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"AMENDING"

W JORDAN AND SON (SILO) LIMITED

CONSOLIDATED FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003



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COMPANIES HOUSE 14/01/05

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COMPANIES HOUSE 01/12/04

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COMPANIES HOUSE 17/11/04

W JORDAN AND SON (SILO) LIMITED  
CONSOLIDATED FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED 28 FEBRUARY 2003

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W JORDAN AND SON (SILO) LIMITED

COMPANY INFORMATION

Directors:

W J Jordan  
R D Jordan  
Mrs P Jordan

Secretary:

R A Payton

Registered Number:

0572391

Registered Office:

Holme Mills  
Biggleswade  
Beds SG18 9JY

Auditors:

T J Collins  
Chartered Accountant  
and Registered Auditor  
2 Stratford Road  
Sandy  
Bedfordshire  
SG19 2AA

W JORDAN AND SON (SILO) LIMITED

REPORT OF THE DIRECTORS

The directors present their report and audited accounts for the year ended 28 February 2003.

Principal activity

The principal activity of the group throughout the year was the manufacture of cereal products.

Review of the business

A summary of the results of the trading for the year is given on page 4 of the accounts.

Disabled employees

It is the company's policy to give due consideration to application for employment from disabled persons, bearing in mind the respective aptitudes and abilities of the applicants concerned. The services of existing employees who become disabled are retained wherever practical. Training and career development and promotion of disabled persons is as far as possible identical to that of other employees.

Employee involvement

The company operates its own programme to inform and involve its employees in the company's operations and business objectives. This includes meetings between local management and employees to allow a free flow of information and ideas.

Results and dividends

The retained profit of the Group for the year was £2,196,959 (2002 - £2,457,515) The directors recommend that this be added to the retained earnings at the beginning of the period and that the balance be carried forward. Details of dividends paid and proposed are given in note 8.

Directors

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	£1 ordinary shares Beneficial and family holdings	
	<u>2003</u>	<u>2002</u>
W J Jordan	252	252
R D Jordan	251	251
Mrs P Jordan	1	1

Signed on behalf of the board of directors

*R A Payton*

R A Payton  
Secretary

Dated... 4th June 03

W JORDAN AND SON (SILO) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial accounts for each financial year which 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 accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial accounts comply with the Companies Act 1985. 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



.....  
Director

W JORDAN AND SON (SILO) LIMITED

AUDITORS REPORT TO THE SHAREHOLDERS OF W JORDAN AND SON (SILO) LIMITED

We did not audit the financial accounts of the subsidiary W Jordan (Cereals) Limited and have relied upon the audited accounts as presented to that company by Ernst Young LLP who are the auditors to the subsidiary.

We did not audit Jordan France SARL and have relied upon the accounts as presented to that company by Comexcom who are appointed to prepare accounts under French legislation.

In respect of the parent company W Jordan & Son (Silo) Limited we report as follows:

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on note 1 to the financial accounts in relation to the parent company W Jordan and Son (Silo) Limited.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion based on our audit on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with the Auditing Standards issued by the Auditing Practices Board. An audit includes examination on a test basis of the evidence relevant to the accounts and disclosures in the financial accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial accounts are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial accounts.

Opinion

In our opinion subject to the reliance stated above in relation to the subsidiaries the financial accounts give a true and fair view of the state of the company's and the group's affairs as at 28 February 2003 and of both the company's and group's profits and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*T J Collins*  
T J Collins  
Chartered Accountant and Registered Auditor  
2 Stratford Road  
Sandy  
Bedfordshire SG19 2AA

W JORDAN AND SON (SILO) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
Turnover	2	70,738,947	63,872,825
Cost of sales		(51,838,758)	(39,360,129)
Gross profit		18,900,189	24,512,696
Other operating income		<u>-</u>	<u>-</u>
		18,900,189	24,512,696
Net operating expenses:			
Distribution costs		(10,509,354)	(17,707,687)
Administrative expenses		(3,819,219)	(2,299,136)
Operating profit	3	4,571,616	4,505,873
Bank deposit interest		-	-
Interest payable	6	<u>(412,196)</u>	<u>(405,574)</u>
Profit on ordinary activities before taxation		4,159,420	4,100,299
Taxation	7	<u>(1,348,461)</u>	<u>(1,376,784)</u>
Profit on ordinary activities after taxation		2,810,959	2,723,515
Dividends	8	<u>(614,000)</u>	<u>(266,000)</u>
Retained profit for the year		<u>£2,196,959</u>	<u>£2,457,515</u>

Movements in reserves are shown in note 15.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses other than included in the profit and loss account.

