

SYNGENTA TREASURY SERVICES LIMITED

Directors' Report and Financial Statements

For the year ended 31 December 2010

Registered Number: 4316795

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SYNGENTA TREASURY SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2010

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SYNGENTA TREASURY SERVICES LIMITED

COMPANY SUMMARY

Directors

Mr P C Schreiner
Mr A D Johnson
Mrs E Worsley (resigned 31 March 2010)
Ms K Elce

Secretary

Mr M D Bayliss

Registered Office

European Regional Centre
Prestley Road
Surrey Research Park
Guildford
Surrey
GU2 7YH

Auditors

Ernst & Young LLP
Wessex House
Threefield Lane
Southampton
SO14 3QB

DIRECTORS' REPORT for the year ended 31 December 2010

The directors of Syngenta Treasury Services Ltd submit their report together with the audited financial statements of the company for the year ended 31 December 2010

Principal activities

The principal activity of Syngenta Treasury Services Ltd was supplying treasury advisory services and liquidity co-ordination to other companies within the Syngenta group before it ceased trading in March 2008

Review of the business and future developments

The result for the year is set out on page 7

In March 2008, the company ceased trading following Syngenta Group's decision to concentrate its treasury activities outside the UK

Dividends

The directors have recommended that no dividend be paid for the current year (2009 £nil)

Going concern

After making an assessment of the company's financial position, the directors have a reasonable expectation that the company has adequate resources to continue to meet its obligations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Directors

The directors whose names appear on page 2 of this report were the directors of the company during the year and remain so at the date of the report (unless stated otherwise)

Disclosure of information to the auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 2. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of the auditors' report of which the company's auditors are unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information

DIRECTORS' REPORT for the year ended 31 December 2010 (continued)

Auditors

Ernst & Young LLP were reappointed as auditors of the company in 2010. A resolution to re-appoint them as auditors will be proposed at the forthcoming Annual General Meeting.

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 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 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,
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 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.

By order of the Board



A D Johnson
Director

Date 12 August 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNGENTA TREASURY SERVICES LIMITED

We have audited the financial statements of Syngenta Treasury Services Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditor's 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 page 4, 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNGENTA TREASURY SERVICES LIMITED
(continued)**

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

Ernst & Young UK

David Marshall (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Southampton

Date *17 / 8 / 2011*

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Turnover from discontinued operations		-	-
Administrative income from discontinued operations		2	30
Operating profit from discontinued operations	2	2	30
Net interest receivable	4	-	1
Profit on ordinary activities before taxation		2	31
Tax charge on profit on ordinary activities	5	-	(2)
Profit retained for the year	10	2	29

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2010

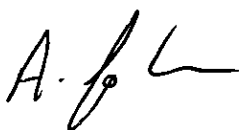
The company has no recognised gains and losses other than those included in the profit and loss account

SYNGENTA TREASURY SERVICES LIMITED

BALANCE SHEET
as at 31 December 2010

	Note	2010 £'000	2009 £'000
Current assets			
Debtors	6	934	942
		934	942
Creditors amounts falling due within one year	7	(103)	(111)
Net current assets		831	831
Total assets less current liabilities		831	831
Provisions for liabilities and charges	8	(20)	(22)
Net assets		811	809
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	811	809
Shareholders' funds	11	811	809

The financial statements on pages 7 to 15 were approved by the board of directors and were signed on its behalf on 12 August 2011 by



Mr A D Johnson
Director

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards. The accounting policies have been reviewed following the cessation of trade in March 2008 and are still appropriate since the company has sufficient net assets and net current assets to meet its liabilities as they fall due.

Turnover

Turnover is defined as the amounts (excluding value added tax) derived from the provision of services to customers.

Pension costs

Syngenta Treasury Services Limited participates in a funded defined benefit pension scheme operated by the Syngenta AG group in the UK (the Syngenta UK Pension Fund).

The company is unable to identify its share of the underlying assets of the scheme, for reasons including the transfer of a number of employees between Syngenta group companies where different pension scheme arrangements may be in place and the fact that there is no guidance or agreement within the scheme rules as to the allocation of assets between employing companies. Accordingly, as permitted by FRS 17, the defined benefit scheme has been accounted for as if it were a defined contribution scheme. Therefore contributions are charged to the profit and loss account as they become payable except those in relation to special contributions arising due to restructurings which are charged to profit on recognition of the related restructuring provision.

