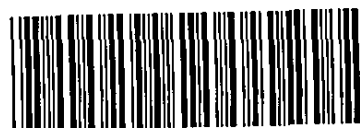


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AGRIHEALTH (NI) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH SEPTEMBER 2013

COMPANY REGISTRATION NUMBER NI17710

AGRIHEALTH (NI) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the shareholders	5
Profit and loss account	7
Statement of total recognised gains and losses	8
Note of historical cost profits and losses	8
Balance sheet	9
Notes to the financial statements	10

AGRIHEALTH (NI) LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr. R. H. Patton Mr. J. M. Murphy Mr. S. M. Guinan
Company secretary	Mr. C. Maguire
Registered office	9 Silverwood Industrial Area Silverwood Road Lurgan Craigavon Co. Armagh
Auditor	Grant Thornton Chartered Accountants & Statutory Auditor 24 - 26 City Quay Dublin 2
Bankers	Ulster Bank Limited 14/16 Market Street Lurgan Craigavon Co. Armagh
Solicitors	Barry Healy & Co. Solicitors Laurel Lodge Hillside Monaghan

AGRIHEALTH (NI) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30TH SEPTEMBER 2013

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th September 2013.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the supply of veterinary services and products within Northern Ireland.

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.

RESULTS AND DIVIDENDS

The results for the year are set out in the company Profit and Loss Account on page 7. The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE PARENT COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

		At 30 September 2013	At 1 October 2012
Mr. R. H. Patton	Ordinary Shares of €1.30 each	102,804	102,804
	Non Voting Redemption Preference Shares of €1 each	822,000	870,000
Mr. J. M. Murphy	Special Ordinary Shares of €1.30 each	<u>8,160</u>	<u>8,160</u>

AGRIHEALTH (NI) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30TH SEPTEMBER 2013

DIRECTORS' RESPONSIBILITIES

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 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 year.

In preparing those financial statements, the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgements 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 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.

In so far as the directors are aware:

there is no relevant audit information of which the company's auditor is unaware; and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

AUDITOR

A resolution to re-appoint Grant Thornton as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

AGRIHEALTH (NI) LIMITED

THE DIRECTORS' REPORT *(continued)*

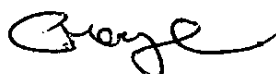
YEAR ENDED 30TH SEPTEMBER 2013

Registered office:
9 Silverwood Industrial Area
Silverwood Road
Lurgan
Craigavon
Co. Armagh

Signed by order of the directors

Mr. C. Maguire
Company Secretary

Approved by the directors on 13th March 2014



AGRIHEALTH (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AGRIHEALTH (NI) LIMITED FOR THE YEAR ENDED 30TH SEPTEMBER 2013

We have audited the financial statements of Agrihealth (NI) Limited for the year ended 30th September 2013 on pages 7 to 19. 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 shareholders, 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 shareholders 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 shareholders 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 pages 2 to 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 30th September 2013 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in 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:

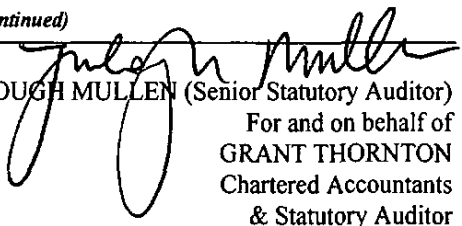
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

AGRIHEALTH (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AGRIHEALTH (NI) LIMITED FOR THE YEAR ENDED 30TH SEPTEMBER 2013 *(continued)*

24 - 26 City Quay
Dublin 2

.....March 2014



TURLOUGH MULLEN (Senior Statutory Auditor)

For and on behalf of
GRANT THORNTON
Chartered Accountants
& Statutory Auditor

AGRIHEALTH (NI) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30TH SEPTEMBER 2013

	Note	2013 STG£	2012 STG£
TURNOVER	2	13,880,549	13,779,309
Cost of sales		(11,108,960)	(10,989,687)
GROSS PROFIT		2,771,589	2,789,622
Distribution Costs		(110,646)	(124,856)
Administrative expenses		(2,409,560)	(2,325,564)
OPERATING PROFIT	3	251,383	339,202
Amounts written off investments	5	(78,032)	—
Interest payable and similar charges	6	(20,078)	(23,170)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		153,273	316,032
Tax on profit on ordinary activities	7	(22,209)	(110,126)
PROFIT FOR THE FINANCIAL YEAR		131,064	205,906
Balance brought forward		1,069,859	863,953
Balance carried forward		1,200,923	1,069,859

All of the activities of the company are classed as continuing.

