

# **British Seed Houses Limited**

## **Abbreviated Accounts**

30 June 1999

*Registered No: NI 7063*

# British Seed Houses Limited

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Registered No NI 7063

## **DIRECTORS**

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

## **SECRETARY**

W G I Ritchie

## **AUDITORS**

Ernst & Young  
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 1999.

### 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 £149,825. The directors recommend a final ordinary dividend amounting to £149,000.

### DIRECTORS

The directors of the company during the year ended 30 June 1999 were those listed on page 2. Mr S McCausland retired as a director on 27 January 1999. Mr N S Bark CBE retired as a director on 30 June 1999. Mr S Taylor, Mr P Billings and Mr A Burgon were appointed directors on 4 January 1999. Mr W K Kerr died on 16 July 1999.

### DIRECTORS' INTERESTS

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

Messrs W S Gilbert, J W S Gilbert, S K McCausland, 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.

### YEAR 2000 COMPLIANCE

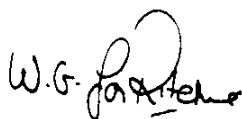
As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

The company is well advanced in the phase of assessing the risks to our business resulting from the date change to the Year 2000. Once this phase is completed we can assess the likely impact on our activities and develop prioritised action plans to deal with the key risks.

### AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the annual general meeting.

By order of the board



Secretary

22 October 1999

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

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### SPECIAL REPORT OF THE AUDITORS

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

We have examined the abbreviated accounts on pages 6 to 13 together with the annual accounts of British Seed Houses Limited for the year ended 30 June 1999 prepared under Article 234 of the Companies (Northern Ireland) Order 1986.

#### **Respective responsibilities of the directors and auditors**

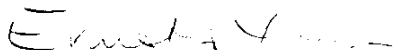
The directors are responsible for preparing the abbreviated accounts in accordance with Article 254A of the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with 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 6 to 13 are properly prepared in accordance with those provisions.



Registered Auditor

Belfast

22 October 1999

# British Seed Houses Limited

## ABBREVIATED PROFIT AND LOSS ACCOUNT for the year ended 30 June 1999

	Notes	1999 £	1998 £
<b>GROSS PROFIT</b>		1,553,524	1,577,567
Other operating expenses	2	(1,170,583)	(1,288,965)
<b>OPERATING PROFIT</b>	3	382,941	288,602
Interest payable (Net)	6	(143,621)	(104,437)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		239,320	184,165
Taxation	7	(89,495)	(176,347)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		149,825	7,818
Dividends	8	149,000	-
<b>PROFIT RETAINED FOR THE FINANCIAL YEAR</b>		825	7,818

### RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £149,825 in the year ended 30 June 1999 and of £7,818 in the year ended 30 June 1998.

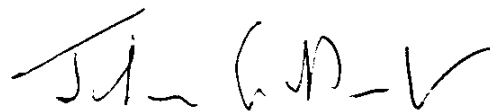
# British Seed Houses Limited

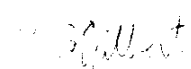
## ABBREVIATED BALANCE SHEET

at 30 June 1999

	Notes	1999 £	1998 £
<b>FIXED ASSETS</b>			
Tangible assets	9	160,105	261,245
<b>CURRENT ASSETS</b>			
Stocks	10	2,575,549	2,945,930
Debtors	11	1,057,741	1,031,333
Amounts owed by group companies		55,020	209,511
Cash at bank and in hand		6,250	6,050
		<u>3,694,560</u>	<u>4,192,824</u>
<b>CREDITORS: amounts falling due within one year</b>			
Bank overdraft	12	1,467,492	2,219,841
Trade and other creditors	13	1,429,648	1,415,344
Amounts owed to group companies		544,833	469,186
Taxation		62,169	-
		<u>3,504,142</u>	<u>4,104,371</u>
<b>NET CURRENT ASSETS</b>		<u>190,418</u>	<u>88,453</u>
<b>TOTAL ASSETS LESS LIABILITIES</b>		<u>350,523</u>	<u>349,698</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	80,000	80,000
Profit and loss account	15	270,523	269,698
		<u>350,523</u>	<u>349,698</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.

