

Annual Report

Fifty Two Weeks

Period Ended 31 July 2009

Nufarm Limited
Wyke Lane, Wyke, Bradford, BD12 9EJ

Registered No 87911

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Nufarm Limited

Annual Report

Fifty Two Weeks Ended 31 July 2009

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Nufarm Limited

Directors' Report

For The Year Ended 31 July 2009

The Directors present their report and the audited financial statements for the year ended 31 July 2009. The comparative period is the fifty seven weeks ended 31 July 2008.

Following a change in control of the immediate parent company on 5 March 2008, the Company became a subsidiary within a group of companies ('the Group') headed by Nufarm Limited, a company incorporated in the state of Victoria, Australia (the 'Ultimate Parent Undertaking'). The extended comparative period of fifty seven weeks aligned the end of the Company's financial period with that of other Group entities.

1 Business Review

1.1 Principal Activities and Results

The principal activity of the Company continues to be the production of chemicals for use in agriculture.

Included in the results is income of £2,395,000 for the sale of access rights to certain toxicological data.

The results for the Company show a pre-tax profit of £10,993,000 (2008: £3,673,000 deficit) for the year and sales of £80,201,000 (2008: £69,326,000).

The Directors do not recommend the payment of a dividend.

1.2 Research and Development

The Company continues to invest in both the development of new products as well as the improvement of existing processes. The Directors regard the investment in research and development as integral to the continuing success of the business.

1.3 Future Outlook

The Directors are confident that the Company will remain profitable.

1.4 Principal Risks and Uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks affecting the Company are considered to relate to competitors' activities, increased energy costs, adverse movements in currency exchange rates and regulatory requirements arising from both national and super-national bodies.

Nufarm Limited

Directors' Report

For The Year Ended 31 July 2009

1.5 Key Performance Indicators

Given the close involvement of the shareholder in the management of the Company, key performance indicators are not considered to be necessary to supplement the information contained in the financial statements

2 Directors

The directors who held office during the period are given below

K P Martin
D A Pullan
P A Williams (company secretary)
J R Austin (appointed 1 August 2009)
M E Goddard (appointed 17 December 2009)

3 Directors' Indemnities

Certain Directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report

4 Statement of 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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

Nufarm Limited

Directors' Report

For The Year Ended 31 July 2009

4 Statement of Directors' Responsibilities (continued)

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

5 Employees

The Company's policy is to give fair consideration to all applications for employment made by disabled persons, commensurate with their abilities and aptitudes and to ensure that they are trained and developed according to their needs. Employees becoming disabled during their employment will, where appropriate, receive training to enable them to continue their employment.

For many years the Directors have recognised the importance of good consultations and relations with employees. It is the Company's policy to ensure that effective communication takes place on a regular basis with regard to the performance and future prospects of the Company's operations.

6 Political and Charitable Donations

The Company made no political donations in the current or preceding year. Charitable donations were £1,000 (2008: £1,000).

Nufarm Limited

Directors' Report

For The Year Ended 31 July 2009

7 Disclosure of Information to Auditors

The Directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

By order of the Board



P A Williams
Secretary

27 April 2010



Independent auditors' report to the members of Nufarm Limited

We have audited the financial statements of Nufarm Limited for the year ended 31 July 2009 set out on pages 6 to 25. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 and 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 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 web-site at www.frc.org.uk/apb/scope/UKNP.

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 July 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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.

Tim Widdas (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
St Nicholas House
Park Row
Nottingham NG1 6FQ

Dated 28 April 2010

Nufarm Limited

Profit And Loss Account

Year Ended 31 July 2009 (comparative period fifty seven weeks ended 31 July 2008)

	Note	2009 £'000	2008 £'000
Turnover	3	80,201	69,326
Change in stocks of finished goods and work in progress		3,166	1,903
Own work capitalised		336	371
Net other operating income/(expenditure)	4	2,426	(117)
Raw materials and consumables		(37,695)	(36,812)
Other external charges		(20,493)	(19,121)
Staff costs	4	(11,401)	(12,552)
Depreciation and amortisation		(3,014)	(4,186)
Operating profit/(loss)	4	13,526	(1,188)
Interest receivable and similar income		19	58
Interest payable and similar charges	7	(2,535)	(2,948)
Other finance (expenditure)/income	21 1	(17)	405
Profit/(Loss) on ordinary activities before taxation		10,993	(3,673)
Tax credit/(charge) on loss on ordinary activities	8	553	(930)
Retained profit/(loss) for the year	18,19	11,546	(4,603)