The notes on pages 10 to 19 form part of these financial statements.

AGRIHEALTH (NI) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30TH SEPTEMBER 2013

	2013	2012
	STG£	STG£
Profit for the financial year attributable to the shareholders	131,064	205,906
Unrealised loss on revaluation of: Shares in group companies brought forward	(78,032)	—
Total gains and losses recognised since the last annual report	<u>53,032</u>	<u>205,906</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2013	2012
	STG£	STG£
Reported profit on ordinary activities before taxation	153,273	316,032
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	6,585	7,215
Historical cost profit on ordinary activities before taxation	<u>159,858</u>	<u>323,247</u>
Historical cost profit for the year after taxation	<u>137,649</u>	<u>213,121</u>

The notes on pages 10 to 19 form part of these financial statements.

AGRIHEALTH (NI) LIMITED

BALANCE SHEET

30TH SEPTEMBER 2013

	Note	2013 STG£	2012 STG£
FIXED ASSETS			
Intangible assets	8	440,000	515,000
Tangible assets	9	1,830,546	1,572,938
Investments	10	260,195	338,227
		<u>2,530,741</u>	<u>2,426,165</u>
CURRENT ASSETS			
Stocks	11	2,573,940	2,510,438
Debtors	12	3,119,930	3,584,159
Cash at bank and in hand		1,285,385	206,311
		<u>6,979,255</u>	<u>6,300,908</u>
CREDITORS: Amounts falling due within one year	13	<u>7,300,733</u>	<u>6,504,230</u>
NET CURRENT LIABILITIES		<u>(321,478)</u>	<u>(203,322)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,209,263</u>	<u>2,222,843</u>
CREDITORS: Amounts falling due after more than one year	14	446,074	611,168
PROVISIONS FOR LIABILITIES			
Deferred taxation	17	45,750	25,300
		<u>1,717,439</u>	<u>1,586,375</u>
CAPITAL AND RESERVES			
Called-up equity share capital	20	2	2
Revaluation reserve		516,514	516,514
Profit and loss account		1,200,923	1,069,859
SHAREHOLDERS' FUNDS	21	<u>1,717,439</u>	<u>1,586,375</u>

These financial statements were approved by the directors and authorised for issue on 13th March 2014, and are signed on their behalf by:

Mr. R. H. Patton
Director



Company Registration Number: NI17710

The notes on pages 10 to 19 form part of these financial statements.

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Cash flow statement

The directors have availed of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements as group financial statements are available in which the company is included are publicly available.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life of 10 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost. The Company's properties were revalued by Larmer Property Consultants and Robert Wilson Estate Agency Group, Valuation Surveyors, in July 2010.

Depreciation

Depreciation is calculated so as to write off the cost or revaluation of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Plant & Machinery	- 10% straight line
Motor Vehicles	- 25% straight line
Equipment	- 10%/20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value. 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.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

1. ACCOUNTING POLICIES *(continued)*

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax 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 a 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, and 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 charged to tax only where the replacement 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.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2013 STG£	2012 STG£
United Kingdom	<u>13,880,549</u>	<u>13,779,309</u>

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2013 STG£	2012 STG£
Directors' remuneration	—	—
Amortisation of intangible assets	75,000	75,000
Depreciation of owned fixed assets	121,434	82,652
Depreciation of assets held under hire purchase agreements	30,400	30,600
Profit on disposal of fixed assets	(1,750)	(34,611)
Auditor's remuneration		
- as auditor	8,875	8,875
Net loss/(profit) on foreign currency translation	<u>18,215</u>	<u>(17,829)</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2013 No	2012 No
Number of administrative and distribution staff	<u>35</u>	<u>38</u>

The aggregate payroll costs of the above were:

	2013 STG£	2012 STG£
Wages and salaries	843,318	873,786
Social security costs	88,281	94,106
Other pension costs	69,786	72,004
	<u>1,001,385</u>	<u>1,039,896</u>

5. AMOUNTS WRITTEN OFF INVESTMENTS

	2013 STG£	2012 STG£
Provision for impairment on investments	<u>78,032</u>	<u>—</u>

The provision for impairment on investment of £78,032 relates to the investment held in Eddie Palin Distribution Limited, (refer to note 10). The net assets of Eddie Palin Distribution Limited were reduced in a previous accounting period for a management charge paid to Agrihealth.

