

Agricultural Central Trading Limited

FINANCIAL STATEMENTS

for the year ended

30 June 2009

Agricultural Central Trading Limited

FINANCIAL STATEMENTS

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Agricultural Central Trading Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Agricultural Central Trading Limited for the year ended 30 June 2009.

PRINCIPAL ACTIVITIES

The principal activity of the company is the supply of requisities to farmers, growers and wholesalers. The directors are satisfied with the results for the year.

REVIEW OF THE BUSINESS

The turnover of the company for the year amounted to £107,353,550 (2008 - £99,374,403). This resulted in a trading profit of £2,786,768 (2008 - £1,987,321) from which is deducted a bonus of £1,120,219 (2008 - £911,256) paid to members.

The bonus paid to members for the year to 30 June 2009 was calculated at a rate of £15 per £1,000 (2008 - £12.00 per £1,000) of their purchases from the company during the calendar year plus 3% p.a. interest (2008 - 5.75%) on their shareholding at 30 June 2009, with a minimum payment of £25. A small number of members owning less than 40 shares received a reduced rate of bonus.

Accounting convention requires that the two elements of bonus (trading and interest) be treated separately in the profit and loss account.

The profit before taxation of £1,589,505 showing in the profit and loss account is after the trading element of the bonus.

The main activities of the company continue to be related to the supply of inputs to farmers. The principal inputs are animal feeds and fertiliser as well as other items used by livestock and cereal farmers.

Fluctuating fertiliser, fuel and feed costs have impacted the prices of goods supplied by the company and the timing of customers' buying decisions. The company reduces its risk from fluctuating prices by holding minimal 'free issue' stock lines.

In the year the company continued to consolidate its position by maintaining its share of the markets in which it operates.

Key Performance Indicators

The company's main objective is to benefit its members which are measured through:

	2009	2008
Members trading bonus	£15 per £1,000 of purchases	£12 per £1,000 of purchases
Total members trading bonus	£1,120,219	£911,256
Number of active members (defined as members that have traded within the financial year)	4,085	4,370

Agricultural Central Trading Limited

DIRECTORS' REPORT

These indicators show the company continues to improve benefits to its members.

Risks and uncertainties

Credit Risk - Management has credit control policies in place to monitor risk on an ongoing basis. Credit evaluations are performed on customers requiring credit.

Interest rate risk - The company has variable rate working capital facilities and deposit accounts which are exposed to changes in interest rates.

Market Risk - Market risk is constantly monitored through the monitoring of industry data and our positioning in relation to our competitors. As detailed above, risk from market fluctuations in price are reduced by low stock holding levels.

Liquidity risk - The company monitors its liquidity to ensure it can meet its liabilities as they fall due. This includes ensuring banking lines are available to fund working capital requirements.

FUTURE DEVELOPMENTS

The directors aim to ensure that the company will continue to react to prevailing market conditions and aim to improve sales and profitability in the forthcoming year.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,141,505. Particulars of shareholder bonus - interest on shares proposed are detailed in note 11 to the financial statements.

DIRECTORS

The directors who served the company during the year were as follows:

M D Wallbank
P Christensen
G Hendry
J L Rowlands
N Snape
J D Hamilton

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Agricultural Central Trading Limited

DIRECTORS' REPORT

AUDITOR

Baker Tilly UK Audit LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office:
90 The Broadway
Chesham
Buckinghamshire
HP5 1EG

By order of the board

D E White

Company Secretary

14 October 2009

Agricultural Central Trading Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRICULTURAL CENTRAL TRADING LIMITED

We have audited the financial statements on pages 6 to 18. 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 sections 495 and 496 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 auditor

As more fully explained 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and 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 matters 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.

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.

ALLAN DAVIES (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Elgar House

Holmer Road

Hereford HR4 9SF

23 October 2009

Agricultural Central Trading Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 June 2009

	<i>Notes</i>	2009 £	2008 £
TURNOVER	2	107,353,550	99,374,403
Cost of sales		(101,506,642)	(94,276,440)
Gross profit		5,846,908	5,097,963
Administrative expenses		(4,274,859)	(4,116,398)
Other operating income	4	94,500	94,500
OPERATING PROFIT	5	1,666,549	1,076,065
Interest receivable	8	4,688	11,064
		1,671,237	1,087,129
Interest payable and similar charges	9	(81,732)	(123,134)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,589,505	963,995
Taxation	10	(448,000)	(259,000)
PROFIT FOR THE FINANCIAL YEAR	21	1,141,505	704,995

