

**Abbreviated Accounts**  
**for the Year Ended 31 May 2013**  
**for**  
**Senova Limited**

TUESDAY



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COMPANIES HOUSE

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for the Year Ended 31 May 2013**

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**DIRECTORS:**

D J Harley  
C Green  
J Taylor

**SECRETARY:**

D J Harley

**REGISTERED OFFICE**

49A North Road  
Great Abington  
Cambridge  
CB1 6AS

**REGISTERED NUMBER:**

01584796 (England and Wales)

**AUDITORS:**

Campbell Dallas LLP  
Chartered Accountants &  
Statutory Auditors  
4 Atholl Crescent  
Perth  
Perthshire  
PH1 5NG

**BANKERS:**

Clydesdale Bank PLC  
High Street  
Kinross  
KY13 7AA

**SOLICITORS:**

Davidson Chalmers LLP  
12 Hope Street  
Edinburgh  
EH2 4DB

**Report of the Directors  
for the Year Ended 31 May 2013**

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The directors present their report with the accounts of the company for the year ended 31 May 2013

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the breeding, testing, introduction and marketing of agricultural seeds and related products

**REVIEW OF BUSINESS**

The directors are satisfied with the trading results of the company, which show an increase in turnover of 19.7% on the previous year. This is attributed to the introduction of new varieties which have performed well alongside established products.

The company has remained profitable reporting a pre-tax profit of £2.1M compared to £1.9M in the previous year, and the directors anticipate continued profitability in the future.

At the balance sheet date, the company had a strong net asset position, and is considered to be financially secure.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 May 2013 will be £1,502,144.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 June 2012 to the date of this report.

D J Harley  
C Green  
J Taylor

Other changes in directors holding office are as follows:

P N McLellan - resigned 29 June 2012

**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.



**Report of the Directors  
for the Year Ended 31 May 2013**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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.

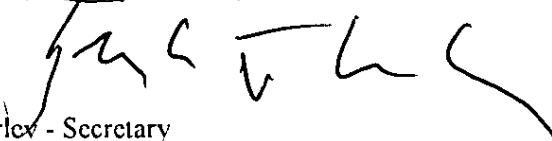
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
D J Harlow - Secretary

14 February 2014



**Report of the Independent Auditors to  
Senova Limited  
Under Section 449 of the Companies Act 2006**

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We have examined the abbreviated accounts set out on pages five to fourteen, together with the full financial statements of Senova Limited for the year ended 31 May 2013 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**

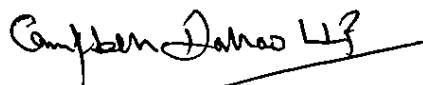
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated 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.



Alan Taylor (Senior Statutory Auditor)  
for and on behalf of Campbell Dallas LLP  
Chartered Accountants &  
Statutory Auditors  
4 Atholl Crescent  
Perth  
Perthshire  
PH1 5NG

14 February 2014



**Senova Limited****Abbreviated Profit and Loss Account  
for the Year Ended 31 May 2013**

	Notes	2013 £	2012 £
<b>TURNOVER</b>		8,759,338	7,316,270
Cost of sales and other operating income		(5,643,775)	(4,520,521)
		<u>3,115,563</u>	<u>2,795,749</u>
Administrative expenses		<u>936,424</u>	<u>884,258</u>
<b>OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	2,179,139	1,911,491
Tax on profit on ordinary activities	4	<u>381,286</u>	<u>83,552</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>1,797,853</u></u>	<u><u>1,827,939</u></u>

**CONTINUING OPERATIONS**

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

The notes form part of these abbreviated accounts

**Senova Limited**

**Statement of Total Recognised Gains and Losses  
for the Year Ended 31 May 2013**

	2013 £	2012 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,797,853	1,827,939
Unrealised loss on revaluation	-	(92,000)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>1,797,853</u>	<u>1,735,939</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

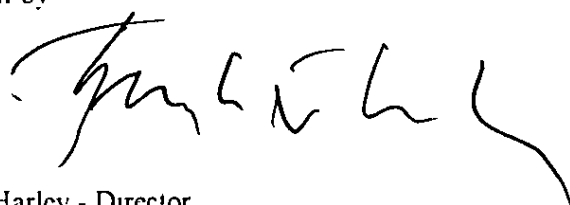
The notes form part of these abbreviated accounts