All of the results in the profit and loss account relate to continuing activities

Nufarm Limited

Statement of Total Recognised Gains and Losses

Year Ended 31 July 2009 (comparative period fifty seven weeks ended 31 July 2008)

	Note	2009 £'000	2008 £'000
Profit /(loss) for the financial year		11,546	(4,603)
Actuarial loss on pension scheme	18,19,21 1	(2,180)	(3,325)
Movement on deferred tax relating to pension liability	16,18,19	610	931
Total recognised gains/(losses) relating to the year		9,976	(6,997)
Prior year adjustment - change in accounting policy regarding regulatory approvals intangible assets		-	(1,258)
Total gains and losses recognised since last annual report		9,976	(8,255)

Statement of Historical Cost Profits And Losses

Year Ended 31 July 2009 (comparative period fifty seven weeks ended 31 July 2008)

	2009 £'000	2008 £'000
Reported profit/(loss) on ordinary activities before taxation	10,993	(3,673)
Difference between historical cost depreciation charge and the actual depreciation charge for the year/period calculated on the revalued amount	172	172
Historical cost profit/(loss) on ordinary activities before taxation	11,165	(3,501)
Historical cost profit/(loss) for the financial year	11,718	(4,431)

Nufarm Limited

Balance Sheet

Balance Sheet as at 31 July 2009

	Note	31 July 2009 £'000	31 July 2008 £'000
Fixed assets			
Intangible assets	9	462	521
Tangible assets	10	40,193	40,735
Investments	11	-	-
		40,655	41,256
Current assets			
Stock and work in progress	12	15,064	12,133
Debtors falling due within one year	13	11,396	8,760
Debtors falling due after more than one year	13	3,364	969
Cash at bank and in hand		3	4
		29,827	21,866
Creditors - amounts falling due within one year	14	(15,544)	(19,468)
Net current assets		14,283	2,398
Total assets less current liabilities		54,938	43,654
Creditors - amounts falling due after more than one year	14	(18,097)	(17,660)
Provisions for liabilities and charges	16	(1,239)	(1,833)
Net assets excluding pension liability		35,602	24,161
Pension liability	21 1	(3,168)	(1,703)
Net assets including pension liability		32,434	22,458
Capital and reserves			
Called up share capital	17	12	12
Capital contribution		400	400
Share premium account		98	98
Revaluation reserve	18	7,960	8,132
Capital redemption reserve		4	4
Profit and loss reserve	18	23,960	13,812
Equity shareholders' funds	19	32,434	22,458

The financial statements on pages 6 to 25 were approved by the Board of Directors on 27 April 2010 and were signed on its behalf by



P A Williams
Director
Company number: 00087911

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

1 Accounting Policies

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain tangible fixed assets and in accordance with the Companies Act 2006 applicable accounting standards. The principal accounting policies are set out below.

1.1 Tangible Fixed Assets and Depreciation

With the exception of land and tenanted properties, all classes of tangible fixed assets are included at historical cost, which as permitted by the provisions of FRS 15 includes revalued amounts pre-dating the adoption of that standard.

Land and tenanted properties are subject to a full valuation every five years by a member of the Royal Institute of Chartered Surveyors, with an interim valuation carried out in the third year following the full valuation.

Depreciation on tangible fixed assets is calculated to write-off their cost or valuation on a straight-line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

Leasehold land	2%
Industrial buildings	5% to 50%
Plant and machinery	5% to 50%
Fixtures and fittings	6% to 10%
Computers	20% to 33%

Accelerated depreciation on tangible fixed assets is calculated to write-down the remaining net book amount of tangible fixed assets, where the Directors feel that the useful economic life remaining of these assets requires revision to £nil.

Plant and machinery additions are depreciated from the period of commissioning.

Freehold land is not depreciated.

