

101

BRITISH SEED HOUSES LIMITED

Abbreviated Accounts

30 June 2001



British Seed Houses Limited

Registered No NI 7063

DIRECTORS

W S Gilbert (Chairman)
J W S Gilbert
W G I Ritchie
P G Adams (Resigned 20 April 2001)
R G Saunders
S Taylor
P Billings
A Burgon

SECRETARY

W G I Ritchie

AUDITORS

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

PRINCIPAL BANKERS

Northern Bank Limited
37/39 Bridge Street
Banbridge
BT32 3JL

REGISTERED OFFICE

Commercial Road
Banbridge
BT32 3ES

British Seed Houses Limited

DIRECTORS' REPORT

The directors present their report and the audited accounts for the year ended 30 June 2001.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The activities of the company consist of the processing and manufacturing of seed and grain.

RESULTS AND DIVIDENDS

The profit for the year attributable to shareholders amounts to £113,662. The directors recommend a final ordinary dividend amounting to £110,000.

DIRECTORS

The directors of the company during the year ended 30 June 2001 were those listed on page 1.

DIRECTORS' INTERESTS

The directors have no direct interest in the share capital of the company.

Messrs W S Gilbert, J W S Gilbert, W G I Ritchie and R G Saunders are directors of the ultimate parent undertaking, Germinal Holdings Limited, in whose accounts are disclosed their interests in the shares of that company.

None of the other directors hold shares in Germinal Holdings Limited.

AUDITORS

On 28 June 2001, Ernst & Young, the Company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001. A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting

By order of the board

W. G. for Ritchie

Secretary

2nd Nov 2001.

British Seed Houses Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies (Northern Ireland) Order 1986. 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.

British Seed Houses Limited

SPECIAL REPORT OF THE AUDITORS

to British Seed Houses Limited under Article 255B of the Companies (Northern Ireland) Order 1986

We have examined the abbreviated accounts on pages 5 to 12 together with the annual accounts of British Seed Houses Limited for the year ended 30 June 2001 prepared under Article 234 of the Companies (Northern Ireland) Order 1986.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Article 254A of the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254A(3) of the Order to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered have been properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254A(3) of the Companies (Northern Ireland) Order 1986, and the abbreviated accounts on pages 5 to 12 are properly prepared in accordance with those provisions.



Registered Auditor

Belfast

2 November 2001

British Seed Houses Limited

ABBREVIATED PROFIT AND LOSS ACCOUNT for the year ended 30 June 2001

	Notes	2001 £	2000 £
TURNOVER		9,374,858	10,494,349
Cost of sales		(8,286,751)	(8,933,056)
GROSS PROFIT		<u>1,088,107</u>	<u>1,561,293</u>
Other operating expenses	2	(806,167)	(1,096,198)
OPERATING PROFIT	3	<u>281,940</u>	<u>465,095</u>
Interest payable (Net)	6	(95,839)	(82,809)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>186,101</u>	<u>382,286</u>
Taxation	7	(72,439)	(126,753)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>113,662</u>	<u>255,533</u>
Dividends	8	110,000	240,000
PROFIT RETAINED FOR THE FINANCIAL YEAR		<u><u>3,662</u></u>	<u><u>15,533</u></u>

RECOGNISED GAINS AND LOSSES


There are no recognised gains or losses other than the profit attributable to shareholders of the company of £113,662 in the year ended 30 June 2001 and of £255,533 in the year ended 30 June 2000.

British Seed Houses Limited

ABBREVIATED BALANCE SHEET at 30 June 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Tangible assets	9	161,510	209,482
CURRENT ASSETS			
Stocks	10	2,032,297	2,367,134
Debtors	11	1,371,956	1,040,328
Amounts owed by group companies		33,041	28,864
Cash at bank and in hand		7,200	6,000
		<u>3,444,494</u>	<u>3,442,326</u>
CREDITORS: amounts falling due within one year			
Bank overdraft	12	1,314,049	838,615
Trade and other creditors	13	1,153,451	1,711,292
Amounts owed to group companies		694,477	758,124
Taxation		74,309	(22,279)
		<u>3,236,286</u>	<u>3,285,752</u>
NET CURRENT ASSETS		<u>208,208</u>	<u>156,574</u>
TOTAL ASSETS LESS LIABILITIES		<u>369,718</u>	<u>366,056</u>
CAPITAL AND RESERVES			
Called up share capital	14	80,000	80,000
Profit and loss account	15	289,718	286,056
		<u>369,718</u>	<u>366,056</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to medium sized companies.


 W.G. Fatche
 2nd Nov. 2001.
 Directors

British Seed Houses Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 2001

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

The cost of fixed assets is written off by equal annual instalments as follows:

Property	- 4 years
Plant and machinery	- 4 years
Vehicles	- 3 years
Fixtures and fittings (including computer equipment)	- 2 - 4 years

Stocks

Stocks are valued at the lower of cost, on a first in, first out basis, and net realisable value after making due allowance for any obsolete or slow moving items.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

Pension costs

Pension costs are recognised on a systematic basis so that the costs of providing retirement benefits to employees are evenly matched, so far as is possible, to the service lives of the employees concerned. Any excess or deficiency of the actuarial value of assets over the actuarial value of liabilities of the pension scheme is allocated over the average remaining service lives of current employees.