**Abbreviated Balance Sheet**  
**31 May 2013**

		2013	2012
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	6	854,815	333,482
<b>CURRENT ASSETS</b>			
Stocks	7	132,986	211,926
Debtors	8	5 405 191	3,370,292
Cash at bank and in hand		47	477,069
		<u>5,538,224</u>	<u>4,059,287</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>2,159,393</u>	<u>454,832</u>
<b>NET CURRENT ASSETS</b>		<u>3,378,831</u>	<u>3,604,455</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>4 233,646</u></u>	<u><u>3,937,937</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	3,430,826	3,430,826
Revaluation reserve	13	154,599	154,599
Profit and loss account	13	<u>648,221</u>	<u>352,512</u>
<b>SHAREHOLDERS' FUNDS</b>	18	<u><u>4,233 646</u></u>	<u><u>3,937,937</u></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 approved by the Board of Directors on 14 February 2014 and were signed on its behalf by



D J Harlev - Director

The notes form part of these abbreviated accounts

## 1 ACCOUNTING POLICIES

### Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

### 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

The turnover shown in the profit and loss account represents amounts invoiced in respect of cereals, wheat and pulses during the year, exclusive of Value Added Tax

Turnover includes royalties receivable from third parties in respect of sales which are included on an accruals basis

### Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less estimated residual value, over the useful economic life of that asset as follows

Freehold Property	2 %	Straight line
Plant & Machinery	15 %	Straight line
Motor Vehicles	25 %	Straight line
Equipment	15 %	Straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historic cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

### Stocks

Stock is valued at the lower of cost and net realisable value

### Deferred tax

Deferred tax is provided at the average rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets and liabilities are not discounted. Deferred tax assets are recognised only to the extent that they will be realised.

### Research and development

Expenditure on research is written off in the year in which it is incurred

Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation the expenditure is deferred and amortised over the period during which the company is expected to benefit.

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 May 2013**

**1 ACCOUNTING POLICIES - continued**

**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**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**2 STAFF COSTS**

	2013 £	2012 £
Wages and salaries	373,173	336,791
Social security costs	49,418	43,098
Other pension costs	53,769	31,721
	<u>476,360</u>	<u>411,610</u>

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

	2013	2012
Production staff	4	4
Administrative staff	1	1
Management staff	1	1
	<u>6</u>	<u>6</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2013 £	2012 £
Depreciation - owned assets	23,107	25,150
Profit on disposal of fixed assets	-	(2,250)
Auditors' remuneration	4,335	4,335
Foreign exchange differences	44	485
	<u>27,536</u>	<u>27,720</u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 May 2013

3 OPERATING PROFIT - continued

Directors' remuneration	143,550	135,872
Directors' pension contributions to money purchase schemes	<u>27,726</u>	<u>20,226</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
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4 TAXATION

Analysis of the tax charge

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

	2013	2012
	£	£
Current tax		
UK corporation tax	<u>381,286</u>	<u>83,552</u>
Tax on profit on ordinary activities	<u>381,286</u>	<u>83,552</u>

5 DIVIDENDS

	2013	2012
	£	£
Ordinary shares of £1 each		
Final	<u>1,502,144</u>	<u>1,001,430</u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 May 2013

6 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>					
At 1 June 2012	325,537	74,718	79,954	79,203	559,412
Additions	544,440	-	-	-	544,440
Disposals	-	(3,517)	(8,953)	-	(12,470)
At 31 May 2013	869,977	71,201	71,001	79,203	1,091,382
<b>DEPRECIATION</b>					
At 1 June 2012	38,000	74,718	71,421	41,791	225,930
Charge for year	5,556	-	2,109	15,442	23,107
Eliminated on disposal	-	(3,517)	(8,953)	-	(12,470)
At 31 May 2013	43,556	71,201	64,577	57,233	236,567
<b>NET BOOK VALUE</b>					
At 31 May 2013	826,421	-	6,424	21,970	854,815
At 31 May 2012	287,537	-	8,533	37,412	333,482

