

\* Amended.

**W. JORDAN & SON (SILO) LIMITED**

**Consolidated  
Financial Statements**

**For the Year Ended 28 February 2005**

**Company Registration Number 00572391**



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A25 \*AUFF2JE7\* 564  
COMPANIES HOUSE 05/10/2006

**WHITING & PARTNERS**

Chartered Accountants & Registered Auditors

Garland House  
Garland Street  
Bury St. Edmunds  
Suffolk  
IP33 1EZ

# W. JORDAN & SON (SILO) LIMITED

## Financial Statements

Year Ended 28 February 2005

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# W. JORDAN & SON (SILO) LIMITED

## Officers and Professional Advisers

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### **The Board of Directors**

W J Jordan MBE  
R D Jordan  
Mrs P Jordan

### **Company Secretary**

R A Payton

### **Registered Office**

Holme Mills  
Biggleswade  
Bedfordshire  
SG18 9JY

### **Auditors**

Whiting & Partners  
Chartered Accountants  
& Registered Auditors  
Garland House  
Garland Street  
Bury St Edmunds  
Suffolk  
IP33 1EZ

### **Bankers**

HSBC Bank Plc  
63 George Street  
Luton  
Bedfordshire  
LU1 2AP

# W. JORDAN & SON (SILO) LIMITED

## The Directors' Report

### Year Ended 28 February 2005

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The directors have pleasure in presenting their report and the financial statements of the group for the year ended 28 February 2005.

#### Principal Activities and Review of the Business

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

The group has achieved a satisfactory result during the year. The directors are confident of the group's ability to maintain profitability in the forthcoming year

The group's balance sheet as detailed on page 7 shows a satisfactory position with shareholders' funds amounting to £15,064,326.

#### Results and Dividends

The trading results for the year and the group's financial position at the end of the year are shown in the attached financial statements. The retained loss for the year was £2,717,184 (2004 – profit of £1,492,428). 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 are given in note 8.

#### The Directors and Their Interests

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 29 February 2005	At 1 March 2004
W J Jordan MBE	252	252
R D Jordan	252	252
Mrs P Jordan	–	–

#### Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group at the end of the year and of the group's profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on pages 11 to 13, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 group will continue in business.

# W. JORDAN & SON (SILO) LIMITED

## The Directors' Report *(continued)*

Year Ended 28 February 2005

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### Directors' Responsibilities *(continued)*

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 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.

### Auditors

A resolution to re-appoint Whiting & Partners as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Holme Mills  
Biggleswade  
Bedfordshire  
SG18 9JY

Signed by order of the directors



R A Payton  
Company Secretary

Approved by the directors on 27th June 2006

# **W. JORDAN & SON (SILO) LIMITED**

## **Independent Auditors' Report to the Shareholders**

**Year Ended 28 February 2005**

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We have audited the financial statements of W. Jordan & Son (Silo) Limited on pages 6 to 22 which have been prepared under the historical cost convention and the accounting policies set out on pages 11 to 13.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, for our audit work, for this report or for the opinions we have formed.

### **Respective Responsibilities of Directors and Auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of Audit Opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# W. JORDAN & SON (SILO) LIMITED

Independent Auditors' Report to the Shareholders *(continued)*

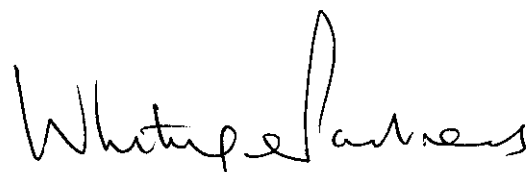
Year Ended 28 February 2005

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## Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs and of the group as at 28 February 2005 and of the loss of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Dated: ... 27<sup>th</sup> June 2006 ...