W JORDAN AND SON (SILO) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 28 FEBRUARY 2003

	Note	Group <u>2003</u>	<u>2002</u>	Company <u>2003</u>	<u>2002</u>
<u>FIXED ASSETS</u>					
Tangible assets	9	13,972,804	13,537,889	313,529	326,558
Investments:					
Group undertakings		-	-	98	98
Other		269	269	-	-
		<u>13,973,073</u>	<u>13,538,158</u>	<u>313,627</u>	<u>326,656</u>
<u>CURRENT ASSETS</u>					
Stock	11	5,317,870	4,469,446	-	-
Debtors	12	13,554,667	11,510,763	451,721	580,505
Cash at bank and in hand		1,651,017	1,717,064	11,741	23,016
		<u>20,523,554</u>	<u>17,697,273</u>	<u>463,462</u>	<u>603,521</u>
<u>CREDITORS: amounts falling due</u>					
within one year	13	(13,962,525)	(12,183,996)	(38,050)	(34,139)
<u>NET CURRENT ASSETS</u>		<u>6,561,029</u>	<u>5,513,277</u>	<u>425,412</u>	<u>569,382</u>
<u>TOTAL ASSETS LESS CURRENT</u>					
<u>LIABILITIES</u>		20,534,102	19,051,435	739,039	896,038
<u>CREDITORS: amounts falling due after</u>					
more than one year	14	(4,047,450)	(4,685,430)	-	-
Provision for liabilities and charge		(215,081)	(355,200)	-	-
		<u>16,271,571</u>	<u>14,010,805</u>	<u>739,039</u>	<u>896,038</u>
<u>CAPITAL AND RESERVES</u>					
Called up share capital	16	504	504	504	504
Profit and loss account		13,269,551	11,008,785	736,921	893,920
Capital reserve	17	3,001,516	3,001,516	1,614	1,614
		<u>£16,271,571</u>	<u>14,010,805</u>	<u>739,039</u>	<u>896,038</u>

Signed on behalf of the  
board of directors

.....) W J Jordan

.....) R D Jordan

.....) Dated

4.8.03



W JORDAN AND SON (SILO) LIMITED

GROUP CASHFLOW STATEMENT

YEAR ENDED 28 FEBRUARY 2003

RECONCILIATION OF OPERATING PROFIT TO

NET CASH FLOW FROM OPERATING ACTIVITIES

	<u>2003</u>	<u>2002</u>
Operating profit	4,571,616	4,505,873
Depreciation	2,425,391	2,399,573
Profit/Loss on sale of fixed assets	-	3,645
Decrease/increase in stock	(848,424)	(461,879)
Increase in debtors	(2,200,334)	(240,533)
Decrease increase in creditors	<u>1,196,856</u>	<u>(295,529)</u>
Net cash inflow from operating activities	5,145,105	5,911,150
Return on investments and servicing of finance		
Finance lease and loan payments	(1,027,300)	(1,499,379)
Taxation	(1,285,078)	(1,112,750)
Acquisition of tangible fixed assets	(3,038,943)	(3,157,724)
Sale of tangible fixed assets	178,637	14,500
Equity dividends paid	(614,000)	(266,000)
Loans to associated undertaking	(469,960)	-
Decrease in cash	<u>(1,111,539)</u>	<u>(110,203)</u>
Reconciliation of net cash flow to movement in net debt		
Decrease in cash	(1,111,539)	(110,203)
Debt movement		
Net debt 01.03.2002	1,056,187	1,166,390)
Currency adjustments	<u>42,725</u>	-
Net debt 28.02.2003	£ <u>(12,627)</u>	<u>£1,056,187</u>

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

1. Accounting policies

- a) Basis of accounting  
These financial accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention modified to incorporate the revaluation of certain assets.
- b) Turnover  
Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value added tax.
- c) Basis of preparation of group financial accounts.  
The group financial accounts consolidate the financial accounts of the company and its subsidiary undertakings made up to 28 February 2003.
- d) 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     | 5% on written down value of freehold<br>Buildings excluding land |
| Short leasehold       | The period of the lease  |
| Plant and machinery   | 20% on written down value  |
| Fixtures and fittings | 20% on written down value  |
| Motor vehicles        | 25% on written down value  |
- e) Stocks  
Stocks are valued at the lower cost and net realisable value.  
Cost is defined for this purpose as the expenditure incurred in the normal course of business including direct labour, production overheads and other overheads attributable to bringing stocks to their present condition and location.  
It is not company policy to include the value of electrical and engineering stocks in the balance sheet.
- f) Deferred taxation  
Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.
- g) Leased assets  
Assets held under finance lease and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

1. Accounting policies cont.....

h) Foreign transactions

Transactions in foreign currencies are translated into sterling during the year. All exchange differences are dealt with through the profit and loss account.

