoice price with the addition of charges such as freight or duty where appropriate. Cost is calculated on an average cost basis for stock on hand.

Net realisable value comprises the actual or estimated selling price less all further costs to be incurred in marketing, selling and distribution.

2.10 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.

2.11 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.

2.12 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 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

Notes to the abbreviated financial statements
For the year ended 30 September 2016

2. Accounting policies (continued)

2.12 Financial instruments (continued)

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 comprehensive income.

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, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

2.13 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.

2.14 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.

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

Notes to the abbreviated financial statements
For the year ended 30 September 2016

2. Accounting policies (continued)

2.15 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.16 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 Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.17 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.18 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

Notes to the abbreviated financial statements
For the year ended 30 September 2016

2. Accounting policies (continued)

2.19 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 change 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 reporting 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 Statement of financial position 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 reporting date.

Notes to the abbreviated financial statements

For the year ended 30 September 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utilisation of the assets. Uncertainties in these estimates relate to technical and physical obsolescence that may change the utilisation of certain property, plant and equipment.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Allowances for impairment of trade receivables

The company estimates the allowance for doubtful trade debtors based on assessment of specific accounts where the company has objective evidence comprising default in payment terms or significant financial difficulty that certain customers are unable to meet their financial obligations. In these cases, judgement used was based on the best available facts and circumstances including but not limited to, the length of the relationship.

4. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	**144,384**	159,465
Amortisation of intangible assets, including goodwill	**58,000**	75,000
Impairment of intangible assets	**3,590**	9,441
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	**8,875**	8,875
Exchange differences	**74,271**	(12,578)

During the year, no director received any emoluments (2015 - £NIL).

Notes to the abbreviated financial statements
For the year ended 30 September 2016

5. Employees

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	**1,101,698**	1,119,454
Social security costs	**115,154**	121,096
Cost of defined contribution scheme	**91,901**	85,660
	1,308,753	1,326,210

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

	2016	2015
	No.	No.
Number of administrative and distribution staff	**41**	42

6. Interest receivable

	2016	2015
	£	£
Other interest receivable	**2,005**	2,690
	2,005	2,690

7. Interest payable and similar charges

	2016	2015
	£	£
Bank interest payable	**6,132**	9,895
	6,132	9,895

Notes to the abbreviated financial statements

For the year ended 30 September 2016

8. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	**29,025**	18,390
Adjustments in respect of previous periods	**(1,926)**	(739)
	27,099	17,651
Deferred tax		
Origination and reversal of timing differences	**(14,000)**	1,000
Taxation on profit on ordinary activities	**13,099**	18,651

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	**62,461**	83,055
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	**12,492**	16,611
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**(1,116)**	78
Capital allowances for year in excess of depreciation	**17,648**	1,701
Adjustments to tax charge in respect of prior periods	**(1,925)**	(739)
Deferred tax	**(14,000)**	1,000
Total tax charge for the year	**13,099**	18,651

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the abbreviated financial statements

For the year ended 30 September 2016

9. Intangible assets

	Trademarks £	Goodwill £	Total £
Cost			
At 1 October 2015	**9,441**	**750,000**	**759,441**
At 30 September 2016	**9,441**	**750,000**	**759,441**
Amortisation			
At 1 October 2015	-	**460,000**	**460,000**
Charge for the year	-	**58,000**	**58,000**
Impairment charge	**3,590**	-	**3,590**
At 30 September 2016	**3,590**	**518,000**	**521,590**
Net book value			
At 30 September 2016	**5,851**	**232,000**	**237,851**
At 30 September 2015	9,441	290,000	299,441

The directors have considered the carrying value of the goodwill. The directors do not consider the goodwill to be impaired at the statement of financial position date.

