

# Agrosmart Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 May 2017

Paramount Accountancy Ltd

Chartered Accountants

Ellerslie House

Queen's Road

Edgerton

Huddersfield

West Yorkshire

HD2 2AG

## **Agrosmart Limited**

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**Agrosmart Limited**  
**Company Information**

**Directors**

Mr Graham Haigh

Mr Stephen Drew

**Registered office**

Unit 1C Victoria Court  
Colliers Way Clayton West  
Huddersfield  
West Yorkshire  
HD8 9TR

**Accountants**

Paramount Accountancy Ltd  
Chartered Accountants  
Ellerslie House  
Queen's Road  
Edgerton  
Huddersfield  
West Yorkshire  
HD2 2AG

**Chartered Accountants' Report to the Board of Directors on the Preparation of the  
Unaudited Statutory Accounts of  
Agrosmart Limited  
for the Year Ended 31 May 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Agrosmart Limited for the year ended 31 May 2017 as set out on pages [3](#) to [11](#) from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Agrosmart Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Agrosmart Limited and state those matters that we have agreed to state to the Board of Directors of Agrosmart Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Agrosmart Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Agrosmart Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Agrosmart Limited. You consider that Agrosmart Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Agrosmart Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....

Paramount Accountancy Ltd  
Chartered Accountants  
Eilerslie House  
Queen's Road  
Edgerton  
Huddersfield  
West Yorkshire  
HD2 2AG

19 July 2017

**Agrosmart Limited**

**Statement of Comprehensive Income for the Year Ended 31 May 2017**

	Note	2017 £	2016 £
Profit for the year		294,121	258,124
Total comprehensive income for the year		<u>294,121</u>	<u>258,124</u>

The notes on pages [7](#) to [11](#) form an integral part of these financial statements.

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**Agrosmart Limited**  
**(Registration number: 07620029)**  
**Balance Sheet as at 31 May 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	<a href="#">4</a>	413,360	437,719
<b>Current assets</b>			
Stocks	<a href="#">5</a>	312,000	191,000
Debtors	<a href="#">6</a>	461,907	371,509
Cash at bank and in hand		186,916	101,119
		960,823	663,628
<b>Creditors: Amounts falling due within one year</b>	<a href="#">7</a>	(414,852)	(323,802)
<b>Net current assets</b>		545,971	339,826
<b>Total assets less current liabilities</b>		959,331	777,545
<b>Creditors: Amounts falling due after more than one year</b>	<a href="#">7</a>	(10,141)	(12,847)
<b>Provisions for liabilities</b>		(66,812)	(72,593)
<b>Net assets</b>		882,378	692,105
<b>Capital and reserves</b>			
Called up share capital		10,000	10,000
Profit and loss account		872,378	682,105
Total equity		882,378	692,105

For the financial year ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages [7](#) to [11](#) form an integral part of these financial statements.  
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**Agrosmart Limited**  
**(Registration number: 07620029)**  
**Balance Sheet as at 31 May 2017**

Approved and authorised by the Board on 19 July 2017 and signed on its behalf by:

.....  
Mr Graham Haigh

Director

.....  
Mr Stephen Drew

Director

The notes on pages [7](#) to [11](#) form an integral part of these financial statements.  
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**Agrosmart Limited****Statement of Changes in Equity for the Year Ended 31 May 2017**

	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 June 2016	10,000	682,105	692,105
Profit for the year	-	294,121	294,121
Total comprehensive income	-	294,121	294,121
Dividends	-	(103,848)	(103,848)
At 31 May 2017	10,000	872,378	882,378
	<b>Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 June 2015	10,000	548,881	558,881
Profit for the year	-	258,124	258,124
Total comprehensive income	-	258,124	258,124
Dividends	-	(124,900)	(124,900)
At 31 May 2016	10,000	682,105	692,105

The notes on pages [7](#) to [11](#) form an integral part of these financial statements.



## **Agrosmart Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

#### **1 General information**

The company is a private company limited by share capital incorporated in England & Wales.

The address of its registered office is:

Unit 1C Victoria Court  
Colliers Way Clayton West  
Huddersfield  
West Yorkshire  
HD8 9TR

These financial statements were authorised for issue by the Board on 19 July 2017.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

##### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Improvements to property	15% reducing balance
Plant and machinery	20% reducing balance
Office equipment	3 years on cost

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Agrosmart Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## **Agrosmart Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Defined benefit pension obligation**

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

**Agrosmart Limited****Notes to the Financial Statements for the Year Ended 31 May 2017****3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 15 (2016 - 15).

**4 Tangible assets**

	Improvements to property £	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>				
At 1 June 2016	73,058	6,517	713,745	793,320
Additions	-	-	77,569	77,569
At 31 May 2017	73,058	6,517	791,314	870,889
<b>Depreciation</b>				
At 1 June 2016	37,711	5,286	312,604	355,601
Charge for the year	5,302	884	95,742	101,928
At 31 May 2017	43,013	6,170	408,346	457,529
<b>Carrying amount</b>				
At 31 May 2017	30,045	347	382,968	413,360
At 31 May 2016	35,347	1,231	401,141	437,719

**5 Stocks**

	2017 £	2016 £
Work in progress	27,000	21,000
Other inventories	285,000	170,000
	<u>312,000</u>	<u>191,000</u>

**6 Debtors**

	2017 £	2016 £
Trade debtors	414,283	357,114
Other debtors	47,624	14,395
Total current trade and other debtors	<u>461,907</u>	<u>371,509</u>

**Agrosmart Limited****Notes to the Financial Statements for the Year Ended 31 May 2017****7 Creditors**

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	<a href="#">8</a>	2,500	52,500
Trade creditors		325,371	210,172
Corporation tax		74,874	36,273
Social security and other taxation		4,570	18,276
Other creditors		7,537	6,581
		<u>414,852</u>	<u>323,802</u>
<b>Due after one year</b>			
Loans and borrowings	<a href="#">8</a>	<u>10,141</u>	<u>12,847</u>

**8 Loans and borrowings**

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	6,878	9,584
Other borrowings	3,263	3,263
	<u>10,141</u>	<u>12,847</u>
<b>Current loans and borrowings</b>		
Finance lease liabilities	2,500	2,500
Other borrowings	-	50,000
	<u>2,500</u>	<u>52,500</u>

**9 Dividends****Interim dividends paid**

	2017 £	2016 £
Interim dividend of £6.83 (2016 - £8.93) per each Ordinary A share	51,924	67,900
Interim dividend of £51.92 (2016 - £57) per each Ordinary B share	51,924	57,000
	<u>103,848</u>	<u>124,900</u>