  
Directors

  
22 October 1999

NOTES TO THE ABBREVIATED ACCOUNTS  
at 30 June 1999

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 1999

### 2. OTHER OPERATING EXPENSES

	1999 £	1998 £
Distribution costs	(569,460)	(651,765)
Administrative expenses	(1,418,173)	(1,360,460)
	<u>(1,987,633)</u>	<u>(2,012,225)</u>
Other operating income	817,050	723,260
	<u>(1,170,583)</u>	<u>(1,288,965)</u>

### 3. OPERATING PROFIT

This is stated after charging:

	1999 £	1998 £
Depreciation	161,807	172,859
Auditors' remuneration	10,870	10,711
	<u>172,677</u>	<u>183,570</u>

### 4. STAFF COSTS

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

	1999 £	1998 £
Wages and salaries	1,005,606	959,289
Social security costs	79,363	74,438
Other pension costs	73,796	73,194
	<u>1,158,765</u>	<u>1,106,921</u>

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

	1999	1998
Production	22	23
Distribution	16	15
Administration	18	23
	<u>56</u>	<u>61</u>

# British Seed Houses Limited

## NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 1999

### 5. EMOLUMENTS OF DIRECTORS

	1999 £	1998 £
Remuneration, excluding pension contributions	266,717	184,809
	<u>          </u>	<u>          </u>
	1999 No.	1998 No.
Members of defined benefits pension scheme	7	4
	<u>          </u>	<u>          </u>

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

	1999 £	1998 £
Emoluments	76,897	62,810
Accrued pension benefit	21,912	24,752
	<u>          </u>	<u>          </u>

### 6. INTEREST PAYABLE (NET)

	1999 £	1998 £
Bank overdrafts	2,005	(26,064)
Group overdrafts	(151,703)	(83,135)
Finance charges - group	5,528	4,762
Interest from customers	549	-
	<u>          </u>	<u>          </u>
	(143,621)	(104,437)
	<u>          </u>	<u>          </u>

### 7. TAXATION

	1999 £	1998 £
UK corporation tax		
Current at 30.75% (1998 - 31%)	(86,947)	-
Group relief	-	(171,907)
	<u>          </u>	<u>          </u>
	(86,947)	(171,907)
	<u>          </u>	<u>          </u>
Adjustment relating to prior years	(2,548)	(4,440)
	<u>          </u>	<u>          </u>
	(89,495)	(176,347)
	<u>          </u>	<u>          </u>

# British Seed Houses Limited

## NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 1999

### 8. DIVIDENDS

	1999 £	1998 £
Equity dividends on ordinary shares		
Final proposed	149,000	-

### 9. TANGIBLE FIXED ASSETS

	<i>Premises Short Leasehold</i> £	<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 1998	37,980	53,763	1,026,761	327,953	78,362	1,524,819
Additions	-	13,275	12,515	27,060	36,647	89,497
Disposals	-	-	-	(66,599)	-	(66,599)
At 30 June 1999	37,980	67,038	1,039,276	288,414	115,009	1,547,717
Depreciation						
At 1 July 1998	37,978	51,553	913,072	191,341	69,630	1,263,574
Charge for year	-	5,517	55,357	76,620	24,313	161,807
Disposals	-	-	-	(37,769)	-	(37,769)
At 30 June 1999	37,978	57,070	968,429	230,192	93,943	1,387,612
Net book value at 30 June 1999	2	9,968	70,847	58,222	21,066	160,105
Net book value at 1 July 1998	2	2,210	113,689	136,612	8,732	261,245

### 10. STOCKS

	1999 £	1998 £
Grasses, clovers and grains	2,575,549	2,945,930

# British Seed Houses Limited

## NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 1999

### 11. DEBTORS

	1999 £	1998 £
Trade debtors	920,650	885,299
Prepayments and accrued income	74,371	79,156
Other debtors	62,720	66,878
	<u>1,057,741</u>	<u>1,031,333</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

	1999 £	1998 £
Trade creditors	1,152,618	1,095,874
Accruals and deferred income	277,030	319,470
	<u>1,429,648</u>	<u>1,415,344</u>

### 14. SHARE CAPITAL

	1999 £	Authorised, allotted, called up and fully paid 1998 £
Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>

### 15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	Total £
At 1 July 1997	80,000	261,880	341,880
Profit for the year		7,818	7,818
	<u>80,000</u>	<u>269,698</u>	<u>349,698</u>
At 1 July 1998	80,000	269,698	349,698
Profit for the year		149,825	149,825
Dividend		(149,000)	(149,000)
	<u>80,000</u>	<u>270,523</u>	<u>350,523</u>
At 30 June 1999	<u>80,000</u>	<u>270,523</u>	<u>350,523</u>

# British Seed Houses Limited

## NOTES TO THE ABBREVIATED ACCOUNTS at 30 June 1999

### 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. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the aggregate method. The most recent valuation was at 6 April 1996. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that there would be a 2.5% spread between the rate of return on investments and the rate of increase in salaries, and that pensions would increase at the rate of 3% per annum.

The actuarial valuation at 6 April 1996 showed that the market value of the scheme's assets was £3,556,447 and that the actuarial value of those assets represented 100% of the benefits that had accrued to members, after allowing for expected future increases in earnings. The contributions of the company and the employees are 11.5% and 5% respectively.

The pension charge for the year was £73,796 (1998 - £73,194).

### 18. RELATED PARTY TRANSACTIONS

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

### 20. CASH FLOW STATEMENT

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