WHITING & PARTNERS  
Chartered Accountants  
& Registered Auditors  
Garland House  
Garland Street  
Bury St Edmunds  
Suffolk  
IP33 1EZ

# W. JORDAN & SON (SILO) LIMITED

## Group Profit and Loss Account

Year Ended 28 February 2005

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	Note	2005 £	2004 £
<b>Group Turnover</b>	2	73,331,290	70,040,720
Cost of sales		45,734,863	43,167,429
<b>Gross Profit</b>		<u>27,596,427</u>	<u>26,873,291</u>
Distribution costs		11,288,789	10,703,627
Administrative expenses		11,776,367	12,401,858
<b>Operating Profit</b>	3	<u>4,531,271</u>	<u>3,767,806</u>
Interest receivable		(98)	—
Amounts written off investments		837,642	630,663
Interest payable	6	514,445	346,423
<b>Profit on Ordinary Activities Before Taxation</b>		<u>3,179,282</u>	<u>2,790,720</u>
Tax on profit on ordinary activities	7	796,466	824,292
<b>Profit on Ordinary Activities after Taxation</b>		<u>2,382,816</u>	<u>1,966,428</u>
Dividends	8	5,100,000	474,000
<b>Retained (Loss)/Profit for the Financial Year</b>	26	<u>(2,717,184)</u>	<u>1,492,428</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Profit and Loss Account.

The notes on pages 11 to 22 form part of these financial statements.



# W. JORDAN & SON (SILO) LIMITED

## Group Balance Sheet

28 February 2005

	Note	2005		2004	
		£	£	£	£
<b>Fixed Assets</b>					
Intangible assets	10		41,355		14,318
Tangible assets	11		13,930,131		14,318,450
Investments	12		269		269
			<u>13,971,755</u>		<u>14,333,037</u>
<b>Current Assets</b>					
Stocks	13	6,868,356		4,617,916	
Debtors	14	12,195,475		14,079,296	
Investments	15	15,000		15,000	
Cash at bank and in hand		1,849,542		1,282,067	
		<u>20,928,373</u>		<u>19,994,279</u>	
<b>Creditors: Amounts Falling due Within One Year</b>	16	<u>14,496,152</u>		<u>12,658,111</u>	
<b>Net Current Liabilities</b>			<u>6,432,221</u>		<u>7,336,168</u>
<b>Total Assets Less Current Liabilities</b>			<u>20,403,976</u>		<u>21,669,205</u>
<b>Creditors: Amounts Falling due after More than One Year</b>	17		<u>5,339,650</u>		<u>3,693,550</u>
			<u>15,064,326</u>		<u>17,975,655</u>
<b>Provisions for Liabilities and Charges</b>					
Deferred taxation	19		–		222,716
			<u>15,064,326</u>		<u>17,752,939</u>
<b>Capital and Reserves</b>					
Called-up equity share capital	24		504		504
Other reserves	25		3,002,140		3,002,123
Profit and loss account	26		12,061,682		14,750,312
<b>Shareholders' Funds</b>	27		<u>15,064,326</u>		<u>17,752,939</u>

These financial statements were approved by the directors on 27th June 2006 and are signed on their behalf by:



W J Jordan MBE



R D Jordan

The notes on pages 11 to 22 form part of these financial statements.

# W. JORDAN & SON (SILO) LIMITED

## Balance Sheet

28 February 2005

	Note	2005		2004	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	11		312,690		301,817
Investments	12		98		98
			<u>312,788</u>		<u>301,915</u>
<b>Current Assets</b>					
Debtors	14	284,092		384,439	
Cash at bank		44,244		29,935	
		<u>328,336</u>		<u>414,374</u>	
<b>Creditors: Amounts Falling due Within One Year</b>	16	<u>20,225</u>		<u>59,479</u>	
<b>Net Current Assets</b>			<u>308,111</u>		<u>354,895</u>
<b>Total Assets Less Current Liabilities</b>			<u>620,899</u>		<u>656,810</u>
<b>Provisions for Liabilities and Charges</b>					
Deferred taxation	19		1,442		-
<b>Total Assets Less Current Liabilities</b>			<u>619,457</u>		<u>656,810</u>
<b>Capital and Reserves</b>					
Called-up equity share capital	24		504		504
Other reserves	25		1,614		1,614
Profit and loss account	26		617,339		654,692
<b>Shareholders' Funds</b>	27		<u>619,457</u>		<u>656,810</u>

These financial statements were approved by the directors on 27th June 2006 and are signed on their behalf by:



W J Jordan MBE



R D Jordan

The notes on pages 11 to 22 form part of these financial statements.