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 STG£	2012 STG£
Finance charges	2,723	2,322
Other similar charges payable	17,355	20,848
	<u>20,078</u>	<u>23,170</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013 STG£	2012 STG£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2012 - 25%)	20,906	84,488
Over/under provision in prior year	(19,147)	1,963
Total current tax	<u>1,759</u>	<u>86,451</u>
Deferred tax:		
Origination and reversal of timing differences	20,450	23,675
Tax on profit on ordinary activities	<u>22,209</u>	<u>110,126</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2012 - 25%).

	2013 STG£	2012 STG£
Profit on ordinary activities before taxation	<u>153,273</u>	<u>316,032</u>
Profit on ordinary activities by rate of tax	30,655	79,008
Expenses not deductible for tax purposes	20,098	(4,522)
Timing differences between capital allowances and depreciation	(23,047)	11,931
Adjustment to tax charge in respect of previous period	(25,947)	1,963
Small company relief	-	(1,929)
Total current tax (note 7(a))	<u>1,759</u>	<u>86,451</u>

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

8. INTANGIBLE FIXED ASSETS

	Goodwill STG£
COST	
At 1st October 2012 and 30th September 2013	750,000
AMORTISATION	
At 1st October 2012	235,000
Charge for the year	75,000
At 30th September 2013	310,000
NET BOOK VALUE	
At 30th September 2013	440,000
At 30th September 2012	515,000

The directors have considered the carrying value of the goodwill. The directors do not consider the goodwill to be impaired at the balance sheet date.

9. TANGIBLE FIXED ASSETS

	Freehold Property STG£	Plant & Machinery STG£	Motor Vehicles STG£	Equipment STG£	Total STG£
COST OR VALUATION					
At 1 October 2012	1,288,237	54,322	153,988	658,226	2,154,773
Additions	–	14,900	–	394,542	409,442
Disposals	–	–	(6,000)	–	(6,000)
At 30 September 2013	1,288,237	69,222	147,988	1,052,768	2,558,215
DEPRECIATION					
At 1 October 2012	45,394	54,024	58,511	423,906	581,835
Charge for the year	22,765	1,639	36,897	90,533	151,834
On disposals	–	–	(6,000)	–	(6,000)
At 30 September 2013	68,159	55,663	89,408	514,439	727,669
NET BOOK VALUE					
At 30 September 2013	1,220,078	13,559	58,580	538,329	1,830,546
At 30 September 2012	1,242,843	298	95,477	234,320	1,572,938

Tangible fixed assets (continued)

The company's property was revalued by Robert Wilson Estate Agency Group, Valuation Surveyors, in July 2010. The company's Land and Buildings were valued at £1,250,000 on an open market value basis.

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

9. TANGIBLE FIXED ASSETS *(continued)*

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2013 STG£	2012 STG£
Net book value at end of year	<u>1,220,078</u>	<u>1,242,843</u>
Historical cost:		
At 1 October 2012	808,968	802,203
Cost of additions to revalued assets brought forward	-	6,765
	<u>808,968</u>	<u>808,968</u>
At 30 September 2013	<u>808,968</u>	<u>808,968</u>
Depreciation:		
At 1 October 2012	77,209	61,659
Charge for year	16,180	15,550
	<u>93,389</u>	<u>77,209</u>
At 30 September 2013	<u>93,389</u>	<u>77,209</u>
Net historical cost value:		
At 30 September 2013	<u>715,579</u>	<u>731,759</u>
At 1 October 2012	<u>731,759</u>	<u>740,544</u>

Hire purchase agreements

Included within the net book value of STG£1,830,546 is STG£49,644 (2012 - STG£80,044) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to STG£30,400 (2012 - STG£30,600).

10. INVESTMENTS

Investment in subsidiary

	STG£
COST OR VALUATION	
At 1st October 2012	338,227
Revaluations	(78,032)
At 30th September 2013	<u>260,195</u>
NET BOOK VALUE	
At 30th September 2013	<u>260,195</u>
At 30th September 2012	<u>338,227</u>

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

10. INVESTMENTS *(continued)*

The investment at 1 October 2010 of £1 represents 100% of the issued share capital of Vetigal Limited. Vetigal Limited did not trade in the year. Its registered address is 31 Milltown Road, Donaghcloney, Craigavan, BT66 7NE.