Related party disclosures

As 100% of the company's voting rights are controlled within the group headed by Syngenta AG, the company has taken advantage of the exemption contained in FRS 8 'Related party disclosures' and has therefore not disclosed transactions or balances with other wholly owned subsidiary undertakings of Syngenta AG. There are no other related party transactions that require disclosures.

Cash flow statement

Under FRS 1 (revised 1996) 'Cash flow statements' the company is exempt from the requirement to prepare a cash flow statement on the grounds that the ultimate holding company, Syngenta AG, includes the company in its own published consolidated financial statements. The consolidated financial statements of Syngenta AG are available from the address given in note 14.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at rates ruling at the date of transactions for the relevant accounting periods. Monetary assets and liabilities are retranslated at exchange rates prevailing at the date of the balance sheet.

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010 (continued)

1 Principal accounting policies (continued)**Leases**

Rentals under operating leases are charged to the profit and loss account as incurred

Employee share participation plans

The fair value of share and share option grants awarded to employees is recognised as a compensation expense over the period in which the options vest. The fair value is re-calculated at each balance sheet date according to the conditions existing at the balance sheet date and a provision recognised. Ultimately the charge to the profit and loss account is equal to the market value of the shares acquired less any amounts payable by the employee under the terms of the share participation plan.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax or to receive more tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted,

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

Auditors' remuneration was borne by an affiliate company in 2010 and 2009.

3 Emoluments of directors

A Johnson, K Elce, E Worsley and P C Schreiner performed negligible qualifying services for the company and therefore did not receive any remuneration in respect of these services provided to the company. A Johnson was also a director of Syngenta Limited, and of other subsidiary companies within the Syngenta AG group, and his emoluments in respect of qualifying services to other group companies are included and disclosed in the financial statements of Syngenta Limited and Syngenta Holdings Limited.

4. Net interest receivable

	2010	2009
	£'000	£'000
Interest receivable from group companies	-	1
Total	-	1

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010 (continued)

5 Taxation

a) Analysis of charge in the year

	2010	2009
	£'000	£'000
UK corporation tax		
Current year charge	-	-
Total current tax	-	2
Deferred tax (see note below)		
Current year charge	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	-	2

b) Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%). The differences are explained below

	2010	2009
	£'000	£'000
Current tax reconciliation		
Profit on ordinary activities before tax	2	30
Notional charge at UK corporation tax rate of 28% (2009 28%)	1	8
Effects of		
Cash movement on general provisions	(1)	(24)
UK – UK Transfer pricing adjustment	(11)	-
Group relief surrendered for £nil consideration	11	16
Adjustment to tax charge in respect of previous years	-	2
Total current tax charge (see above)	-	2

c) Deferred taxation provision

There is no deferred tax provision

6 Debtors

	2010	2009
	£'000	£'000
Amounts falling due within one year		
Amounts owed by group companies	934	942
Total	934	942

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010 (continued)

7 Creditors: amounts falling due within one year

	2010	2009
	£'000	£'000
Amounts owed to group companies	103	111
Total	103	111

8 Provisions for liabilities and charges

	Employee Share Scheme	Total
	£'000	£'000
At beginning of year	22	22
Released during the year	(2)	(2)
At end of year	20	20

See note 13 for employee share scheme provision details

9. Called up share capital

	2010	2009
	£	£
Allotted, called up and fully paid.		
100 Ordinary shares of £1 each	100	100

10 Reserves

	Profit and loss account
	£'000
At 1 January 2010	809
Profit for the financial year	2
At 31 December 2010	811

11. Reconciliation of movements in shareholders' funds

	2010	2009
	£'000	£'000
Profit for the financial year	2	29
Opening shareholders' funds	809	780
Shareholders' funds at end of year	811	809

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010 (continued)**12. Pension costs**

Syngenta Treasury Services Limited participated in a funded pension scheme, the Syngenta UK Pension Fund (administered by a separate Trustee) which covered the majority of past employees in either a defined contribution section (where the level of company contribution is fixed at a percentage of employees' pay) or a defined benefit section (where the benefits are based on employees' years of service and final pensionable pay). The pension costs are determined with the advice of an independent qualified actuary. The Fund covers several Syngenta UK companies. It is not possible to identify Syngenta Treasury Services Limited's share of the underlying assets in the Fund on a consistent and reasonable basis because the scheme rules provide no guidance on how to allocate between employing companies and no agreement has been reached between the companies. The company started participating in the SUKPF as from 1 November 2001.

