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HEYGATE GRAIN LIMITED
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30TH MARCH, 2002



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COMPANIES HOUSE 03/02/03

HEYGATE GRAIN LIMITED

DIRECTORS

P. M. Heygate
A. R. Heygate
Mrs. A.E. Tetley

SECRETARY

A. C. Greene

BANKERS

HSBC Bank plc.,
3 Wood Hill,
Northampton.
NN1 2DE

AUDITORS

Clifford Roberts,
Chartered Accountants,
Pacioli House,
9 Brookfield,
Duncan Close,
Moulton Park,
Northampton.
NN3 6WL

REGISTERED OFFICE

Bugbrooke Mills,
Bugbrooke,
Northampton.
NN7 3QH

COMPANY NUMBER

1522607

HEYGATE GRAIN LIMITED

1.

DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 30th March, 2002.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be the purchase of U.K. farmers' and merchants' grain for sale to group companies for processing at the Bugbrooke, Tring and Downham Market sites and for sale to third parties.

REVIEW OF THE BUSINESS

Despite the continuing pressure on margins the directors remain satisfied with the overall performance of the company.

RESULTS AND DIVIDENDS

The profit on ordinary activities after taxation for the year amounted to £36,875 (2001 - £19,075). The directors have recommended and paid the following dividend in respect of the year ended 30th March, 2002.

Ordinary dividend paid £1.00 per share	<u>£ 19,945</u>
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The balance of the profit for the year has been added to retained reserves.

FUTURE DEVELOPMENTS

The directors do not anticipate any significant changes in the business operations in the future, but continued pressure in the market place will have the effect of permanently reducing margins capable of being earned from this type of business.

THE EURO

The impact of the euro has been considered generally by the company. Although the impact of the changeover to the euro is not currently anticipated to be significant, this issue is being closely monitored.

DIRECTORS AND THEIR INTERESTS

The directors in office at the end of the year are listed below:-

A.R. Heygate
P.M. Heygate
Mrs. A.E. Tetley

All served on the board throughout the year.

Mr. A.R. Heygate and Mr. P.M. Heygate each held 4,780 ordinary £1 shares and Mrs. A.E. Tetley 3,200 ordinary £1 shares in Heygate Grain Limited as principal trustees of family trusts at 30th March, 2002 and 1st April, 2001. The directors also held shares in the parent company and in fellow subsidiaries at 30th March, 2002 and 1st April, 2001, as follows:

At 30th March, 2002 and 1st April, 2001

	Heygate and Sons Limited					County	Heygate	
	Preference Shares	Ordinary Shares				Pride	Trolave	Farms
		A	B	C	D	Products Limited	Limited	Swaffham Limited
	No.	No.	No.	No.	No.	Ordinary Shares		
A.R. Heygate	7,878	6,608	13,528	327,716	-	666	232	8,716
P.M. Heygate	-	6,608	13,528	-	-	666	232	8,716
Mrs. A.E. Tetley	-	-	-	678	-	2	-	2

HEYGATE GRAIN LIMITEDDIRECTORS' REPORT (CONTINUED)**DIRECTORS AND THEIR INTERESTS - CONTINUED**

The directors also held the following shares in the holding company as principal trustees of family trusts at 30th March, 2002 and 1st April, 2001:-

At 30th March, 2002 and 1st April, 2001

	Heygate and Sons Limited				
	Preference Shares	Ordinary Shares			
	No.	A No.	B No.	C No.	D No.
A.R. Heygate	-	6,600	120,000	-	7,568
P.M. Heygate	7,872	6,600	58,126	327,716	10,234
Mrs. A.E. Tetley	-	105,670	-	156,000	-

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 at the end of each financial year and of the results of the company for that period. In preparing those financial statements, the directors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ follow applicable Accounting Standards, subject to any material departures disclosed and explained in the financial statements;
- ♦ 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 maintaining proper accounting records which 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 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made no political or charitable contributions during the year or the previous year.

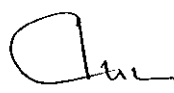
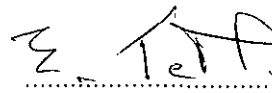
AUDITORS

A resolution in accordance with Section 385 of the Companies Act 1985 to re-appoint Clifford Roberts as auditors will be put to the members at the Annual General Meeting.