Notes to the abbreviated financial statements

For the year ended 30 September 2016

10. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 October 2015	1,250,000	75,933	38,031	1,338,140	2,702,104
Additions	-	-	-	16,259	16,259
Disposals	-	-	(28,281)	-	(28,281)
At 30 September 2016	1,250,000	75,933	9,750	1,354,399	2,690,082
Depreciation					
At 1 October 2015	-	59,463	38,031	754,893	852,387
Charge for period on owned assets	22,000	2,161	-	120,223	144,384
Disposals	-	-	(28,281)	-	(28,281)
At 30 September 2016	22,000	61,624	9,750	875,116	968,490
Net book value					
At 30 September 2016	1,228,000	14,309	-	479,283	1,721,592
At 30 September 2015	1,250,000	16,470	-	583,247	1,849,717

Tangible fixed assets

The company's property was revalued by Robert Wilson Estate Agency Group, Valuation Surveyors, in August 2015. The company's Land and Buildings were valued at £1,250,000 on an open market value basis. If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

The company's property was revalued by Robert Wilson Estate Agency Group, Valuation Surveyors, in August 2015. The company's Land and Buildings were valued at £1,250,000 on an open market value basis.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £	2015 £
Cost	808,968	808,968
Accumulated depreciation	(141,926)	(125,747)
Net book value	667,042	683,221

Notes to the abbreviated financial statements

For the year ended 30 September 2016

11. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2015	260,195
Receipts of dividends on pre acquisition profits	(259,194)
At 30 September 2016	1,001
Net book value	
At 30 September 2016	1,001
At 30 September 2015	260,195

A dividend was received from subsidiary company Eddie Palin Limited during the financial year. The dividend was paid out of pre acquisition reserves and therefore deducted from the cost of the investment disclosed.

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Vetigal Limited	Northern Ireland	Ordinary	100 %	Dormant
Eddie Palin Distribution Limited	Northern Ireland	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 30 September 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £
Vetigal Limited	1
Eddie Plain Distribution Limited	1,000
	1,001

Notes to the abbreviated financial statements

For the year ended 30 September 2016

12. Stocks

	2016	2015
	£	£
Finished goods and goods for resale	**2,985,536**	3,143,950
	2,985,536	3,143,950

The difference between purchase price or production cost of stocks and their replacement cost is not material.

13. Debtors

	2016	2015
	£	£
Trade debtors	**2,912,841**	2,847,490
Amounts owed by group undertakings	**4,799**	2,723
Prepayments and accrued income	**67,909**	76,706
	2,985,549	2,926,919

All amounts are due within one year.

A provision for bad debts of £48,370 (2015: £62,500) is included within the trade debtors balance.

14. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	**1,203,674**	760,630
Bank overdrafts	**(2,278)**	(5,085)
	1,201,396	755,545

Notes to the abbreviated financial statements

For the year ended 30 September 2016

15. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Bank overdrafts	2,278	5,085
Bank loan	150,664	150,572
Trade creditors	1,718,412	1,760,767
Amounts owed to group undertakings	1,001	4,792,878
Corporation tax	29,025	18,390
Other taxation and social security	311,282	229,501
Accruals and deferred income	86,687	107,109
	2,299,349	7,064,302

Bank loans and overdraft of £152,942 (2015: £155,657) as disclosed above are secured by the company. Security has been detailed in Note 18 below.

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Corporation tax and other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

Amounts owed to fellow subsidiary undertakings are unsecured, interest free and are repayable on demand.

	2016	2015
	£	£
Other taxation and social security		
PAYE/NI control	25,502	28,708
VAT control	285,780	200,793
	311,282	229,501

16. Loans

Analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year		
Bank loans	150,664	150,572
Amounts falling due 1-2 years		
Bank loans	-	150,119

Notes to the abbreviated financial statements

For the year ended 30 September 2016

17. Deferred taxation

	2016
	£
At beginning of year	(76,000)
Charged to the profit or loss	14,000
At end of year	(62,000)

The provision for deferred taxation is made up as follows:

	2016
	£
Accelerated capital allowances	(62,000)
	(62,000)

18. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

19. Reserves

Revaluation reserve

Includes all current and prior period revaluation gains and offset losses

Capital contribution reserve

The company received a capital contribution amounting to £4,774,601. (2015: £Nil) from its parent company.

Profit and loss account

Includes all current and prior period retained profits and losses.

Notes to the abbreviated financial statements

For the year ended 30 September 2016

20. Pension commitments

The company operates a defined contribution pension scheme for all employees. The assets of the scheme are held separately to the assets of the company. Contributions to the scheme are charged to the Profit and Loss Account as they become payable. The charge for the period is shown in note 7 of the financial statements and at the period end the company had an accrual in respect of this scheme amounting to£7,914 (2015: £8,626).

21. Controlling party

The company is a wholly owned subsidiary of Agrihealth Limited. As part of the Agrihealth Group, it shares administration and other facilities with members of the Group.

22. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.