# W. JORDAN & SON (SILO) LIMITED

## Group Cash Flow Statement

Year Ended 28 February 2005

	2005		2004	
	£	£	£	£
<b>Net Cash Inflow From Operating Activities</b>		<b>6,163,719</b>		<b>7,079,276</b>
<b>Returns on Investments and Servicing of Finance</b>				
Interest received	98		—	
Interest paid	(514,445)		(320,751)	
Interest element of hire purchase	—		(25,672)	
Equity dividends paid	(5,100,000)		(474,000)	
<b>Net Cash Outflow From Returns on Investments and Servicing of Finance</b>		<b>(5,614,347)</b>		<b>(820,423)</b>
<b>Taxation</b>		<b>(796,944)</b>		<b>(1,331,264)</b>
<b>Capital Expenditure and Financial Investment</b>				
Payments to acquire intangible fixed assets	(36,309)		(13,742)	
Payments to acquire tangible fixed assets	(2,009,084)		(2,848,511)	
Receipts from sale of fixed assets	3,936		25,895	
Loans to group undertakings	(837,642)		(630,663)	
Acquisition of current asset investments in group undertakings	—		(15,000)	
<b>Net Cash Outflow for Capital Expenditure and Financial Investment</b>		<b>(2,879,099)</b>		<b>(3,482,021)</b>
<b>Cash (Outflow)/Inflow Before Financing</b>		<b>(3,126,671)</b>		<b>1,445,568</b>
<b>Financing</b>				
New bank loans	3,146,100		—	
Repayment of bank loans	—		(353,900)	
Capital element of hire purchase	—		(269,583)	
<b>Net Cash Inflow/(Outflow) From Financing</b>		<b>3,146,100</b>		<b>(623,483)</b>
<b>Increase in Cash</b>		<b>19,429</b>		<b>822,085</b>

The notes on pages 11 to 22 form part of these financial statements.

# W. JORDAN & SON (SILO) LIMITED

## Group Cash Flow Statement *(continued)*

Year Ended 28 February 2005

### Reconciliation of Operating Profit to Net Cash Inflow From Operating Activities

	2005	2004
	£	£
Operating profit	4,531,271	3,767,806
Amortisation	9,739	94
Depreciation	2,397,875	2,478,818
(Profit)/Loss on disposal of fixed assets	(2,887)	(846)
(Increase)/Decrease in stocks	(2,250,440)	699,954
Decrease/(Increase) in debtors	1,952,726	(524,719)
(Decrease)/Increase in creditors	(501,148)	669,942
Foreign exchange adjustments	26,583	(11,773)
<b>Net cash inflow from operating activities</b>	<b><u>6,163,719</u></b>	<b><u>7,079,276</u></b>

### Reconciliation of Net Cash Flow to Movement in Net Debt

	2005		2004	
	£	£	£	£
Increase in cash in the period	19,429		822,085	
Net cash (inflow)/outflow from bank loans	(3,146,100)		353,900	
Cash outflow in respect of hire purchase	-		269,583	
<b>Change in net debt resulting from cash flows</b>		<b>(3,126,671)</b>		<b>1,445,568</b>
<b>Net debt at 1 March 2004</b>		<b><u>(3,237,992)</u></b>		<b><u>(4,683,560)</u></b>
<b>Net debt at 28 February 2005</b>		<b><u>(6,364,663)</u></b>		<b><u>(3,237,992)</u></b>

### Analysis of Changes in Net Debt

	At 1 Mar 2004	Cash flows	Other Changes	At 28 Feb 2005
	£	£	£	£
Net cash:				
Cash in hand and at bank	1,282,067	567,475	-	1,849,542
Overdrafts	(472,609)	(548,046)	-	(1,020,655)
	<u>809,458</u>	<u>19,429</u>	<u>-</u>	<u>828,887</u>
Debt:				
Debt due within 1 year	(353,900)	(1,500,000)	-	(1,853,900)
Debt due after 1 year	(3,693,550)	(1,646,100)	-	(5,339,650)
	<u>(4,047,450)</u>	<u>(3,146,100)</u>	<u>-</u>	<u>(7,193,550)</u>
<b>Net debt</b>	<b><u>(3,237,992)</u></b>	<b><u>(3,126,671)</u></b>	<b><u>-</u></b>	<b><u>(6,364,663)</u></b>

The notes on pages 11 to 22 form part of these financial statements.