This report was approved by the Board

17 DEC 2002

and signed on its behalf by:

Mrs. A.E. Tetley
Chairman

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

HEYGATE GRAIN LIMITED

We have audited the financial statements of Heygate Grain Limited for the year ended 30th March, 2002 which are set out on pages 4 to 14. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 judgments made by the directors in the preparation of the financial statements, 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th March, 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CLIFFORD ROBERTS
Chartered Accountants and
Registered Auditors

Pacioli House,
9 Brookfield,
Duncan Close,
Moulton Park,
Northampton.
NN3 6WL

17 DEC 2002

HEYGATE GRAIN LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH MARCH, 2002

		2002		2001	
	Note	£	£	£	£
Turnover	2		32,028,282		28,645,745
Cost of sales			<u>(31,428,390)</u>		<u>(28,068,635)</u>
Gross profit			599,892		577,110
Distribution costs		334,444		363,790	
Administrative expenses		<u>207,601</u>		<u>186,090</u>	
			<u>(542,045)</u>		<u>(549,880)</u>
Operating profit			57,847		27,230
Interest receivable			<u>-</u>		<u>6</u>
Profit on ordinary activities before taxation	4		57,847		27,236
Tax on profit on ordinary activities	5		<u>(20,972)</u>		<u>(8,161)</u>
Profit on ordinary activities after taxation			36,875		19,075
Dividends on equity shares	6		<u>(19,945)</u>		<u>(19,945)</u>
Retained profit/(sustained loss) for the financial year			<u>£ 16,930</u>		<u>£ (870)</u>

Statement of retained profits

Retained profits brought forward		1,533,343		1,534,213
Retained profit/(sustained loss) for the financial year		<u>16,930</u>		<u>(870)</u>
Retained profits carried forward		<u>£ 1,550,273</u>		<u>£ 1,533,343</u>

Continuing Operations

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

Total Recognised Gains and Losses

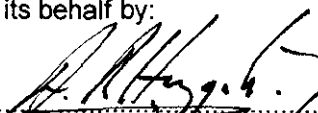
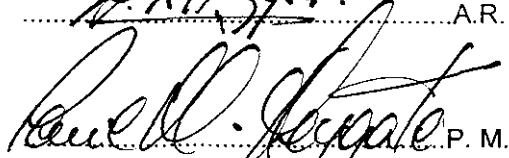
The company has no recognised gains or losses other than the profit or loss for the above two financial years.

HEYGATE GRAIN LIMITED

BALANCE SHEET AT 30TH MARCH, 2002

	Note	2002 £	2001 £
Fixed assets			
Tangible assets	7	145,531	164,809
Current assets			
Stocks	8	1,888,304	1,951,443
Debtors	9	1,605,145	318,241
Cash at bank		<u>267,668</u>	<u>1,997,911</u>
		3,761,117	4,267,595
Creditors: amounts falling due within one year	10	<u>(2,240,625)</u>	<u>(2,783,311)</u>
Net current assets		<u>1,520,492</u>	<u>1,484,284</u>
Total assets less current liabilities		1,660,023	1,649,093
Provision for liabilities and charges			
Deferred taxation	11	(19,800)	(19,800)
Net assets		<u>£ 1,646,223</u>	<u>£ 1,629,293</u>
Capital and reserves			
Called up share capital	12	19,945	19,945
Share premium account		76,005	76,005
Profit and loss account		<u>1,550,273</u>	<u>1,533,343</u>
Shareholders' funds	13	<u>£ 1,646,223</u>	<u>£ 1,629,293</u>

These financial statements were approved by the Board on **17 DEC 2002**
and were signed on its behalf by:


..... A.R. Heygate)
) Directors

..... P. M. Heygate)

HEYGATE GRAIN LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH MARCH, 2002

	Cash flow note	2002 £	2001 £
Net cash (outflow)/ inflow from operating activities	1	(1,699,497)	1,147,583
Tax paid		(10,801)	(115,127)
		(1,710,298)	1,032,456
Equity dividends paid		(19,945)	(19,945)
(Decrease)/increase in cash		£ (1,730,243)	£ 1,012,511