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

1.2 Intangible Fixed Assets and Amortisation

Expenditure on the development of specific new products, where the outcome of those projects is assessed as being reasonably certain as regards viability and technical feasibility, is capitalised and amortised over a period not longer than ten years commencing the period in which sales of the product are first made

Expenditure on general research and development is charged to the profit and loss account in the period in which it is incurred

1.3 Stocks

Stocks are stated at the lower of cost and net realisable value using the first in first out method. Cost comprises the direct cost of production and the attributable proportion of production overheads appropriate to location and condition. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

1.4 Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into sterling by applying where applicable, the exchange rates obtained on forward currency contracts taken out prior to the period end. Other foreign currency assets and liabilities are translated into sterling at the exchange rate ruling at the balance sheet date. Differences arising on translation and on the conversion of ordinary foreign currency transactions during the period are dealt with as part of the profit or loss on ordinary activities.

1.5 Turnover

Turnover represents sales at invoice value net of trade discounts allowed and excluding value added tax and is recognised in accordance with sales terms of trade.

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

1.6 Post Retirement Benefits

The Company's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and the fair value of any plan assets is deducted. The liability discount rate is the yield at the balance sheet date on AA credit rated bonds that have maturity rates approximating to the terms of the Company's obligations. The calculation is performed by a qualified actuary using the projected unit valuation method for past service and the attained age method for future service.

Actuarial gains and losses are recognised in full in the period in which they occur directly into equity through the statement of total recognised gains and losses. Current and past service cost, gains on any settlements and curtailments and finance charges are recognised in the profit and loss account.

Obligations for contributions to defined contribution pension plans are recognised in the profit and loss account as incurred.

1.7 Taxation

The charge for taxation is based on the result for the period. In accordance with FRS 19, deferred taxation has been recognised as a liability or an asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. Deferred tax liabilities recognised have not been discounted.

1.8 Assets Acquired under Lease Contracts

Leasing agreements which transfer to the Company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at the end of each accounting period. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Costs in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

1.9 Government Grants

Government grants are recognised as income over the periods necessary to match them with the related costs for which they are intended to compensate.

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

2 Cash Flow Statement and Related Party Disclosures

The Company is included in the consolidated financial statements of the Ultimate Parent Undertaking, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1. The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Group or investees of the Group.

3 Segmental Reporting

In the opinion of the Directors the disclosure of an analysis of turnover and profit before taxation by geographical market would be seriously prejudicial to the Company's interests.

4 Operating Profit/(Loss)

	2009 £'000	2008 £'000
Operating profit/(loss) is stated after charging		
Wages and salaries	9,438	10,477
Social security costs	882	960
Other pension costs (note 21)	1,081	1,115
Staff costs	11,401	12,552
Depreciation of tangible fixed assets (note 10)	2,955	4,109
Amortisation of intangible fixed assets (note 9)	59	76
Operating lease charges - hire of plant and machinery	119	178
Operating lease charges - other	-	-
Services provided by the Company's auditor		
Fees payable for the audit	46	46
Fees payable for other services - tax compliance	-	15
Fees payable for other services - other	-	1

Net other operating income of £2,426,000 includes £2,395,000 for the sale of access rights to certain toxicological data.

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

5 Directors' Emoluments

	2009	2008
	£'000	£'000
Aggregate emoluments	-	311
Compensation for loss of office	-	7
Company pension contributions to money purchase schemes	-	82

Since 5 March 2008 the costs associated with the services of directors has been borne by other entities within the Group

6 Employee Information

The average number of persons (including executive and non-executive directors) employed by the Company during the year was

	2009	2008
	Number	Number
Production	270	272
Sales and distribution	27	31
Administration	25	27
	322	330

7 Interest Payable and Similar Charges

	2009	2008
	£'000	£'000
Interest payable on overdrafts and bank loans	429	704
Interest payable on other loans	-	17
Finance leases	2,106	2,227
	2,535	2,948

Nufarm Limited

Notes to the Financial Statements

Year-Ended 31 July 2009

8 Taxation on the Profit /(Loss) for the Year/Period

	2009 £'000	2008 £'000
Current tax*		
UK corporation tax on profit/losses for the year/period	-	-
Total current tax	-	-
Deferred tax		
FRS17 adjustment	41	-
Origination and reversal of timing differences (ACA and other) (note 16)	(594)	930
Total deferred tax (credit)/charge	(553)	930
Tax (credit)/charge on loss on ordinary activities	(553)	930