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 1. Accounting Policies

#### Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. The results of companies acquired or disposed of are included in the group profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

As referred to in note 15, the group has an investment in more than 50% of the issued share capital of one company which has not been consolidated on the grounds that the group's interest is held exclusively with a view to subsequent resale.

#### Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

#### Patents and Rights

Purchased patents, know-how, trademarks, licences and distribution rights are capitalised and amortised over their estimated useful lives.

#### Research and Development

Expenditure is written off in the financial year in which it is incurred.

#### Turnover

The turnover shown in the group profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### 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:

Patents & Rights                    -    various rates on a straight line basis

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 1. Accounting Policies *(continued)*

#### Depreciation

Depreciation 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:

Freehold Property	-	5% reducing balance basis on freehold buildings excluding land
Plant & Machinery	-	20% reducing balance basis
Fixtures & Fittings	-	20% reducing balance basis
Motor Vehicles	-	25% reducing balance basis

#### Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition as follows:

Raw materials, consumables and goods for resale	-	purchase cost on a first-in, first-out basis
Work in progress and finished goods	-	cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

#### 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.

#### Finance Lease Agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

#### Pension Costs

The main trading subsidiary company contributes to a company personal pension plan for the benefit of employees. Contributions are charged to the profit and loss account as they become due in accordance with the rules of the scheme.

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 1. Accounting Policies *(continued)*

#### Deferred Taxation

Deferred taxation is provided in full on timing differences which represent a liability or asset at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. 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.

#### 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

### 2. Turnover

The turnover for the year is derived from the group's principal activity. An analysis of turnover is given below:

	2005	2004
	£	£
United Kingdom	48,741,698	44,791,022
Europe	23,236,360	22,884,170
Other countries	1,353,232	2,365,528
	<u>73,331,290</u>	<u>70,040,720</u>

### 3. Operating Profit

Operating profit is stated after charging/(crediting):

	2005	2004
	£	£
Amortisation of patents and rights	9,739	94
Depreciation of owned fixed assets	2,397,875	2,344,719
Depreciation of assets held under finance leases	—	134,099
(Profit)/Loss on disposal of fixed assets	(2,887)	(846)
Auditors' remuneration		
- as auditors	38,295	35,000
- for other services	4,233	4,300
Operating lease costs:		
Land and buildings	438,307	376,728
Plant and equipment	<u>227,231</u>	<u>245,496</u>

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# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 4. Particulars of Employees

The average number of staff employed by the group during the financial year amounted to:

	2005	2004
	No.	No.
Production staff	275	303
Distribution staff	47	48
Administrative staff	51	57
	<u>373</u>	<u>408</u>

The aggregate payroll costs of the above were:

	2005	2004
	£	£
Wages and salaries	9,434,011	9,773,699
Social security costs	1,076,959	1,149,411
Pension costs	359,850	373,802
	<u>10,870,820</u>	<u>11,296,912</u>

### 5. Directors' Emoluments

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

	2005	2004
	£	£
Emoluments receivable	554,613	639,345
Value of company pension contributions to money purchase schemes	70,856	78,009
	<u>625,469</u>	<u>717,354</u>

**Emoluments of highest paid director:**

	2005	2004
	£	£
Emoluments receivable	130,178	158,402
Value of company pension contributions to money purchase schemes	12,600	12,600
	<u>142,778</u>	<u>171,002</u>

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

	2005	2004
	No.	No.
Money purchase schemes	<u>5</u>	<u>5</u>

### 6. Interest Payable and Similar Charges

	2005	2004
	£	£
Interest payable on bank borrowing	514,445	320,751
Finance charges	-	25,672
	<u>514,445</u>	<u>346,423</u>

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# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

### 7. Taxation on Ordinary Activities

#### (a) Analysis of charge in the year

	2005 £	2004 £
Current tax:		
In respect of the year:		
UK corporation tax	1,056,604	911,312
Overseas tax	32,438	111,131
Over provision in prior years	(955)	(205,786)
Total current tax	<u>1,088,087</u>	<u>816,657</u>
Deferred tax:		
Origination and reversal of timing differences	(291,621)	7,635
Total deferred tax (note 19)	<u>(291,621)</u>	<u>7,635</u>
Tax on profit on ordinary activities	<u>796,466</u>	<u>824,292</u>