Reconciliation of net cash outflow to movement in net funds

(Decrease)/increase in cash in the period	2	(1,730,243)	1,012,511
Net funds at 1st April, 2001		1,997,911	985,400
Net funds at 30th March, 2002		£ 267,668	£1,997,911

The notes on page 7 form part of this cash flow statement

HEYGATE GRAIN LIMITEDNOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH MARCH, 2002

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES:

	2002 £	2001 £
Operating profit	57,847	27,236
Depreciation	19,278	21,897
Decrease/(increase) in stocks	63,139	(497,176)
(Increase)/decrease in debtors	(1,286,904)	969,782
(Decrease)/increase in creditors	(552,857)	625,844
Net cash (outflow)/inflow from operating activities	£ (1,699,497)	£ 1,147,583

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1st April, 2001 £	Cash outflows £	At 30th March, 2002 £
Cash at bank and in hand	1,997,911	(1,730,243)	267,668

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention on a basis consistent with prior years and in accordance with applicable Accounting Standards in the United Kingdom.

FRS18 - Accounting Policies and FRS19 - Deferred Tax have been adopted in the current year. This did not require changes to any existing accounting policies. In addition, the transitional sections of FRS17 - Retirement Benefits were adopted during the year and the required disclosures are set out in note 18.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:-

Leasehold buildings	:	10% and 3% per annum
Plant and machinery	:	25% and 10% per annum
Computer and office equipment	:	20% and 10% per annum

Stocks

Stocks are stated at the lower of cost and net realisable value and comprise purchases for resale. Purchases for resale are valued at cost price, calculated on a first in first out basis. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements and has been provided for, on the liability basis, in full. Transfers to and from deferred taxation are calculated at the rate of corporation tax that it is estimated will be in force when the timing differences reverse.

Pension contributions

The employees of the company, with the exception of the directors, are members of the Heygate Group Pension and Life Assurance Scheme which provides benefits based upon final pensionable pay. The assets of the scheme are held in a separate trustee administered fund, being invested with insurance companies and managed funds.

Pension fund liabilities are assessed by an independent professionally qualified actuary on the basis of triennial valuations using the discounted cash flow forward method.

Pension costs are charged against profits using actuarial valuation methods intended to spread the pension cost evenly over the average service periods of the current employees in the scheme.

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided stated net of value added tax.

The turnover and pretax profit is wholly attributable to the merchanting and handling of grain within the United Kingdom.

3. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	65,643	70,175
Social security costs	6,830	8,939
Other pension costs	270	1,883
	<u>£ 72,743</u>	<u>£ 80,997</u>

The average number of employees during the year was made up as follows:

	No.	No.
Handling and storage	<u>3</u>	<u>3</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2002	2001
	£	£
This is stated after charging:		
Auditors' remuneration	15,000	15,000
Depreciation	19,278	21,897
Rent of buildings	<u>9,500</u>	<u>9,500</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge in the period	2002	2001
Current tax	£	£
UK corporation tax on profits for the period	18,331	8,161
Underprovisions in respect of previous periods	<u>2,641</u>	<u>-</u>
	<u>£ 20,972</u>	<u>£ 8,161</u>

(b) Factors effecting the tax charge for the period	2002	2001
The tax assessed is greater than the standard rate of corporation tax in the U.K. (30%). The differences are explained below:	£	£
Profit on ordinary activities before tax	<u>57,847</u>	<u>27,236</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in U.K. of 30%	17,354	8,171
Effects of:		
Depreciation in excess of capital allowances	2,039	2,024
Marginal corporation tax relief	(1,062)	(2,034)
Adjustments to tax charge in respect of previous periods	<u>2,641</u>	<u>-</u>

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002

6. DIVIDENDS

	2002 £	2001 £
Ordinary dividend paid of 100p per share	<u>19,945</u>	<u>19,945</u>