2. Turnover

In the opinion of the directors the company does not have classes of business which differ substantially from each other and analysis of turnover and profit is therefore not appropriate.

The turnover attributable to each of the company's geographical markets is:

	<u>2003</u>	<u>2002</u>
United Kingdom	44,831,838	41,495,575
Europe (excluding UK)	23,354,394	19,809,668
Other countries	<u>2,552,715</u>	<u>2,567,642</u>
	<u>£70,738,947</u>	<u>£63,872,885</u>

3. Operating profit

This is stated after charging:

Depreciation of owned fixed assets	2,255,080	2,182,860
Depreciation of assets held under finance lease and hire purchase contracts	170,311	213,113
Operating lease rentals		
- Plant and machinery	247,979	387,948
- other	350,711	350,736
Auditors remuneration - audit services	29,000	26,000
- non audit services	<u>9,450</u>	<u>13,000</u>

4. Staff costs

The average number employed by the company including directors, within each category of persons was:

Production staff	328	323
Sales staff	51	31
Administration staff	53	29
	<u>432</u>	<u>383</u>

The costs incurred, including directors remuneration (note 5), in respect of these employees were:

Wages and salaries	9,799,126	8,725,934
Social security costs	1,016,232	910,462
Pension costs	315,966	273,827
	<u>£11,131,324</u>	<u>£9,910,223</u>

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

	<u>2003</u>	<u>2002</u>
5. <u>Directors emoluments</u>		
Emoluments	609,278	563,433
Company contributions paid to money purchase pension schemes	<u>80,327</u>	<u>78,172</u>
	<u>£689,605</u>	<u>£641,605</u>
Members of money purchase pension schemes	<u>5</u>	<u>5</u>

The amounts in respect of the highest paid director are as follows:

Emoluments	155,861	141,415
Company contributions paid to money purchase pension schemes	<u>9,500</u>	<u>8,479</u>
	<u>£165,361</u>	<u>£149,894</u>

6. Interest payable

Bank interest	355,517	322,646
Finance charges on lease payments	<u>56,679</u>	<u>82,928</u>
	<u>£412,196</u>	<u>£405,574</u>

7. Taxation

Taxation is based on the profit for the year and comprises:

UK Corporation tax	1,488,580	1,303,575
Adjustments in respect of prior years	-	55,789
UK deferred tax	<u>(140,119)</u>	<u>17,420</u>
	<u>£1,348,461</u>	<u>£1,376,784</u>

Provision has been made for taxation deferred as a result of capital allowances granted for tax purposes on plant, machinery and industrial buildings exceeding depreciation charged against profits in the accounts as affects the subsidiary company. This provision, calculated on the liability basis computed at the tax rate of 30% (2002 - 30%) is as follows:

	<u>2003</u>	<u>2002</u>
Accelerated capital allowances	(430,314)	454,124
Other timing differences	<u>215,233</u>	<u>(98,924)</u>
	<u>£(215,081)</u>	<u>£355,200</u>

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

		<u>2003</u>		<u>2002</u>	
8. <u>Dividends</u>					
Payable on ordinary shares		£370,000		£266,000	
9. <u>Tangible fixed assets - Group</u>					
	<u>Motor</u>	<u>Plant</u>	<u>Fixtures</u>	<u>Land &amp;</u>	<u>Total</u>
	<u>Vehicles</u>	<u>and</u>	<u>Fittings</u>	<u>Buildings</u>	
		<u>Machinery</u>	<u>Tools &amp;</u>		
			<u>Equipment</u>		
Cost or valuation					
At 1.3.02	231,982	21,140,100	803,593	7,165,759	29,341,434
Additions	77,230	2,167,987	381,322	412,404	3,038,943
Disposals	-	1,086,275	-	-	1,086,275
At 28.2.03	<u>£309,212</u>	<u>22,221,812</u>	<u>1,184,915</u>	<u>7,578,163</u>	<u>31,294,102</u>
Depreciation					
At 1.3.02	169,066	13,334,466	467,459	1,832,554	15,803,545
Charge for year	35,036	1,980,134	167,769	242,452	2,425,391
Disposal	-	907,638	-	-	907,638
At 28.2.03	<u>£204,102</u>	<u>14,406,962</u>	<u>635,228</u>	<u>2,075,006</u>	<u>17,321,298</u>
Net book value					
28.2.02	£62,916	7,805,634	336,134	5,333,205	13,537,889
28.2.03	<u>£105,110</u>	<u>7,814,850</u>	<u>549,687</u>	<u>5,503,157</u>	<u>13,972,804</u>

Tangible fixed assets include, in respect of assets held under finance leases and hire purchase contracts, net book value £678,557 (2002 - £848,868).