#### (b) Factors affecting current tax charge

The differences are reconciled below:

	2005 £	2004 £
Profit on ordinary activities before taxation	<u>3,179,282</u>	<u>2,790,720</u>
Profit on ordinary activities multiplied by standard rate of corporation tax of 30% (2004 – 30%)	953,785	837,216
Expenses not deductible for tax purposes	71,028	14,290
Capital allowances in excess of depreciation	(19,517)	(55,578)
Other timing differences	309,520	226,515
Group relief received for nil payment	(225,774)	–
Adjustments in respect of previous periods	(955)	(205,786)
Total current tax (note 7(a))	<u>1,088,087</u>	<u>816,657</u>

### 8. Dividends

	2005 £	2004 £
Dividend paid on ordinary shares	<u>5,100,000</u>	<u>474,000</u>

### 9. Profit for the Financial Year

As permitted by section 230 of the Companies Act 1985 the parent company profit and loss account has not been presented. The retained profit for the group for the financial year includes a trading profit of £62,647 (2004 – trading profit of £91,771) dealt with in the financial statements of the parent company.

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

### 10. Intangible Fixed Assets

#### Group

	Development Costs £	Patents & Rights £	Total £
<b>Cost</b>			
At 1 March 2004	12,513	28,153	40,666
Exchange adjustments	408	917	1,325
Additions	–	36,309	36,309
Disposals	–	–	–
<b>At 28 February 2005</b>	<b>12,921</b>	<b>65,379</b>	<b>78,300</b>
<b>Amortisation</b>			
At 1 March 2004	12,513	13,835	26,348
Exchange adjustments	408	450	858
Charge for the year	–	9,739	9,739
On disposals	–	–	–
<b>At 28 February 2005</b>	<b>12,921</b>	<b>24,024</b>	<b>36,945</b>
<b>Net Book Value</b>			
<b>At 28 February 2005</b>	<b>–</b>	<b>41,355</b>	<b>41,355</b>
At 29 February 2004	–	14,318	14,318

#### Company

There are no intangible assets in the company.

### 11. Tangible Fixed Assets

#### Group

	Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>Cost or Valuation</b>					
At 1 March 2004	7,674,378	24,777,935	1,258,124	220,304	33,930,741
Exchange adjustments	–	–	1,433	1,408	2,841
Additions	170,527	1,683,827	154,730	–	2,009,084
Disposals	–	(3,309,734)	(99,832)	–	(3,409,566)
<b>At 28 February 2005</b>	<b>7,844,905</b>	<b>23,152,028</b>	<b>1,314,455</b>	<b>221,712</b>	<b>32,533,100</b>
<b>Depreciation</b>					
At 1 March 2004	2,310,091	16,502,413	719,134	80,653	19,612,291
Exchange adjustments	–	–	1,130	190	1,320
Charge for the year	224,335	1,995,760	134,317	43,463	2,397,875
On disposals	(4,070)	(3,327,478)	(76,969)	–	(3,408,517)
<b>At 28 February 2005</b>	<b>2,530,356</b>	<b>15,170,695</b>	<b>777,612</b>	<b>124,306</b>	<b>18,602,969</b>
<b>Net Book Value</b>					
<b>At 28 February 2005</b>	<b>5,314,549</b>	<b>7,981,333</b>	<b>536,843</b>	<b>97,406</b>	<b>13,930,131</b>
At 29 February 2004	5,364,287	8,275,522	538,990	139,651	14,318,450

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 11. Tangible Fixed Assets *(continued)*

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

#### Land & Buildings

	2005	2004
Land & buildings comprise:	£	£
Freehold – net book value	5,276,478	5,313,526
Leasehold – net book value	39,371	50,761
	<u>5,315,849</u>	<u>5,364,287</u>