The tax assessed for the year/period is lower than the standard rate of corporation tax in the UK of 28% (2008 29.4% weighted average for the period, with the nine months July 2007 to March 2008 at 30% and four months from April to July 2008 at 28%) The differences are explained below

	2009 £'000	2008 £'000
Profit/(loss) on ordinary activities	10,993	(3,673)
Profit/loss on ordinary activities multiplied by standard rate in the UK 28% (2008 29.4%)	3,078	(1,080)
Effects of		
Expenses not deductible for tax purposes	32	41
Difference between depreciation and capital allowances	800	1,039
Movement in short term timing differences	(7)	-
Utilisation of tax losses	(3,851)	-
FRS17 adjustment	(41)	-
Group relief claimed free of charge	(11)	-
Current tax for the year/period	-	-

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would only become payable if the property was sold without it being possible to claim rollover relief. The total amount unprovided for is £147,000 (2008 £159,000)

Deferred tax liabilities have not been discounted

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

9 Intangible Fixed Assets

	Product Development £'000
Cost	
At 1 Aug 2008	709
Additions	-
At 31 July 2009	709
Accumulated amortisation	
At 1 Aug 2008	188
Charge for the year	59
At 31 July 2009	247
Net book amount	
At 31 July 2008	521
At 31 July 2009	462

10 Tangible Fixed Assets

Tangible fixed assets have been reclassified. The changes to the previously reported figures as at 31 July 2008 are

	Land and Tenanted Properties £'000	Industrial Buildings £'000	Plant and Machinery £'000	Computing Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Cost or valuation						
As previously reported	10,270	3,006	65,712	3,650	-	82,638
Re-classification	-	-	(728)	(86)	814	-
As reclassified	10,270	3,006	64,984	3,564	814	82,638
Accumulated depreciation						
As previously reported	628	1,761	36,339	3,175	-	41,903
Re-classification	(1)	(8)	9	-	-	-
As reclassified	627	1,753	36,348	3,175	-	41,903
Net book amount						
As previously reported	9,642	1,245	29,373	475	-	40,735
As reclassified	9,643	1,253	28,636	389	814	40,735

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

10 Tangible Fixed Assets continued

	Land and Tenanted Properties £'000	Industrial Buildings £'000	Plant and Machinery £'000	Computing Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Cost or valuation						
At 1 August 2008	10,270	3,006	64,984	3,564	814	82,638
Additions	-	-	-	-	2,420	2,420
Transfers	-	8	1,197	102	(1,307)	-
Disposals	-	-	(639)	-	-	(639)
At 31 July 2009	10,270	3,014	65,542	3,666	1,927	84,419
Accumulated depreciation						
At 1 August 2008	627	1,753	36,348	3,175	-	41,903
Charge for the year	204	96	2,497	158	-	2,955
Disposals	-	-	(632)	-	-	(632)
At 31 July 2009	831	1,849	38,213	3,333	-	44,226
Net book amount						
At 1 August 2008	9,643	1,253	28,636	389	814	40,735
At 31 July 2009	9,439	1,165	27,329	333	1,927	40,193

Assets in the course of construction are initially depreciated in the period when commissioning has been completed

The Company's major fixed assets were re-valued on 30 June 1996 by Eddisons Commercial Ltd. This valuation was carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Land was re-valued by Eddisons Commercial Ltd as at 1 July 2005. Tenanted properties were valued during the period ended 2 July 2006 by Heaton Surveyors in accordance with the RICS Appraisal and Valuation Manual. The Directors are not aware of any material changes in value to these assets and the accordingly the valuations have not been updated.

