



REGISTERED NUMBER: NI 7063



ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2004
FOR
BRITISH SEED HOUSES LIMITED

BRITISH SEED HOUSES LIMITED

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BRITISH SEED HOUSES LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 30 JUNE 2004

DIRECTORS:	J W S Gilbert Chairman W G I Ritchie S Taylor P Billings A Burgon W J Gilbert
SECRETARY:	W G I Ritchie
REGISTERED OFFICE:	Commercial Road Banbridge BT32 3ES
REGISTERED NUMBER:	NI 7063
AUDITORS:	Baker Tilly Mooney Moore Chartered Certified Accountants Registered Auditors 24 - 38 Gordon Street Belfast BT1 2LG
BANKERS:	Northern Bank Limited 37 - 39 Bridge Street Banbridge BT32 3JL

BRITISH SEED HOUSES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2004

The directors present their report with the accounts of the company for the year ended 30 June 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of processing and manufacturing of seed and grain.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

DIVIDENDS

The directors recommend a final ordinary dividend of £222,077.

DIRECTORS

The directors during the year under review were:

J W S Gilbert Chairman

W S Gilbert

- resigned 28.11.03

W G I Ritchie

S Taylor

P Billings

A Burgon

W J Gilbert

- appointed 17.6.04

The directors holding office at 30 June 2004 did not hold any beneficial interest in the issued share capital of the company at 1 July 2003 (or date of appointment if later) or 30 June 2004.

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

The other directors hold no shares in Germinal Holdings Limited.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable contributions totalling £350.

EVENTS SINCE THE BALANCE SHEET DATE

In July 2004 the group announced its plan to restructure its operation in Scotland. This will involve the transfer to British Seed Houses Limited at Lincoln of the trades formerly carried on by David Bell Limited and its predecessor John Dun Limited from the premises at Penicuik.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 financial statements, 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 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 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 financial statements 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

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2004

AUDITORS

The auditors, Baker Tilly Mooney Moore, will be proposed for re-appointment in accordance with Article 393 of the Companies (Northern Ireland) Order 1986.

ON BEHALF OF THE BOARD:

.....
W.G. Ritchie
W G I Ritchie - Secretary

Date: 1st Nov. 2004

**REPORT OF THE INDEPENDENT AUDITORS TO
BRITISH SEED HOUSES LIMITED
UNDER ARTICLE 255B OF THE COMPANIES (NORTHERN IRELAND) ORDER 1986**

We have examined the abbreviated accounts on pages five to twelve, together with the full financial statements of the company for the year ended 30 June 2004 prepared under Article 234 of the Companies (Northern Ireland) Order 1986.

This report is made solely to the company, in accordance with Article 255B of the Companies (Northern Ireland) Order 1986. 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 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 that provision and to report our opinion to you.

Basis of opinion

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 to be delivered are 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 financial statements.

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 five to twelve are properly prepared in accordance with that provision.

Baker Tilly Mooney Moore

Baker Tilly Mooney Moore
Chartered Certified Accountants
Registered Auditors
24 - 38 Gordon Street
Belfast
BT1 2LG

Date: *3. 11. 2004.*

BRITISH SEED HOUSES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2004

	Notes	30.6.04 £	£	30.6.03 £	£
GROSS PROFIT			2,265,683		2,514,563
Distribution costs		524,424		584,556	
Administrative expenses		1,335,137		1,499,314	
			1,859,561		2,083,870
OPERATING PROFIT	3		406,122		430,693
Interest receivable and similar income			66		479
			406,188		431,172
Interest payable and similar charges	4		98,665		79,939
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			307,523		351,233
Tax on profit on ordinary activities	5		85,446		92,387
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			222,077		258,846
Dividends	6		222,077		258,846
RETAINED PROFIT FOR THE YEAR			-		-

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these abbreviated accounts

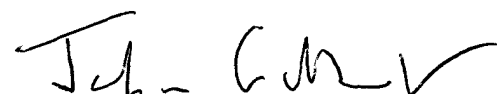
BRITISH SEED HOUSES LIMITED

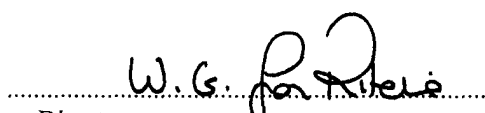
ABBREVIATED BALANCE SHEET 30 JUNE 2004

	Notes	30.6.04 £	£	30.6.03 £	£
FIXED ASSETS					
Tangible assets	7		161,360		133,243
CURRENT ASSETS					
Stocks	8	2,394,277		2,674,892	
Debtors	9	1,001,367		1,173,219	
Cash at bank and in hand		27,551		11,806	
		3,423,195		3,859,917	
CREDITORS					
Amounts falling due within one year	10	3,204,962		3,613,567	
NET CURRENT ASSETS			218,233		246,350
TOTAL ASSETS LESS CURRENT LIABILITIES			379,593		379,593
CAPITAL AND RESERVES					
Called up share capital	13		80,000		80,000
Profit and loss account	14		299,593		299,593
SHAREHOLDERS' FUNDS	18		379,593		379,593

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.

ON BEHALF OF THE BOARD:


.....
- Director


.....
- Director

Approved by the Board on 1st Nov 2004

The notes form part of these abbreviated accounts

BRITISH SEED HOUSES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 25% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 33% on cost

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 tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed 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 transaction. Exchange differences are taken into account in arriving at the operating result.