#### Company

	Freehold Property	Plant & Machinery	Motor Vehicles	Total
Cost or Valuation	£	£	£	£
At 1 March 2004	387,969	131,287	11,910	531,166
Additions	22,037	–	–	22,037
Disposals	–	–	–	–
<b>At 28 February 2005</b>	<u>410,006</u>	<u>131,287</u>	<u>11,910</u>	<u>553,203</u>
<b>Depreciation</b>				
At 1 March 2004	98,014	124,450	6,885	229,349
Charge for the year	8,199	1,709	1,256	11,164
On disposals	–	–	–	–
<b>At 28 February 2005</b>	<u>106,213</u>	<u>126,159</u>	<u>8,141</u>	<u>240,513</u>
<b>Net Book Value</b>				
<b>At 28 February 2005</b>	<u>303,793</u>	<u>5,128</u>	<u>3,769</u>	<u>312,690</u>
At 29 February 2004	<u>289,955</u>	<u>6,837</u>	<u>5,025</u>	<u>301,817</u>

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

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

### 12. Fixed Asset Investments

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Shares in trade investments at cost:				
Conservation Grade Producers Limited				
269 shares of £1 each	<u>269</u>	<u>269</u>	<u>-</u>	<u>-</u>
Shares in subsidiary undertaking at cost:				
W. Jordan (Cereals) Limited	<u>-</u>	<u>-</u>	<u>98</u>	<u>98</u>

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

Additional information on principal subsidiary undertakings:

Name and Nature of Business	Country of Incorporation	Class of Shares Held	% of Shares Held By	
			Group	Parent Company
W. Jordan (Cereals) Limited Manufacture of cereal products	U.K.	Ordinary	-	100
Jordans France S.A.R.L. Marketing and distribution of group products within France	France	Ordinary	100	-

### 13. Stocks

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Raw materials	2,180,159	1,236,015	-	-
Finished goods	4,688,197	3,381,901	-	-
	<u>6,868,356</u>	<u>4,617,916</u>	<u>-</u>	<u>-</u>

### 14. Debtors

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Trade debtors	10,636,351	11,769,367	-	-
Amounts owed by group undertakings	-	-	5,571	-
Other debtors	960,016	1,874,256	256,951	361,427
Prepayments and accrued income	530,203	435,673	21,570	23,012
Deferred taxation	68,905	-	-	-
	<u>12,195,475</u>	<u>14,079,296</u>	<u>284,092</u>	<u>384,439</u>

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

### Year Ended 28 February 2005

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#### 15. Current Asset Investments

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Investment in Organic & Natural Food Company Limited	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>

On 1 March 2003, the group acquired 749 shares of 10p each, and on 27 February 2004 a further 50 shares of 10p each, in Organic & Natural Food Company Limited for a total consideration of £15,000 cash.

At the balance sheet date the holding in Organic & Natural Food Company Limited was 79.9%. The company has been excluded from consolidation by a provision of FRS 2 (Accounting for Subsidiary Undertakings) since the interest is held exclusively with a view to subsequent resale.

The audited accounts for the year ended 28 February 2004 show aggregate capital and reserves of £(1,144,789) and a loss for the year of £532,249.

No final accounts have been prepared for the year ended 28 February 2005. From 1 March 2004 to the date of preparation of these accounts provisional figures show aggregate capital and reserves of £(3,485,386).

#### 16. Creditors: Amounts Falling due Within One Year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loans	1,853,900	353,900	-	-
Bank overdrafts	1,020,655	472,609	-	-
Trade creditors	6,620,628	6,760,292	-	-
Amounts owed to group undertakings	-	-	-	22,319
Corporation tax	839,348	548,205	16,700	24,200
Other taxation and social security	242,523	248,636	-	-
Other creditors	776	14,175	-	12,960
Accruals and deferred income	3,918,321	4,260,294	3,525	-
	<u>14,496,151</u>	<u>12,658,111</u>	<u>20,225</u>	<u>59,479</u>

The bank loans and overdrafts are secured by a 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 the companies' assets. There are also unlimited company guarantees with group members.