Full FRS 17 disclosure information relating to the financial position of the Syngenta UK Pension Fund is set out in the financial statements of Syngenta Limited.

The total pension charge for the company was £nil (2009: £nil).

13 Employee share participation plans

Employee and management share participation plans exist as follows. All plans are accounted for as cash settled.

Syngenta Long-Term Incentive Plan

In 2000, the Syngenta Long-Term Incentive Plan (LTI) was introduced to provide selected employees of Syngenta with an opportunity to obtain the right to purchase shares of Syngenta AG. From 2002 to 2004 the LTI grants consisted solely of share options. From 2005 to 2010 the LTI grants have been made 50% in options and 50% in restricted shares. Restricted share units (RSUs) are subject to a three year vesting period. The grants are at the discretion of Syngenta AG Compensation Committee whose members are appointed by the Board of Directors of Syngenta AG.

Details relating to Syngenta Treasury Services Limited past employees are as follows:

	Exercise price CHF	Outstanding at 31 Dec 2010	Outstanding at 31 Dec 2009
2005 LTI grant	185.0	265	265
2006 LTI grant	226.7	107	107
		372	372

The exercise prices are equal to the weighted average share price on the Swiss Stock Exchange (SWX) for the five business days preceding the grant date, or the share price on the SWX at the grant date, as determined by the Compensation Committee, and all options were granted at an exercise price which was equal to or greater than the market price of the Syngenta shares at the grant date. Standard options vest in full and are exercisable after three years' completion of service and terminate after 10 or 11 years from the grant date. Vesting can occur after less than three years in particular circumstances including redundancy and retirement. None of the options became exercisable prior to 14 November 2003. The movements in options in the period above relate to grants, forfeits and exercises.

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010 (continued)

Syngenta Long-Term Incentive Plan (continued)

The following table sets out the Restricted Share Units outstanding at 31 December 2010 and 2009

RSUs	Outstanding at 31 Dec 2010	Outstanding at 31 Dec 2009
2005 LTI grant	-	-
2006 LTI grant	-	-
Total	-	-

There were no shadow options outstanding during 2010 and 2009

Compensation expense

The compensation expense charge in the income statement is measured indirectly by reference to the fair value of the equity instruments granted, any movement in the fair value during the year and the value of equity instruments purchased less any amounts payable by the employees

	2010 £'000	2009 £'000
Long-Term Incentive Plan	(2)	20
Employee Share Option Savings Plan	-	1
Total	(2)	21

The value of the provision for employee share participation plans is £20k (2009 £22k) (see note 8)

Share Option Valuation Assumptions

The fair value of options is measured using the Black-Scholes-Merton method. The effect of early exercise has been incorporated into the model by using an estimate of the option's expected life rather than its contractual life. The measurement of fair value was not adjusted for any other feature of the option grant and no option grant was subject to a market condition.

The weighted average assumptions used in determining the fair value of options granted were as follows

	2010	2009
Dividend Yield	2.2%	2.2%
Volatility	23.6%	23.8%
Risk-free interest rate	3.3% to 0.6%	3.6 to 0.4%
Expected life		
- Long term Incentive Plan	7 years	7 years
Balance sheet date stock price	£188	£175

The dividend yield and volatility are management estimates for the life of the option as no warrants or options over Syngenta shares for this period are widely traded. Both actual dividend yield and volatility may vary from the assumptions used above. The estimate of volatility takes into account the historical volatility of the Syngenta share price and the implied volatilities of such longer dated warrants that have been traded in the market. The volatility assumption was based on the 5 year historical volatility of Syngenta AG shares on the Swiss Exchange.

NOTES RELATING TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010 (continued)

14. Ultimate holding company

The immediate parent company is Syngenta International AG, incorporated in Switzerland. The ultimate parent undertaking and controlling party is Syngenta AG, a company incorporated in Switzerland.

The directors regard Syngenta AG as the group's ultimate parent undertaking and controlling party. Syngenta AG is also the parent of the largest and smallest group for which consolidated financial statements that include the results of Syngenta Treasury Services Limited are prepared. Copies of the group consolidated financial statements can be obtained from Syngenta AG, Werk Rosental, Schwarzwaldallee 215, CH-4058 Basel, Switzerland.