The investments of £338,226 represents the acquisition of 100% of the issued share capital of Eddie Palin Distribution Limited. At the balance sheet date the amount recoverable on this investment amounted to £260,194, hence a provision has been recognised in the year for the impairment of £78,032.

11. STOCKS

	2013 STG£	2012 STG£
Stock	<u>2,573,940</u>	<u>2,510,438</u>

The replacement cost of stock did not differ significantly from cost.

12. DEBTORS

	2013 STG£	2012 STG£
Trade debtors	3,091,539	3,312,992
Amounts owed by group undertakings	627	—
Prepayments and accrued income	<u>27,764</u>	<u>271,167</u>
	<u>3,119,930</u>	<u>3,584,159</u>

All amounts are due within one year.

13. CREDITORS: Amounts falling due within one year

	2013 STG£	2012 STG£
Bank loans	142,918	138,929
Trade creditors	2,516,705	2,301,714
Amounts owed to group undertakings	4,398,476	3,708,509
Corporation tax	20,906	84,488
Other taxation and social security	115,459	150,100
Hire purchase agreements	9,350	39,322
Accruals and deferred income	<u>96,919</u>	<u>81,168</u>
	<u>7,300,733</u>	<u>6,504,230</u>

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

14. CREDITORS: Amounts falling due after more than one year

	2013 STG£	2012 STG£
Bank loans	446,074	601,819
Hire purchase agreements	—	9,349
	<u>446,074</u>	<u>611,168</u>

Included in the creditors is a loan from Ulster Bank. This loan is secured by the following:

1. A mortgage debenture from the company providing a first legal charge over the company premises in Clones Road, Monaghan and Lurgan, Co. Armagh.
2. A cross group guarantee in the sum of €2,300,000 from the parent company Agrihealth Limited supported by a mortgage debenture providing fixed and floating charges over all the property, assets and undertaking of the Guarantor to include (but not limited to) a first fixed charge over commercial premises at Clones Road, Monaghan and Silverwood, Lurgan, Co Armagh.
3. An unlimited intercompany guarantee from Silke Pharmaceuticals Limited.
4. An unlimited intercompany guarantee from Jilford Enterprises Limited.

15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2013 STG£	2012 STG£
Amounts payable within 1 year	9,350	39,322
Amounts payable between 1 and 2 years	—	9,349
	<u>9,350</u>	<u>48,671</u>
Hire purchase agreements are analysed as follows:		
Current obligations	9,350	39,322
Non-current obligations	—	9,349
	<u>9,350</u>	<u>48,671</u>

16. PENSIONS

The company operates a defined contribution pension scheme which the company insures. The assets of the scheme are administered by trustees in a fund independent from those of the company. The contributions in the period under review amounted to £69,786 (2012: £72,004).

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

17. DEFERRED TAXATION

The movement in the deferred tax provision during the year was:

	2013 STG£	2012 STG£
Provision brought forward	25,300	1,625
Profit and loss account movement arising during the year	20,450	23,675
Provision carried forward	<u>45,750</u>	<u>25,300</u>

The provision for deferred tax consists of the tax effect of timing differences in respect of:

	2013 STG£	2012 STG£
Provision deferred tax; Capital allowances and finance lease payments	45,750	25,300
	<u>45,750</u>	<u>25,300</u>

18. CONTINGENCIES

There is a contingent liability in respect of all monies cross guarantees for all the companies within the Agrihealth Limited Group.

19. RELATED PARTY TRANSACTIONS

The company has availed of the exemption under FRS 8 paragraph 3(c) which allows for non-disclosure of transactions with other group companies.

20. SHARE CAPITAL

Authorised share capital:

	2013 STG£	2012 STG£
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2013 No	2013 STG£	2012 No	2012 STG£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

AGRIHEALTH (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2013

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 STG£	2012 STG£
Profit for the financial year	131,064	205,906
Opening shareholders' funds	<u>1,586,375</u>	<u>1,380,469</u>
Closing shareholders' funds	<u>1,717,439</u>	<u>1,586,375</u>

22. ULTIMATE PARENT COMPANY

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.