Included in freehold land and buildings is land which cost £1,107,218 which is not depreciated.

	<u>2003</u>	<u>2002</u>
9a <u>Land and buildings</u>		
Land and buildings comprise:		
Net book value		
Freehold	5,435,475	5,242,963
Leasehold	67,682	90,242
	<u>£5,503,157</u>	<u>£5,333,205</u>

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

9b. Tangible fixed assets - company

	<u>Total</u>	<u>Freehold Property</u>	<u>Plant and Equipment</u>	<u>Motor Vehicle</u>
Cost				
Balance 1 March 2002	531,166	387,969	131,287	11,910
Additions	-	-	-	-
Disposals	-	-	-	-
Balance 28 February 2003	<u>£531,166</u>	<u>387,969</u>	<u>131,287</u>	<u>11,910</u>
Depreciation				
Balance 1 March 2002	204,608	82,498	119,133	2,977
Disposal	-	-	-	-
Charge of year	<u>13,029</u>	<u>7,758</u>	<u>3,038</u>	<u>2,233</u>
Balance 28 February 2003	<u>£217,637</u>	<u>90,256</u>	<u>122,171</u>	<u>5,210</u>
Net book value				
28 February 2003	<u>£313,529</u>	<u>297,713</u>	<u>9,116</u>	<u>6,700</u>
28 February 2002	<u>£326,558</u>	<u>305,471</u>	<u>12,154</u>	<u>8,933</u>

The freehold (land and buildings only) was valued on 4 August 1993 by Messrs Paddison & Partners Chartered Surveyors at £2,750,000.

10. Fixed asset investment

	<u>Group 2003</u>	<u>2002</u>	<u>Company 2003</u>	<u>2002</u>
Shares in trade investments at cost				
Conservation Grade Producers Limited				
269 shares of £1 each	£ 269	269	-	-
Shares in group undertakings				
subsidiary undertaking at cost:				
Jordans France S.A.R.L.	<u>5,076</u>	<u>5,076</u>	-	-
W. Jordan (Cereals) Limited	-	-	<u>98</u>	<u>98</u>

The above investment is not listed on a recognised investment exchange.

Additional information on principal subsidiary undertakings:

<u>Name</u>	<u>Country of Incorporation</u>	<u>Class of Shares held</u>	<u>Percentage of Shares held by Group</u>	<u>Parent co.</u>	<u>Nature of Business</u>
W Jordan (Cereals) Limited	UK	Ordinary	-	98	Manufacture of cereal products
Jordans France S.A.R.L	France	Ordinary	100	-	Marketing and distribution of group products within France.

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

11. Stocks

	<u>Group</u> <u>2003</u>	<u>2002</u>	<u>Company</u> <u>2003</u>	<u>2002</u>
Raw materials and consumables	1,666,326	1,764,074	-	-
Finished goods and goods for resale	<u>3,651,544</u>	<u>2,705,372</u>	-	-
	<u>£5,317,870</u>	<u>4,469,446</u>	-	-

12. Debtors

Amounts falling due within one year:

Advanced corporation tax	-	-	-	-
Trade debtors	11,542,719	10,271,533	-	-
Dividends	-	-	-	370,000
Other debtors	924,573	191,264	27,246	183,529
Prepayments and accrued income	<u>1,087,375</u>	<u>1,047,966</u>	<u>24,475</u>	<u>26,976</u>
	<u>£13,554,667</u>	<u>11,510,763</u>	<u>51,721</u>	<u>580,505</u>

13. Creditors: amounts falling due within one year.

Bank loans	353,900	353,900	-	-
Bank overdrafts	1,663,644	660,877	-	-
Trade creditors	7,053,493	6,787,892	-	-
Corporation tax	1,062,812	845,516	23,100	20,000
Other tax and Social Security	455,264	458,535	-	-
Other creditors	-	-	14,950	4,723
Dividends	-	-	-	-
Accruals and deferred income	3,103,829	2,418,373	-	-
Finance leases and HP contracts	269,583	658,903	-	-
Owing to group undertakings	-	-	-	9,416
	<u>£13,962,525</u>	<u>12,183,996</u>	<u>38,050</u>	<u>34,139</u>