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

10 Tangible Fixed Assets continued

An analysis of the assets included at cost or valuation and the valuation basis used is given below

	Valuation basis used	2009 £'000	2008 £'000
Land and tenanted properties	Prevailing market values	10,250	10,250
Industrial buildings	Depreciated replacement cost	1,240	1,240
Plant and machinery	Value to the business	14,180	14,412
Plant and machinery	Depreciated replacement cost	947	947
Computers	Value to the business	238	238
Total assets included at valuation		26,855	27,087
Total assets included at cost		57,564	55,551
Gross book amount		84,419	82,638

If the assets (including freehold land and properties, industrial buildings and plant and machinery and computers) had not been re-valued, they would have been included at the following amounts

	2009 £'000	2008 £'000
At cost	39,139	39,361
Aggregate depreciation	(32,433)	(32,413)
Net book amount based on historic cost	6,706	6,948

The net book amounts of assets held under finance lease contracts at 31 July 2009 were land and buildings £9,888,000 and plant and machinery £43,000 (2008 reported total £10,128,000 restated as total £10,249,000, comprising land and buildings £10,169,000, plant and machinery £80,000) The depreciation charged for the period on these assets was land and buildings £282,000 (2008 £293,000) and plant and machinery £36,000 (2008 £39,000)

11 Fixed Asset Investments

The Company holds unlisted investments with a cost of £100 (2008 £100)

Name of Undertaking	Country of Registration	Issued Share Capital	Percentage Owned	Description
A H Marks Australia Pty Limited	Australia	A\$100	100%	Wholly owned subsidiary
Growell Limited	England	£100	50%	Joint venture
A H Marks New Zealand Limited	New Zealand	NZ\$1	100%	Wholly owned subsidiary

All three companies are not intended to enter into either trading or investment activities

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

12 Stock

	2009	2008
	£'000	£'000
Raw materials and consumables	2,380	2,615
Work in progress and finished goods for resale	12,684	9,518
	15,064	12,133

13 Debtors

	2009	2008
	£'000	£'000
Amounts falling due within one year		
Trade debtors	3,437	5,569
Trade debtors - amounts owed by group undertakings	1,460	1,806
Loans - amounts owed by group undertakings	5,037	-
Other debtors	593	596
Prepayments and accrued income	869	789
	11,396	8,760
Amounts falling due after more than one year		
Other debtors	3,364	969

Amounts owed by group undertakings included within trade debtors have arisen through normal trading activities and are unsecured and interest free

14 Creditors

	2009	2008
	£'000	£'000
Amounts falling due within one year		
Bank loans and overdrafts	3,836	4,608
Trade creditors	7,687	11,771
Trade creditors - amounts due to group undertakings	706	468
Finance leases	14	54
Taxation and social security	271	255
Other creditors	503	373
Accruals and deferred income	2,527	1,939
	15,544	19,468
Amounts falling due after more than one year		
Accruals and deferred income	1,597	1,146
Finance leases	16,500	16,514
	18,097	17,660

Amounts due to group undertakings have arisen through normal trading activities and are unsecured and interest free

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

15 Loans and Other Borrowings

	2009	2008
	£'000	£'000
Bank loans and overdraft	3,836	4,608
Finance leases	16,514	16,568
	20,350	21,176
Maturity of financial liabilities		
Bank loans and overdrafts repayable in one year or less	3,836	4,608
Finance leases repayable in one year or less	14	54
Finance leases repayable between one and five years	-	14
Finance leases repayable in more than five years	16,500	16,500
	20,350	21,176

The Company has an asset based lending facility secured against its trade debtors and inventory. The total amount outstanding as at 31 July 2009 amounted to £3,836,000 (2008 £4,608,000) and this is included within bank loans and overdraft repayable in one year or less. The loan bears a variable rate of interest.

16 Provision for Liabilities and Charges

The provision relates entirely to deferred taxation. The total (assets)/liabilities including the amounts un-provided is as follows:

	2009	2008	2009	2008
	Amount	Amount	Amount	Amount
	Provided	Provided	Unprovided	Unprovided
	£'000	£'000	£'000	£'000
Accelerated capital allowances	923	1,687	-	-
Short term timing differences	(6)	(24)	-	-
Losses	(849)	(1,001)	-	(3,273)
Capital gains	1,171	1,171	-	-
Potential taxation on revaluation of freehold land and properties	-	-	147	159
Deferred tax excluding that relating to pension liability	1,239	1,833	147	(3,114)
Pension liability (note 21.1)	(1,232)	(662)	-	-
Total provision for deferred tax	7	1,171	147	(3,114)
1 August 2008	1,171			
Deferred tax charged in the profit and loss account	(553)			
Amounts arising on rounding	(1)			
Deferred tax credit in the STRGL	(610)			
31 July 2009	7			