Included within freehold property is an asset under construction with a value of £551,977, which is not depreciated

Cost or valuation at 31 May 2013 is represented by

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2004	261,186	-	-	-	261,186
Valuation in 2007	12,813	-	-	-	12,813
Valuation in 2012	(92,000)	-	-	-	(92,000)
Cost	687,978	71,201	71,001	79,203	909,383
	869,977	71,201	71,001	79,203	1,091,382

Freehold land and buildings includes £120,000 as the market value of land that is not depreciated. The land and buildings were revalued by Bidwells Property Consultants on 8 October 2012, at open market value. In the director's opinion there has been no material change in value of this property since this valuation was carried out. The historic cost of the land and buildings, following a disposal in 2008, is £30,000 and £106,000 respectively.

Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 May 2013

7 **STOCKS**

	2013	2012
	£	£
Finished goods	<u>132,986</u>	<u>211,926</u>

8 **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Trade debtors	587,164	217,502
Amounts owed by group undertakings	4,700,000	3,100,180
VAT	118,027	52,610
	<u>5,405,191</u>	<u>3,370,292</u>

9 **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Bank loans and overdrafts (see note 10)	678,381	-
Trade creditors	996,945	165,635
Amounts owed to group undertakings	131	145
Tax	181,286	83,552
Social security and other taxes	7,845	-
Other creditors	10,372	-
Accruals and deferred income	284,433	205,500
	<u>2,159,393</u>	<u>454,832</u>

The bank overdraft is secured by a debenture in favour of Clydesdale Bank PLC over the company's assets

10 **LOANS**

An analysis of the maturity of loans is given below

	2013	2012
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>678,381</u>	<u>-</u>



Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 May 2013

# 11 SECURED DEBTS

The following secured debts are included within creditors

	2013 £	2012 £
Bank overdraft	<u>678,381</u>	<u>-</u>

The bank overdraft is secured by a debenture in favour of Clydesdale Bank PLC over the company's assets

# 12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	2013 £	2012 £
1,925,826	Ordinary	£1	1,925,826	1,925,826
1 505 000	Preference	£1	<u>1,505,000</u>	<u>1,505,000</u>
			<u>3,430,826</u>	<u>3,430,826</u>

The redeemable preference shares shall be redeemed at the option of the company, decided upon by the ordinary shareholders, advised by the directors, at a general meeting

# 13 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 June 2012	352 512	154,599	507,111
Profit for the year	1,797,853		1,797,853
Dividends	(1,502,144)		(1,502,144)
At 31 May 2013	<u>648 221</u>	<u>154,599</u>	<u>802,820</u>

# 14 ULTIMATE PARENT COMPANY

The ultimate parent undertaking is Alexander Harley Seeds Limited, a company registered in Scotland

# 15 CONTINGENT LIABILITIES

A contingent liability arises in respect of the group overdraft facility for which a cross guarantee is in place between all of the Alexander Harley Seeds Limited group companies without limit. The group overdrafts at 31 May 2013 amounted to £1 700,518 (2012 - £1,716,859). The Clydesdale Bank holds a debenture over the assets of the company.

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 May 2013**

**16 RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption within FRS8 for group companies, and discloses only those transactions with subsidiaries that are less than 100% owned by the holding company

During the year net payments of £79,127 (2012 - £83,954) were made to Green Resources Ltd in respect of consultancy fees and expenses. Green Resources Ltd is controlled by Chris Green who is a director of this company. At the year end Senova Ltd owed Green Resources Ltd £32,909 (2012 - £34,919)

**17 ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Douglas J Harley by virtue of his controlling interest in Alexander Harley Seeds Limited the ultimate parent undertaking

**18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2013 £	2012 £
Profit for the financial year	1,797,853	1,827,939
Dividends	(1,502,144)	(1,001,430)
	<u>295,709</u>	<u>826,509</u>
Other recognised gains and losses relating to the year (net)	-	(92,000)
	<u>295,709</u>	<u>734,509</u>
Net addition to shareholders' funds	3,937,937	3,203,428
Opening shareholders' funds		
	<u>4,233,646</u>	<u>3,937,937</u>
Closing shareholders' funds		