14. Creditors: amounts falling due after more than one year:

Bank loans	4,047,450	4,401,350	-	-
Hire purchase and finance leases	-	284,080	-	-
	<u>£4,047,450</u>	<u>4,685,430</u>	-	-

Bank loans

Amounts repayable

In one year or on demand	353,900	353,900	-	-
Between one and two years	353,900	353,900	-	-
Between two and five years	<u>1,061,700</u>	<u>1,061,700</u>	-	-
In five years or more	1,769,500	1,769,500	-	-
In more than five years	<u>2,631,850</u>	<u>2,985,750</u>	-	-
	<u>£4,401,350</u>	<u>4,755,250</u>	-	-

The bank loan and overdraft are secured by legal mortgage dated 14 October 1997 over land at Stratton Park Biggleswade and by a debenture dated 13 October 1997 in respect of a fixed and floating charge over all of the companies assets. There are also unlimited company guarantees with group members.

W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

	<u>Group</u> <u>2003</u>	<u>2002</u>	<u>Company</u> <u>2003</u>	<u>2002</u>
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14. continued....

The bank loans are repayable on a quarterly basis. The interest on the loan is charged at 0.75% above the bank's base rate. The company has taken out interest rate protection on loans of £6,000,000 if LIBOR should exceed 8%.

	<u>2003</u>	<u>2002</u>
14a. <u>Obligations under finance lease</u>		
The maturity of these amounts is as follows:		
Amounts payable		
Within one year	287,917	691,390
In two to five years	-	<u>287,917</u>
	<u>287,917</u>	<u>979,307</u>
Less: finance charges allocated to future periods	<u>(18,334)</u>	<u>(36,324)</u>
	<u>£269,583</u>	<u>942,983</u>
Finance leases are analysed as follows:		
Current obligations	269,583	658,903
Non-current obligations	-	<u>284,080</u>
	<u>£269,583</u>	<u>942,983</u>

The amount due to Forward Trust of £269,583 in respect of finance leaseds is secured by a fixed and floating charge over all company assets, both present and future.

15. Reconciliation of movement in shareholders' funds

Profit for the financial year	2,810,959	2,723,515	457,001	434,645
Dividends	( 614,000)	( 266,000)	(614,000)	(266,000)
	<u>2,196,959</u>	<u>2,457,515</u>	<u>(156,999)</u>	<u>168,645</u>
Exchange rate adjustment	64,827	(27,239)	-	-
Prior year adjustments	-	(337,780)	-	-
Opening shareholders' funds	<u>14,010,805</u>	<u>11,918,309</u>	<u>896,038</u>	<u>727,393</u>
Closing shareholders' funds	<u>£16,272,591</u>	<u>14,010,805</u>	<u>739,039</u>	<u>896,038</u>



W JORDAN AND SON (SILO) LIMITED

NOTES TO THE GROUP ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2003

	<u>2003</u>	<u>2002</u>
16. <u>Share capital</u>		
Authorised:		
2,000 ordinary shares of £1 each	£ <u>2,000</u>	£ <u>2,000</u>
Allotted and fully paid:		
504 ordinary shares of £1 each	£ <u>504</u>	£ <u>504</u>
17. <u>Capital reserve</u>		
This is made up as follows:		
Capitalisation of profits of the subsidiary	2,999,902	2,999,902
Parent company	<u>1,614</u>	<u>1,614</u>
	<u>£3,001,516</u>	<u>£3,001,516</u>

18. Financial commitments

Operating leases

At 28 February 2003 the company had annual commitments under non-cancellable operating leases as set out below:

	<u>Group</u>	2003	<u>Group</u>	2002	<u>Company</u>	<u>Company</u>
	Land		Land		2003	2002
	and		and			
	<u>Buildings</u>	<u>Other</u>	<u>Buildings</u>	<u>Other</u>		
Operating leases that expire within						
one year	-	-	-	28,678	-	-
in the second year and fifth years	350,711	247,979	350,736	305,400	-	-
over five years	-	-	-	-	-	-
	<u>£350,711</u>	<u>247,979</u>	<u>350,736</u>	<u>334,078</u>	<u>-</u>	<u>-</u>

19. Pension commitment

The company operates a defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total contributions expensed in the year amounted to £315,966 (2002 £273,887). The unpaid contributions outstanding at the year end, included in accruals and deferred income are £28,000 (2002 - £ Nil).