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

17 Called Up Share Capital

There has been no change in share capital during the year

	Authorised 2009 and 2008		Allotted, called up and fully paid 2009 and 2008	
	Number	£'000	Number	£'000
Ordinary shares of 5p each	400,000	20	237,000	12

18 Reserves

	Revaluation Reserve £'000	Profit and Loss Reserve £'000
1 August 2008	8,132	13,812
Retained profit for the year	-	11,546
Actuarial loss on pension scheme	-	(2,180)
Movement on deferred tax relating to pension scheme	-	610
Transfer to profit and loss reserve	(172)	172
31 July 2009	7,960	23,960
Pension deficit		(3,168)
Profit and loss reserve excluding pension deficit		27,128

19 Reconciliation of Movements in Shareholders' Funds

	2009 £'000	2008 £'000
Opening shareholders' funds	22,458	29,455
Retained profit/(loss) for the year/period	11,546	(4,603)
Actuarial loss on pension scheme	(2,180)	(3,325)
Movement on deferred tax relating to pension scheme	610	931
Closing shareholders' funds	32,434	22,458

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

20 Contingent Liabilities

On 25 April 2008 the Company entered into a supplemental deed to become a guarantor to the Negative Pledge Deed dated 3 October 2004 entered into by the Ultimate Parent Undertaking and certain of its subsidiaries as guarantors in favour of certain lenders. All parties to the deed will guarantee to each specified lender payment in full of any amount owed to such lender by any guarantor party upon winding-up of that party.

There are contingent liabilities of £20,000 in respect of indemnities to HM Revenue and Customs (2008 £32,000).

21 Pension Commitments

21.1 Defined Benefit Scheme

The Company operates a defined benefit pension scheme based on final pensionable salary with assets held in a separately administered fund. The scheme is closed for new members. An actuarial valuation of the scheme was carried out as at 1 April 2007 by HSBC Actuaries and Consultants Limited. The valuation methods used were the projected unit method for past service and the attained age method for future service costs. The liabilities of the scheme on the FRS 17 assumptions as at 31 July 2009 have been estimated based on those results using approximate actuarial techniques.

The amounts recognised in the balance sheet are as follows

	31 July 2009	31 July 2008
	£'000	£'000
Present value of funded obligations	30,963	30,120
Fair value of scheme assets	(26,563)	(27,755)
Deficit	4,400	2,365
Related deferred tax asset	(1,232)	(662)
Net liability	3,168	1,703

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Notes to the Financial Statements

Year Ended 31 July 2009

21.1 Defined Benefit Scheme continued

	31 July 2009 £'000	31 July 2008 £'000
Amounts charged to operating profit		
Current service cost	686	725
Curtailment gain	-	-
	<u>686</u>	<u>725</u>
Amounts debited/(credited) to other finance income		
Interest cost on obligation	1,933	1,809
Expected return on scheme assets	(1,916)	(2,214)
	<u>17</u>	<u>(405)</u>
Total amounts recognised in profit and loss	<u>703</u>	<u>320</u>

The actual return on scheme assets was a loss of £590,000 (2008 £544,000 loss)

Changes in the present value of the defined benefit obligation are as follows

	31 July 2009 £'000	31 July 2008 £'000
Opening defined benefit obligation	30,120	28,384
Current service cost	686	725
Interest cost	1,933	1,809
Gains on curtailments	-	-
Actuarial (gains)/losses (recognised in the STRGL)	(326)	567
Benefits paid	(1,450)	(1,365)
Closing defined benefit obligation	<u>30,963</u>	<u>30,120</u>

Changes in the fair value of the defined benefit scheme assets are as follows

	31 July 2009 £'000	31 July 2008 £'000
Opening fair value of scheme assets	27,755	28,696
Expected return on scheme assets	1,916	2,214
Actuarial losses (recognised in the STRGL)	(2,506)	(2,758)
Contributions by employer	848	968
Benefits paid	(1,450)	(1,365)
Closing fair value of scheme assets	<u>26,563</u>	<u>27,755</u>