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

Agricultural Central Trading Limited

BALANCE SHEET

30 June 2009

	<i>Notes</i>	2009 £	2008 £
FIXED ASSETS			
Intangible assets	12	113,000	169,500
Tangible assets	13	1,057,534	1,047,047
		<u>1,170,534</u>	<u>1,216,547</u>
CURRENT ASSETS			
Stocks	14	508,399	803,679
Debtors	15	15,793,921	22,412,031
Cash at bank and in hand		829,870	8,931
		<u>17,132,190</u>	<u>23,224,641</u>
CREDITORS			
Amounts falling due within one year	16	9,308,220	16,709,364
NET CURRENT ASSETS		<u>7,823,970</u>	<u>6,515,277</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,994,504</u>	<u>7,731,824</u>
CAPITAL AND RESERVES			
Called up share capital	19	938,600	858,638
Share premium account	20	147,495	86,949
Revaluation reserve		387,866	387,866
Profit and loss account	21	7,520,543	6,398,371
SHAREHOLDERS' FUNDS	22	<u>8,994,504</u>	<u>7,731,824</u>

The financial statements on pages 6 to 18 were approved by the board of directors and authorised for issue on 14 October 2009 and are signed on their behalf by:

M D Wallbank
Director

Agricultural Central Trading Limited

CASH FLOW STATEMENT

for the year ended 30 June 2009

		2009	2008
	<i>Notes</i>	£	£
Net cash flow from operating activities	23	1,362,711	(921,464)
Returns on investments and servicing of finance	23	(77,044)	(112,070)
Taxation	23	(259,000)	(147,739)
Capital expenditure and financial investment	23	(215,289)	(264,503)
		<u>811,378</u>	<u>(1,445,776)</u>
Members bonus - interest on shares paid		(33,755)	(29,563)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		<u>777,623</u>	<u>(1,475,339)</u>
Financing	23	140,508	72,999
INCREASE/(DECREASE) IN CASH IN THE PERIOD		<u>918,131</u>	<u>(1,402,340)</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
		2009	2008
		£	£
Increase/(decrease) in cash in the period		918,131	(1,402,340)
Change in net funds	23	<u>918,131</u>	<u>(1,402,340)</u>
Net debt at 1 July 2008	23	<u>(291,539)</u>	<u>1,110,801</u>
Net funds at 30 June 2009	23	<u>626,592</u>	<u>(291,539)</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be ascertained with reasonable certainty.

AMORTISATION

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

Goodwill	- 25% straight line
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FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

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

Leasehold Property Improvements	- over the period of the lease
Plant & Machinery	- 10% to 25% straight line
Motor Vehicles	- 25% straight line

Freehold land is not depreciated.

INVESTMENT PROPERTIES

In accordance with the Statement of Standard Accounting Practice 19 'Accounting for Investment Properties', investment properties are revalued on a regular basis and are not subject to a depreciation charge.

The Investment Property is included within fixed assets and is professionally valued by Chartered Surveyors on an existing use open market value basis, in accordance with the Statement of Assets Valuation Practice No 4 and the Guidance Notes of the Royal Institution of Chartered Surveyors.

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

1 ACCOUNTING POLICIES *(continued)*

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.

PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company. All of the turnover is attributable to the United Kingdom market.

3 MEMBER BONUS - TRADING ELEMENT

Cost of sales includes the trading element of the member bonus for the year amounting to £1,120,219 (2008 - £870,041) together with additional customer bonuses amounting to £Nil (2008 - £41,216) in relation to the introduction of the members acquired from the agricultural division of Wrekin Farmers Ltd in 2007.

4 OTHER OPERATING INCOME

	2009	2008
	£	£
Rent receivable	94,500	94,500

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

5 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2009	2008
	£	£
Amortisation of intangible assets	56,500	56,500
Depreciation of owned fixed assets	210,893	197,429
Profit on disposal of fixed assets	(6,091)	(24,867)
Operating lease costs:		
- Plant and equipment	–	835
- Other	93,713	100,473
Auditor's remuneration - audit of the financial statements	22,550	21,500
Auditor's remuneration - other fees	4,400	3,550
	<u>2009</u>	<u>2008</u>
	£	£
Auditor's remuneration - audit of the financial statements	22,550	21,500
Auditor's remuneration - other fees:		
- Taxation services	2,400	3,550
- Other services	2,000	–
	<u>4,400</u>	<u>3,550</u>

6 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was:

	2009	2008
	No	No
Number of administrative staff	88	85

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	2,739,292	2,671,328
Social security costs	304,182	296,342
Other pension costs	160,681	154,971
	<u>3,204,155</u>	<u>3,122,641</u>

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £135,914 (2008 - £133,921).

