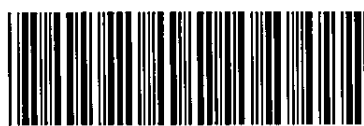


**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**  
**FOR**  
**BRITISH SEED HOUSES LIMITED**

WEDNESDAY



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COMPANIES HOUSE

**BRITISH SEED HOUSES LIMITED**

**CONTENTS OF THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

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**BRITISH SEED HOUSES LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2011**

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**DIRECTORS:** J W S Gilbert (Chairman)  
W G I Ritchie  
P J Billings  
W J Gilbert

**SECRETARY:** W G I Ritchie

**REGISTERED OFFICE:** Commercial Road  
Banbridge  
BT32 3ES

**REGISTERED NUMBER:** NI007063

**AUDITORS:** Baker Tilly Mooney Moore  
Chartered Certified Accountants  
Registered Auditors  
17 Clarendon Road  
Clarendon Dock  
Belfast  
BT1 3BG

**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 2011**

---

The directors present their report with the accounts of the company for the year ended 30 June 2011.

### **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 financial statements. The directors are pleased to report a profit for the year and that the company has maintained its market share.

### **DIVIDENDS**

In accordance with FRS 21 the company now recognises dividends in the accounting period in which they are approved. The directors recommend payment of a final dividend of £230,890.

### **FUTURE DEVELOPMENTS**

The board intends to continue its policy of expansion and development.

### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2010 to the date of this report.

J W S Gilbert  
W G I Ritchie  
P J Billings  
W J Gilbert

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks to the company are set out below:

- Changes in demand for its product due to changes in the overall agricultural sector, consumer requirements and changes in UK or European legislation or regulations. The company adheres to all relevant legislation as it applies and also endeavours to achieve the highest possible standards in quality of product and service to address these risks.
- Competition from other suppliers.
- Product availability.

### **KEY PERFORMANCE INDICATORS ("KPI'S")**

Given the nature of the business, the company's directors are of the opinion that an analysis using KPIs is not necessary, for an understanding of the development, performance or position of the business.

### **FINANCIAL RISK MANAGEMENT**

The directors have considered the need to disclose financial risks material to the company. At this stage in the company's development, the directors are of the opinion that there are no material price, credit, liquidity or interest rate risks. The directors will continue to assess the financial risks and their management on a regular basis.

**BRITISH SEED HOUSES LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2011**

---

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 period. In preparing these 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the Directors confirms that, so far as they are aware, there is no relevant audit information of which the auditors are unaware. Each Director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Baker Tilly Mooney Moore, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....  
W G I Ritchie - Secretary

Date: 31st. Oct 2011

**REPORT OF THE INDEPENDENT AUDITORS TO  
BRITISH SEED HOUSES LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

---

We have examined the abbreviated accounts set out on pages five to twelve, together with the full financial statements of British Seed Houses Limited for the year ended 30 June 2011 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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**

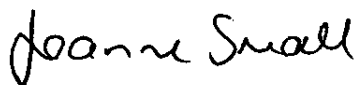
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Joanne Small (Senior Statutory Auditor)  
for and on behalf of Baker Tilly Mooney Moore  
Chartered Certified Accountants  
Registered Auditors  
17 Clarendon Road  
Clarendon Dock  
Belfast  
BT1 3BG

Date: 31st October 2011

**BRITISH SEED HOUSES LIMITED**

**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2011**

|  | Notes | 30.6.11<br>£          | 30.6.10<br>£          |
|--|-------|-----------------------|-----------------------|
| <b>TURNOVER</b>  |       | <b>8,941,565</b>      | <b>8,696,666</b>      |
| <b>GROSS PROFIT</b>                                      |       | <b>2,381,298</b>      | <b>2,436,332</b>      |
| Distribution costs                                       |       | 313,485               | 286,663               |
| Administrative expenses                                  |       | <u>1,566,646</u>      | <u>1,653,507</u>      |
|  |       | <b>1,880,131</b>      | <b>1,940,170</b>      |
| <b>OPERATING PROFIT</b>                                  | 3     | <b>501,167</b>        | <b>496,162</b>        |
| Interest receivable and similar income                   |       | <u>214</u>            | <u>681</u>            |
|  |       | <b>501,381</b>        | <b>496,843</b>        |
| Interest payable and similar charges                     | 4     | <u>94,115</u>         | <u>83,246</u>         |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | <b>407,266</b>        | <b>413,597</b>        |
| Tax on profit on ordinary activities                     | 5     | <u>130,176</u>        | <u>109,483</u>        |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                     |       | <b><u>277,090</u></b> | <b><u>304,114</u></b> |