#### 17. Creditors: Amounts Falling due after More than One Year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loans	<u>5,339,650</u>	<u>3,693,550</u>	<u>-</u>	<u>-</u>

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# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 18. Creditors - Capital Instruments: Bank Loans

Creditors include finance capital which is due for repayment as follows:

	Group		Company	
	2005 £	2004 £	2005 £	2004 £
Amounts repayable:				
In one year or less or on demand	1,853,900	353,900	-	-
In more than one year but not more than two years	853,900	353,900	-	-
In more than two years but not more than five years	4,485,750	1,061,700	-	-
	<u>7,193,550</u>	<u>1,769,500</u>	-	-
In more than five years	-	2,277,950	-	-
	<u>7,193,550</u>	<u>4,047,450</u>	-	-

The bank loans are repayable on a quarterly basis with £3,693,500 repayable in full by October 2007 and £3,500,000 repayable in full by 31 December 2008. The interest on the loan is charged at 0.75% above the bank's base rate.

### 19. Deferred Taxation

The movement in the deferred taxation provision during the year was:

	Group		Company	
	2005 £	2004 £	2005 £	2004 £
Provision brought forward	(222,716)	(215,081)	-	-
(Decrease)/Increase in provision	291,621	(7,635)	(1,442)	-
Provision carried forward	<u>68,905</u>	<u>(222,716)</u>	<u>(1,442)</u>	-

The group's provision consists of the tax effect of timing differences in respect of:

	Group		Company	
	2005 £	2004 £	2005 £	2004 £
Excess of taxation allowances over depreciation on fixed assets	(537,898)	(516,287)	(1,442)	-
Other timing differences	606,803	293,571	-	-
	<u>68,905</u>	<u>(222,716)</u>	<u>(1,442)</u>	-

# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

### Year Ended 28 February 2005

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#### 20. Commitments under Operating Leases

At 28 February 2005 the group had annual commitments under non-cancellable operating leases as set out below.

	2005		2004	
	Land & Buildings	Other Items	Land & Buildings	Other Items
Operating leases which expire:	£	£	£	£
Within 1 year	95,367	79,261	–	30,773
Within 2 to 5 years	245,557	46,645	376,728	214,723
	<u>340,924</u>	<u>125,906</u>	<u>376,728</u>	<u>245,496</u>

The company had no such commitments.

#### 21. Pensions

The company contributes to a company personal pension plan 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 £359,850 (2004 - £373,802). There were outstanding contributions of £14,937 remaining at the year end (2004 - £31,493).

#### 22. Contingencies

A contingent liability exists under a guarantee given by the parent company to HSBC in support of the group bank borrowing facilities in the sum of £3,500,000.

A contingent liability exists under a guarantee given by the subsidiary company in support of the parent company's overdraft and loans which amounted to £Nil at the balance sheet date.

#### 23. Related Party Transactions

##### Control

The group is under the control of the directors, who are the principal shareholders.

#### 24. Share Capital

##### Authorised share capital:

	2005	2004
	£	£
2,000 Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

##### Allotted, called up and fully paid:

	2005		2004	
	No.	£	No.	£
Ordinary shares of £1 each	<u>504</u>	<u>504</u>	<u>504</u>	<u>504</u>

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# W. JORDAN & SON (SILO) LIMITED

## Notes to the Financial Statements

Year Ended 28 February 2005

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### 25. Other Reserves

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Balance brought forward	3,002,123	3,002,132	1,614	1,614
Exchange adjustments	17	(9)	–	–
Capital reserve	<u>3,002,140</u>	<u>3,002,123</u>	<u>1,614</u>	<u>1,614</u>

### 26. Profit and Loss Account

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Balance brought forward	14,750,312	13,269,868	654,692	736,921
Exchange adjustments	28,554	(11,984)	–	–
Retained profit/(loss) for the year	(2,717,184)	1,492,428	(37,353)	(82,229)
	<u>12,061,682</u>	<u>14,750,312</u>	<u>617,339</u>	<u>654,692</u>

### 27. Reconciliation of Movements in Shareholders' Funds

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Profit for the financial year	2,382,816	1,966,428	5,062,647	391,771
Dividends	(5,100,000)	(474,000)	(5,100,000)	(474,000)
Exchange adjustments	28,571	(11,993)	–	–
Net (deduction from)/addition to funds	(2,688,613)	1,480,435	(37,353)	(82,229)
Opening shareholders' equity funds	17,752,939	16,272,504	656,810	739,039
Closing shareholders' equity funds	<u>15,064,326</u>	<u>17,752,939</u>	<u>619,457</u>	<u>656,810</u>