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

21.1 Defined Benefit Scheme continued

Total actuarial losses recognised directly into equity through the statement of total recognised gains and losses (STRGL) are £2,180,000 (2008 £3,325,000) Cumulative losses of £8,158,000 have been so recognised

Scheme assets do not include any of the Company's own financial instruments, or any property occupied by the Company

The Company expects to contribute £848,000 to the defined benefit scheme in the year ending 31 July 2010

The major categories of plan assets as a percentage of total plan assets are as follows

	31 July 2009	31 July 2008
	%	%
Equity-type assets	66	66
Bond-type assets	34	34
Cash	-	-
	100	100

The major assumptions used by the actuary were

Financial Assumptions	31 July 2009	31 July 2008
	%	%
Discount rate	6.20	6.50
Expected rate of return on scheme assets as at the start of each period	6.98	7.17
Rate of increase in salaries	3.20	3.40
Rate of increase of pensions		
Non-pensioners		
Post 05/04/1988 GMP	2.60	2.75
Subject to LPI - pre 01/04/2006 excess	3.00	3.25
Subject to LPI - post 31/03/2006 excess	2.25	2.25
Pensioners		
Post 05/04/1988 GMP	2.10	2.75
Subject to LPI - pre 01/04/2006 excess	2.50	3.25
Subject to LPI - post 31/03/2006 excess	2.00	2.25
Rate of revaluation of deferred pensions in excess of GMP	3.20	3.40
Inflation assumption non-pensioners	3.20	3.40
Inflation assumption pensioners	2.50	3.40

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

21.1 Defined Benefit Scheme continued

Demographic assumptions	31 July 2009 Years	31 July 2008 Years
Longevity at age 65 for current pensioners		
-Men	19.4	19.4
-Women	22.2	22.2
Longevity at age 65 for future pensioners		
-Men	19.6	19.6
-Women	22.4	22.4
Cash commutation allowance amount of pension commuted for cash	Maximum	Maximum

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

Amounts for the current and previous four periods are as follows

	2009 £000's	2008 £000's	2007 £000's	2006 £000's	2005 £000's
Defined benefit obligation	(30,963)	(30,120)	(28,384)	(29,036)	(31,303)
Plan assets	26,563	27,755	28,696	27,535	25,131
(Deficit)/surplus	(4,400)	(2,365)	312	(1,501)	(6,172)
Experience adjustments on plan liabilities	-	(6)	(2,415)	388	(890)
Experience adjustments on plan assets	(2,506)	(2,758)	903	1,561	1,810

21.2 Defined Contribution Schemes

The contributions payable by the Company to defined contribution plans in the year were £395,000 (2008 £390,000) of which £34,000 was outstanding (2008 £16,000)

22 Capital Commitments

	2009 £'000	2008 £'000
Contracted for but not provided in the financial statements	461	389

Nufarm Limited

Notes to the Financial Statements

Year Ended 31 July 2009

23 Financial Commitments

At 31 July 2009 the Company had annual commitments under non-cancellable operating leases all relating to plant and machinery expiring as follows:

	2009 £'000	2008 £'000
Within one year	7	23
Within two to five years	102	111
	109	134

The Company has entered into a significant take or pay contract for the purchase of combined utilities that commenced in January 1996 for 20 years. The non-discounted value of the remaining commitment is estimated at £4,952,320 (2008 £5,818,000)

24 Financial Instruments

The Company held outstanding forward foreign currency contracts with an asset fair value of £58,000 (2008 £126,000)

25 Ultimate Parent Undertaking

The immediate parent undertaking is A H Marks Holdings Limited

The Ultimate Parent Undertaking is also the controlling party, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements can be obtained from the Company Secretary at Nufarm Limited, 103-105 Pipe Road, Laverton North, Victoria 3026, Australia or the website nufarm.com

26 Post Balance Sheet Event

On 31 October 2009 the entire assets and liabilities of the Company as of that date (with the exception of a fixed asset investment of £100) were transferred to Nufarm UK Limited for consideration of £34,167,000