Pensions

The company participates in a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

2. STAFF COSTS

	30.6.04	30.6.03
	£	£
Wages and salaries	900,387	944,051
Social security costs	67,551	75,494
Other pension costs	119,874	58,463
	<u>1,087,812</u>	<u>1,078,008</u>

BRITISH SEED HOUSES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 30 JUNE 2004

2. STAFF COSTS - continued

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

	30.6.04	30.6.03
Production	15	16
Distribution	11	13
Administration	12	13
	<u>38</u>	<u>42</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.6.04	30.6.03
	£	£
Depreciation - owned assets	100,917	96,735
Profit on disposal of fixed assets	(4,972)	(38,543)
Auditors remuneration	9,500	9,500
Foreign exchange differences	6,781	(917)
	<u>166,407</u>	<u>255,595</u>
Directors' emoluments	-	30,000
Compensation to directors for loss of office	-	-

The number of directors to whom retirement benefits were accruing was as follows:

Defined benefit schemes	3	3
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4. INTEREST PAYABLE AND SIMILAR CHARGES

	30.6.04	30.6.03
	£	£
Bank interest & charges	(27)	200
Finance charge - group	98,692	79,739
	<u>98,665</u>	<u>79,939</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	30.6.04	30.6.03
	£	£
Current tax:		
UK corporation tax	85,446	92,387
Tax on profit on ordinary activities	<u>85,446</u>	<u>92,387</u>

BRITISH SEED HOUSES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 30 JUNE 2004

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.04	30.6.03
	£	£
Profit on ordinary activities before tax	<u>307,523</u>	<u>351,233</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003 - 30%)	92,257	105,370
Effects of:		
Disallowed expenses and non taxable income depreciation/amortisation	3,818	1,717
Accelerated capital allowances	(8,147)	(24,619)
Short term timing difference rate previous periods	(2,482)	9,919
Current tax charge	<u>85,446</u>	<u>92,387</u>

6. DIVIDENDS

	30.6.04	30.6.03
	£	£
Equity shares:		
Final	<u>222,077</u>	<u>258,846</u>

BRITISH SEED HOUSES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 30 JUNE 2004

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 July 2003	122,954	1,077,605	152,153	203,932	1,556,644
Additions	14,461	71,029	695	78,277	164,462
Disposals	-	(1)	-	(99,689)	(99,690)
At 30 June 2004	137,415	1,148,633	152,848	182,520	1,621,416
DEPRECIATION					
At 1 July 2003	121,935	1,027,930	149,304	124,232	1,423,401
Charge for year	4,618	40,461	1,904	53,934	100,917
Eliminated on disposal	-	-	-	(64,262)	(64,262)
At 30 June 2004	126,553	1,068,391	151,208	113,904	1,460,056
NET BOOK VALUE					
At 30 June 2004	10,862	80,242	1,640	68,616	161,360
At 30 June 2003	1,019	49,675	2,849	79,700	133,243

8. STOCKS

	30.6.04	30.6.03
	£	£
Grasses, clovers & grains	2,394,277	2,674,892

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.04	30.6.03
	£	£
Trade debtors	857,287	1,002,697
Amounts owed by group undertakings	50,266	52,001
Other debtors	43,328	73,212
Prepayments and accrued income	50,486	45,309
	1,001,367	1,173,219

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.04	30.6.03
	£	£
Bank loans and overdrafts (see note 11)	1,472,729	1,398,075
Trade creditors	414,776	533,914
Amounts owed to group undertakings	760,067	833,202
Tax	6,886	92,576
Social security and other taxes	4,807	19,677
Proposed dividends	222,077	258,846
Accruals and deferred income	323,620	477,277
	3,204,962	3,613,567

BRITISH SEED HOUSES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 30 JUNE 2004

11. LOANS

An analysis of the maturity of loans is given below:

	30.6.04 £	30.6.03 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>1,472,729</u>	<u>1,398,075</u>

12. SECURED DEBTS

The following secured debts are included within creditors:

	30.6.04 £	30.6.03 £
Bank overdraft	<u>1,472,729</u>	<u>1,398,075</u>

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

13. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.04 £	30.6.03 £
80,000	Ordinary	£1	<u>80,000</u>	<u>80,000</u>

14. RESERVES

	Profit and loss account £
At 1 July 2003	299,593
Retained profit for the year	-
At 30 June 2004	<u>299,593</u>

15. PENSION COMMITMENTS

The Germinal group operates a defined benefit pension scheme for certain of the company's employees. The most recent full actuarial valuation of the Group Pension Scheme was as at 6 April 2002. The valuation was carried out by Spence & Partners Limited using the projected unit method.

It is not possible to identify the company's share of the underlying assets and liabilities. Accordingly for the purposes of FRS 17 the scheme is treated as a defined contribution scheme.

16. ULTIMATE PARENT COMPANY

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

BRITISH SEED HOUSES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 30 JUNE 2004

17. RELATED PARTY DISCLOSURES

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

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.6.04	30.6.03
	£	£
Profit for the financial year	222,077	258,846
Dividends	(222,077)	(258,846)
Opening shareholders' funds	379,593	379,593
Closing shareholders' funds	379,593	379,593
Equity interests	379,593	379,593