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

7 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2009	2008
	£	£
Remuneration receivable	203,399	161,886
Value of company pension contributions to money purchase schemes	7,899	4,085
	<u>211,298</u>	<u>165,971</u>

Remuneration of highest paid director:

	2009
	£
Total remuneration (excluding pension contributions)	137,914
Value of company pension contributions to money purchase schemes	7,899
	<u>145,813</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2009	2008
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

8 INTEREST RECEIVABLE

	2009	2008
	£	£
Bank interest receivable	<u>4,688</u>	<u>11,064</u>

9 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
On bank loans and overdrafts	<u>81,732</u>	<u>123,134</u>

10 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009	2008
	£	£
Current tax:		
UK Corporation tax based on the results for the year	448,000	259,000
Total current tax	<u>448,000</u>	<u>259,000</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

10 TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 28.05%), as explained below

	2009	2008
	£	£
Profit on ordinary activities before taxation	<u>1,589,505</u>	<u>963,995</u>
Profit on ordinary activities by rate of tax	445,061	270,401
Effects of:		
Expenditure (deductible)/not deductible for tax purposes	(4,749)	(9,468)
Depreciation for period in excess of capital allowances	7,133	(2,535)
Rounding on tax charge	555	602
Total current tax (note 10(a))	<u>448,000</u>	<u>259,000</u>

11 MEMBERS BONUS - INTEREST ON SHARES

	2009	2008
	£	£
Proposed at the year-end (recognised as a liability):		
Members bonus - interest on shares	<u>19,145</u>	<u>33,756</u>

12 INTANGIBLE FIXED ASSETS

	Goodwill
	£
Cost	
At 1 July 2008 and 30 June 2009	<u>357,701</u>
Amortisation	
At 1 July 2008	188,201
Charge for the year	56,500
At 30 June 2009	<u>244,701</u>
Net book value	
At 30 June 2009	<u>113,000</u>
At 30 June 2008	<u>169,500</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

13 TANGIBLE FIXED ASSETS

	Investment Property £	Leasehold Property Improvements £	Plant & Machinery £	Motor Vehicles £	Freehold Land £	Total £
Cost or valuation						
At 1 July 2008	510,000	200,724	515,904	634,938	7,676	1,869,242
Additions	–	–	40,290	196,149	–	236,439
Disposals	–	–	–	(105,140)	–	(105,140)
At 30 June 2009	<u>510,000</u>	<u>200,724</u>	<u>556,194</u>	<u>725,947</u>	<u>7,676</u>	<u>2,000,541</u>
Depreciation						
At 1 July 2008	–	194,906	396,010	231,279	–	822,195
Charge for the year	–	5,818	44,036	161,039	–	210,893
On disposals	–	–	–	(90,081)	–	(90,081)
At 30 June 2009	<u>–</u>	<u>200,724</u>	<u>440,046</u>	<u>302,237</u>	<u>–</u>	<u>943,007</u>
Net book value						
At 30 June 2009	<u>510,000</u>	<u>–</u>	<u>116,148</u>	<u>423,710</u>	<u>7,676</u>	<u>1,057,534</u>
At 30 June 2008	<u>510,000</u>	<u>5,818</u>	<u>119,894</u>	<u>403,659</u>	<u>7,676</u>	<u>1,047,047</u>

A revaluation of the Freehold Land and Buildings at Carmarthen was carried on 11 January 2005 by John Francis, Chartered Surveyors, based on open market value. The directors are not aware of any material change in the value of the property since January 2005 and therefore the valuation has not been updated.

There were no future capital commitments at 30 June 2009 (2008 - £Nil).

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2009 £	2008 £
Net book value at end of year	<u>510,000</u>	<u>510,000</u>
Historical cost	<u>172,631</u>	<u>172,631</u>
Depreciation:		
At 1 July 2008	<u>50,497</u>	<u>50,497</u>
At 30 June 2009	<u>50,497</u>	<u>50,497</u>
Net historical cost value:		
At 30 June 2009	<u>122,134</u>	<u>122,134</u>
At 1 July 2008	<u>122,134</u>	<u>122,134</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

14 STOCKS

	2009	2008
	£	£
Goods for resale	<u>508,399</u>	<u>803,679</u>

15 DEBTORS

	2009	2008
	£	£
Trade debtors	15,649,622	22,321,251
Other debtors	44,609	43,625
Prepayments and accrued income	99,690	47,155
	<u>15,793,921</u>	<u>22,412,031</u>

Trade debtors includes £15,683,945 (before bad debt provision) which secures invoice financing.