British Seed Houses Limited

NOTES TO THE ABBREVIATED ACCOUNTS

at 30 June 2001

2. OTHER OPERATING EXPENSES

	2001	2000
	£	£
Distribution costs	(503,952)	(580,712)
Administrative expenses	(1,527,287)	(1,472,386)
	<u>(2,031,239)</u>	<u>(2,053,098)</u>
Other operating income	1,225,072	956,900
	<u>(806,167)</u>	<u>(1,096,198)</u>

3. OPERATING PROFIT

This is stated after charging:

	2001	2000
	£	£
Depreciation	168,371	195,285
Auditors' remuneration	12,138	11,200
	<u>180,509</u>	<u>206,485</u>

4. STAFF COSTS

The staff costs of employees, including directors, during the year were:

	2001	2000
	£	£
Wages and salaries	984,786	1,005,633
Social security costs	73,820	76,256
Other pension costs	73,697	70,960
	<u>1,132,303</u>	<u>1,152,849</u>

The average weekly number of persons employed by the company during the year was as follows:

	2001	2000
	No.	No.
Production	19	23
Distribution	15	15
Administration	15	18
	<u>49</u>	<u>56</u>

British Seed Houses Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 2001

5. EMOLUMENTS OF DIRECTORS

	2001 £	2000 £
Remuneration, excluding pension contributions	242,890	255,799
Compensation for loss of office	30,000	-

	2001 No.	2000 No.
Members of defined benefits pension scheme	5	6

The amounts in respect of the highest paid director are as follows:

	2001 £	2000 £
Emoluments	74,715	78,868
Accrued pension benefit	15,703	12,554

6. INTEREST PAYABLE (NET)

	2001 £	2000 £
Bank overdrafts	(27)	107
Group overdrafts	(102,302)	(86,636)
Finance charges - group	2,078	3,720
Interest from customers	4,412	-
	(95,839)	(82,809)

7. TAXATION

	2001 £	2000 £
UK corporation tax - current year	(74,616)	(60,571)
- prior years	53,904	(2,143)
Group relief - current year	-	(64,039)
- prior years	(51,727)	-
	(72,439)	(126,753)

British Seed Houses Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 2001

11. DEBTORS

	2001	2000
	£	£
Trade debtors	1,290,863	930,100
Prepayments and accrued income	51,822	60,043
Other debtors	29,271	50,185
	<u>1,371,956</u>	<u>1,040,328</u>

12. BANK OVERDRAFT

The company has entered into cross guarantees with its ultimate parent undertaking and fellow subsidiaries in favour of Northern Bank Limited in relation to overdraft facilities of the group.

13. TRADE AND OTHER CREDITORS

	2001	2000
	£	£
Trade creditors	947,123	1,376,339
Social security and taxation	3,088	-
Accruals and deferred income	203,240	334,953
	<u>1,153,451</u>	<u>1,711,292</u>

14. SHARE CAPITAL

	2001	2000
	£	£
Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>

British Seed Houses Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 2001

15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At 1 July 1999	80,000	270,523	350,523
Profit for the year	-	255,533	255,533
Dividend	-	(240,000)	(240,000)
At 1 July 2000	80,000	286,056	366,056
Profit for the year	-	113,662	113,662
Dividend	-	(110,000)	(110,000)
At 30 June 2001	80,000	289,718	369,718

16. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Germinal Holdings Limited, a company incorporated in Northern Ireland.

17. COMMITMENTS TO PENSION FUND

A group defined benefit pension scheme is operated for certain of the company's employees. Details of the pension scheme are disclosed in the accounts of Germinal Holdings Limited.

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS8 from disclosing transactions with the Germinal Holdings Limited group.

19. CASH FLOW STATEMENT

The company has taken advantage of the exemption in FRS1 from preparing a cash flow statement.

British Seed Houses Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 2001

8. DIVIDENDS

	2001 £	2000 £
Equity dividends on ordinary shares		
Final proposed	110,000	240,000

9. TANGIBLE FIXED ASSETS

	<i>Premises Freehold</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Fixtures and fittings</i> £	<i>Total</i> £
Cost:					
At 1 July 2000	131,874	1,047,837	298,993	173,074	1,651,778
Additions	4,015	30,110	70,832	23,847	128,804
Disposals	(12,935)	(19,799)	(85,968)	(40,585)	(159,287)
At 30 June 2001	122,954	1,058,148	283,857	156,336	1,621,295
Depreciation:					
At 1 July 2000	105,165	1,011,592	184,970	140,569	1,442,296
Charge for year	7,689	36,078	85,116	39,488	168,371
Disposals	(6,523)	(19,792)	(85,962)	(38,605)	(150,882)
At 30 June 2001	106,331	1,027,878	184,124	141,452	1,459,785
Net book value at 30 June 2001	16,623	30,270	99,733	14,884	161,510
Net book value at 1 July 2000	26,709	36,245	114,023	32,505	209,482

10. STOCKS

	2001 £	2000 £
Grasses, clovers and grains	2,032,297	2,367,134