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

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

The notes form part of these abbreviated accounts

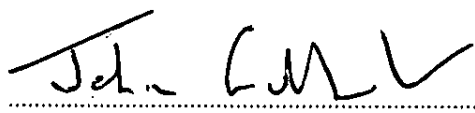
**BRITISH SEED HOUSES LIMITED**

**ABBREVIATED BALANCE SHEET**  
**30 JUNE 2011**


|  | Notes | 30.6.11<br>£     | 30.6.10<br>£     |
|--|-------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |
| Tangible assets                              | 7     | 217,170          | 227,184          |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |
| Stocks                                       | 8     | 3,748,006        | 2,691,326        |
| Debtors                                      | 9     | 1,607,955        | 1,616,253        |
| Cash at bank and in hand                     |       | <u>3,550</u>     | <u>25,529</u>    |
|  |       | 5,359,511        | 4,333,108        |
| <b>CREDITORS</b>                             |       |                  |                  |
| Amounts falling due within one year          | 10    | <u>4,345,791</u> | <u>3,606,492</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,013,720</u> | <u>726,616</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>1,230,890</u> | <u>953,800</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |
| Called up share capital                      | 13    | 80,000           | 80,000           |
| Profit and loss account                      | 14    | <u>1,150,890</u> | <u>873,800</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   | 18    | <u>1,230,890</u> | <u>953,800</u>   |

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were authorised for issue by the Board of Directors on 31st. Oct. 2011 and were signed on its behalf by:



J W S Gilbert - Director



W G I Ritchie - Director

The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

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**1. ACCOUNTING POLICIES****Accounting convention**

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

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

**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 provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences. Deferred tax assets are recognised only to the extent they are regarded as recoverable.

**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.

**Pension costs and other post-retirement benefits**

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 FRS 17 '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.

Obligations for contributions to the stakeholder pension plan are recognised as an expense in the profit and loss account as incurred.

**2. STAFF COSTS**

|                       | 30.6.11          | 30.6.10          |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 899,832          | 949,784          |
| Social security costs | 83,250           | 84,969           |
| Other pension costs   | 130,575          | 137,904          |
|                       | <u>1,113,657</u> | <u>1,172,657</u> |

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2011**

**2. STAFF COSTS - continued**

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

|                | 30.6.11   | 30.6.10   |
|----------------|-----------|-----------|
| Production     | 9         | 11        |
| Distribution   | 12        | 13        |
| Administration | 9         | 9         |
|                | <u>30</u> | <u>33</u> |

**3. OPERATING PROFIT**

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

|                                    | 30.6.11        | 30.6.10        |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Depreciation - owned assets        | 183,586        | 169,970        |
| Profit on disposal of fixed assets | (20,736)       | (21,814)       |
| Auditors' remuneration             | 11,000         | 11,000         |
| Foreign exchange differences       | 11,560         | 7,571          |
|                                    | <u>131,980</u> | <u>204,746</u> |

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

|                         |          |          |
|-------------------------|----------|----------|
| Defined benefit schemes | <u>1</u> | <u>1</u> |
|-------------------------|----------|----------|

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

|                         | 30.6.11       | 30.6.10       |
|-------------------------|---------------|---------------|
|                         | £             | £             |
| Bank interest & charges | 148           | -             |
| Finance charge - group  | 93,967        | 83,246        |
|                         | <u>94,115</u> | <u>83,246</u> |

**5. TAXATION**

**Analysis of the tax charge**

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

|                    | 30.6.11        | 30.6.10        |
|--------------------|----------------|----------------|
|                    | £              | £              |
| Current tax:       |                |                |
| UK corporation tax | 55,428         | 79,452         |
| Group relief       | 74,748         | 30,031         |
|                    | <u>130,176</u> | <u>109,483</u> |

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2011

## 5. TAXATION - continued

## Factors affecting the tax charge

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

|  | 30.6.11        | 30.6.10        |
|--|----------------|----------------|
|  | £              | £              |
| Profit on ordinary activities before tax   | <u>407,266</u> | <u>413,597</u> |
| Profit on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 27.500% (2010 - 28%) | 111,998        | 115,807        |
| Effects of:  |                |                |
| Disallowed expenses and non taxable income   | 27,734         | 9,693          |
| Accelerated capital allowances   | (4,128)        | (4,602)        |
| Short term timing difference   | (763)          | (7,463)        |
| Losses in prior years relieved against current tax   | <u>(4,665)</u> | <u>(3,952)</u> |
| Current tax charge   | <u>130,176</u> | <u>109,483</u> |

## 6. DIVIDENDS

The directors recommend a final ordinary dividend of £230,890.

## 7. TANGIBLE FIXED ASSETS

|                        | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ |
|------------------------|---------------------------|-----------------------------|----------------------------------|
| <b>COST</b>            |                           |                             |                                  |
| At 1 July 2010         | 133,907                   | 1,334,894                   | 35,013                           |
| Additions              | -                         | 79,332                      | -                                |
| Disposals              | -                         | (29,200)                    | -                                |
| At 30 June 2011        | <u>133,907</u>            | <u>1,385,026</u>            | <u>35,013</u>                    |
| <b>DEPRECIATION</b>    |                           |                             |                                  |
| At 1 July 2010         | 113,621                   | 1,193,572                   | 32,249                           |
| Charge for year        | 9,839                     | 93,328                      | 2,753                            |
| Eliminated on disposal | -                         | (29,199)                    | -                                |
| At 30 June 2011        | <u>123,460</u>            | <u>1,257,701</u>            | <u>35,002</u>                    |
| <b>NET BOOK VALUE</b>  |                           |                             |                                  |
| At 30 June 2011        | <u>10,447</u>             | <u>127,325</u>              | <u>11</u>                        |
| At 30 June 2010        | <u>20,286</u>             | <u>141,322</u>              | <u>2,764</u>                     |