16 CREDITORS: Amounts falling due within one year

	2009	2008
	£	£
Bank overdrafts	203,278	300,470
Trade creditors	6,869,727	14,365,919
Corporation tax	448,000	259,000
PAYE and social security	89,728	100,174
VAT	196,434	253,985
Share interest payable	19,333	33,755
Member bonus - trading element	1,120,219	870,041
Accruals and deferred income	361,501	526,020
	<u>9,308,220</u>	<u>16,709,364</u>

Barclays Bank plc hold a debenture over all the assets of the company as security for any overdraft. The aggregate secured liability amounted to £203,278 at 30 June 2009 (2008 - £300,470).

17 COMMITMENTS UNDER OPERATING LEASES

At 30 June 2009 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2009	2008
	£	£
Operating leases which expire:		
Within 2 to 5 years	46,400	46,400
After more than 5 years	26,700	26,700
	<u>73,100</u>	<u>73,100</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

18 RELATED PARTY TRANSACTIONS

No director had any contract with the company other than (a) a director's service contract, or (b) for the purchase of requisites under terms identical to other customers.

The directors' aggregated purchases from Agricultural Central Trading Limited during the year totalled £541,764 excluding Value Added Tax (2008 - £340,697).

There were no other material transactions with related parties.

At the year end, the directors aggregated balance outstanding to the company amounted to £44,733 (2008 - £54,263).

19 SHARE CAPITAL

	2009 £	2008 £
Authorised:		
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>
	2009 £	2008 £
Allotted, called up and fully paid:		
938,600 (2008 - 858,638) Ordinary shares of £1 each	<u>938,600</u>	<u>858,638</u>

During the year 79,962 ordinary £1 shares were allotted at £1.70/1.90 per share. The total consideration received by the company was £140,508.

20 SHARE PREMIUM ACCOUNT

	2009 £	2008 £
At 1 July 2008	86,949	59,088
Premium on shares issued in the year	<u>60,546</u>	<u>27,861</u>
At 30 June 2009	<u>147,495</u>	<u>86,949</u>

21 PROFIT AND LOSS ACCOUNT

	2009 £	2008 £
At 1 July 2008	6,398,371	5,727,132
Profit for the financial year	1,141,505	704,995
Members bonus – interest on shares	<u>(19,333)</u>	<u>(33,756)</u>
At 30 June 2009	<u>7,520,543</u>	<u>6,398,371</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Profit for the financial year	1,141,505	704,995
New equity share capital subscribed	79,962	45,138
Premium on new share capital subscribed	60,546	27,861
Members bonus – interest on shares	(19,333)	(33,756)
Net addition to shareholders' funds	1,262,680	744,238
Opening shareholders' funds	7,731,824	6,987,586
Closing shareholders' funds	<u>8,994,504</u>	<u>7,731,824</u>

23 CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2009	2008
	£	£
Operating profit	1,666,549	1,076,065
Amortisation	56,500	56,500
Depreciation	210,893	197,429
Profit on disposal of fixed assets	(6,091)	(24,867)
Decrease/(increase) in stocks	295,280	(198,116)
Decrease/(increase) in debtors	6,618,110	(8,756,157)
(Decrease)/increase in creditors	(7,478,530)	6,727,682
Net cash inflow/(outflow) from operating activities	<u>1,362,711</u>	<u>(921,464)</u>

ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW

Returns on investment and servicing of finance

	2009	2008
	£	£
Interest received	4,688	11,064
Interest paid	(81,732)	(123,134)
Net cash outflow from returns on investments and servicing of finance	<u>(77,044)</u>	<u>(112,070)</u>

Taxation

	2009	2008
	£	£
Taxation	<u>(259,000)</u>	<u>(147,739)</u>

Capital expenditure

	2009	2008
	£	£
Payments to acquire intangible fixed assets	–	(66,000)
Payments to acquire tangible fixed assets	(236,439)	(268,099)
Receipts from sale of fixed assets	21,150	69,596
Net cash outflow from capital expenditure	<u>(215,289)</u>	<u>(264,503)</u>

Agricultural Central Trading Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

23 CASH FLOWS *(continued)*

Financing

	2009	2008
	£	£
Issue of equity share capital	79,962	45,138
Share premium on issue of equity share capital	60,546	27,861
Net cash inflow from financing	<u>140,508</u>	<u>72,999</u>

ANALYSIS OF NET FUNDS

	At 1 July 2008	Cash flows	At 30 Jun 2009
	£	£	£
Cash in hand and at bank	8,931	820,939	829,870
Overdrafts	(300,470)	97,192	(203,278)
Total	<u>(291,539)</u>	<u>918,131</u>	<u>626,592</u>

24 CO-OPERATIVE STATUS

The company continues to satisfy the requirements of the Department for Environment, Food and Rural Affairs regarding the volume of sales to members.