**BRITISH SEED HOUSES LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2011**

**7. TANGIBLE FIXED ASSETS - continued**

|                        | Motor<br>vehicles<br>£ | Computer<br>equipment<br>£ | Totals<br>£      |
|------------------------|------------------------|----------------------------|------------------|
| <b>COST</b>            |                        |                            |                  |
| At 1 July 2010         | 228,420                | 60,199                     | 1,792,433        |
| Additions              | 94,254                 | -                          | 173,586          |
| Disposals              | <u>(59,303)</u>        | <u>(52,988)</u>            | <u>(141,491)</u> |
| At 30 June 2011        | <u>263,371</u>         | <u>7,211</u>               | <u>1,824,528</u> |
| <b>DEPRECIATION</b>    |                        |                            |                  |
| At 1 July 2010         | 165,619                | 60,188                     | 1,565,249        |
| Charge for year        | 77,666                 | -                          | 183,586          |
| Eliminated on disposal | <u>(59,299)</u>        | <u>(52,979)</u>            | <u>(141,477)</u> |
| At 30 June 2011        | <u>183,986</u>         | <u>7,209</u>               | <u>1,607,358</u> |
| <b>NET BOOK VALUE</b>  |                        |                            |                  |
| At 30 June 2011        | <u>79,385</u>          | <u>2</u>                   | <u>217,170</u>   |
| At 30 June 2010        | <u>62,801</u>          | <u>11</u>                  | <u>227,184</u>   |

**8. STOCKS**

|                           |                  |                  |
|---------------------------|------------------|------------------|
|                           | 30.6.11<br>£     | 30.6.10<br>£     |
| Grasses, clovers & grains | <u>3,748,006</u> | <u>2,691,326</u> |

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                |                  |                  |
|--------------------------------|------------------|------------------|
|                                | 30.6.11<br>£     | 30.6.10<br>£     |
| Trade debtors                  | 1,536,657        | 1,517,393        |
| Other debtors                  | -                | 22,618           |
| Prepayments and accrued income | <u>71,298</u>    | <u>76,242</u>    |
|                                | <u>1,607,955</u> | <u>1,616,253</u> |

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   |                  |                  |
|---|------------------|------------------|
|   | 30.6.11<br>£     | 30.6.10<br>£     |
| Bank loans and overdrafts (see note 11) | -                | 2,488,469        |
| Trade creditors                         | 289,781          | 400,694          |
| Amounts owed to group undertakings      | 3,679,579        | 376,676          |
| Tax                                     | 15,912           | 79,662           |
| Social security and other taxes         | 33,598           | 20,706           |
| Accruals and deferred income            | <u>326,921</u>   | <u>240,285</u>   |
|   | <u>4,345,791</u> | <u>3,606,492</u> |

**BRITISH SEED HOUSES LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2011****11. LOANS**

An analysis of the maturity of loans is given below:

|   | 30.6.11<br>£ | 30.6.10<br>£     |
|---|--------------|------------------|
| Amounts falling due within one year or on demand: |              |                  |
| Bank overdrafts                                   | <u>-</u>     | <u>2,488,469</u> |

**12. SECURED DEBTS**

The following secured debts are included within creditors:

|                | 30.6.11<br>£ | 30.6.10<br>£     |
|----------------|--------------|------------------|
| Bank overdraft | <u>-</u>     | <u>2,488,469</u> |

The security is 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. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

| Number: | Class:   | Nominal<br>value: | 30.6.11<br>£  | 30.6.10<br>£  |
|---------|----------|-------------------|---------------|---------------|
| 80,000  | Ordinary | £1                | <u>80,000</u> | <u>80,000</u> |

**14. RESERVES**

|                     | Profit<br>and loss<br>account<br>£ |
|---------------------|------------------------------------|
| At 1 July 2010      | 873,800                            |
| Profit for the year | <u>277,090</u>                     |
| At 30 June 2011     | <u>1,150,890</u>                   |

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 JUNE 2011

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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 30 June 2008. 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.

**Other pension arrangements**

Since October 2001 new employees have been offered membership of Germinal Holdings stakeholder pension plan, a defined contribution pension arrangement. The Groups' defined benefit scheme is closed to new entrants.

16. ULTIMATE PARENT COMPANY

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

17. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with the Germinal Holdings Limited group.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|                                     | 30.6.11<br>£     | 30.6.10<br>£   |
|-------------------------------------|------------------|----------------|
| Profit for the financial year       | <u>277,090</u>   | <u>304,114</u> |
| Net addition to shareholders' funds | 277,090          | 304,114        |
| Opening shareholders' funds         | <u>953,800</u>   | <u>649,686</u> |
| Closing shareholders' funds         | <u>1,230,890</u> | <u>953,800</u> |