7. TANGIBLE FIXED ASSETS

	Short leasehold buildings £	Plant and machinery £	Computer and office equipment £	Total £
Cost:				
At 1st April, 2001				
and 30th March, 2002	<u>£ 226,488</u>	<u>£ 576,260</u>	<u>£ 9,477</u>	<u>£ 812,225</u>
Depreciation:				
At 1st April, 2001	96,808	546,396	4,212	647,416
Provided in the year	8,461	8,902	1,915	19,278
At 30th March, 2002	<u>£ 105,269</u>	<u>£ 555,298</u>	<u>£ 6,127</u>	<u>£ 666,694</u>
Net book amount:				
At 30th March, 2002	<u>£ 121,219</u>	<u>£ 20,962</u>	<u>£ 3,350</u>	<u>£ 145,531</u>
At 31st March, 2001	<u>£ 129,680</u>	<u>£ 29,864</u>	<u>£ 5,265</u>	<u>£ 164,809</u>

8. STOCKS

	2002 £	2001 £
Purchases for resale	<u>1,888,304</u>	<u>1,951,443</u>

9. DEBTORS

Amounts falling due within one year:

	2002 £	2001 £
Trade debtors	396,367	314,966
Amounts due from group companies:		
Fellow subsidiaries	<u>1,208,778</u>	<u>3,275</u>
	<u>£ 1,605,145</u>	<u>£ 318,241</u>

10. CREDITORS

Amounts falling due within one year:

	2002 £	2001 £
Trade creditors	2,142,072	2,155,684
Amounts due to group companies:		
Holding company and fellow subsidiaries	80,222	619,466
Corporation tax	<u>18,331</u>	<u>8,161</u>
	<u>£ 2,240,625</u>	<u>£ 2,783,311</u>

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002

11. DEFERRED TAXATION

	2002 £	2001 £
Accelerated capital allowances		
Balance at 31st March, 2001 and 30th March, 2002	<u>19,800</u>	<u>19,800</u>

12. SHARE CAPITAL

	Authorised 2002 and 2001 £	Allotted, called up and fully paid 2002 and 2001 £
Equity shares		
Ordinary shares of £1 each	<u>20,000</u>	<u>19,945</u>

13. SHAREHOLDERS' FUNDS

Reconciliation of movements in shareholders' funds:

	2002 £	2001 £
Profit on ordinary activities after taxation	36,875	19,075
Dividends paid	<u>(19,945)</u>	<u>(19,945)</u>
Net addition to/(reduction in) shareholders' funds	16,930	(870)
Opening shareholders' funds at 1st April, 2001	<u>1,629,293</u>	<u>1,630,163</u>
Closing shareholders' funds at 30th March, 2002	<u>£ 1,646,223</u>	<u>£ 1,629,293</u>

14. CAPITAL COMMITMENTS

There were no capital commitments at 30th March, 2002 or 31st March, 2001.

15. OTHER FINANCIAL COMMITMENTS

At 30th March, 2002 the company had minimum annual commitments under non-cancellable operating leases as follows:-

	2002 £	2001 £
Leases in respect of land and buildings which expire: After more than five years	<u>9,500</u>	<u>9,500</u>

HEYGATE GRAIN LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002**16. CONTINGENT LIABILITIES**

There is a contingent liability in respect of a multilateral guarantee dated 4th October, 1991 covering the bank balances of the company, Heygate and Sons Limited and its subsidiaries, as follows:

The Heygate Engineering Company Limited
 Fine Lady Bakeries Limited
 County Pride Products Limited
 Heygate Farms Swaffham Limited
 Heygates Limited
 Millstream Investments Limited
 Trolave Limited

17. ULTIMATE HOLDING COMPANY

The directors consider that the ultimate holding company of this company is its parent company, Heygate and Sons Limited, which is registered in England.

18. PENSION ARRANGEMENTS

The Company has continued to account for pensions in accordance with SSAP24 and the disclosures given in (a) below are those required by that standard. FRS17, Retirement Benefits, was issued in November 2001, but it is believed will not be mandatory for the company until the year ended 31st March, 2006. Prior to this, phased transitional disclosures are required for accounting periods ending on or after 22nd June, 2001.

These disclosures, to the extent not given in (a), are set out in (b) below and relate to the Heygate Group Pension and Life Assurance Scheme as a whole, of which the employees of the company, with the exception of the three directors, are members.

a. Pension scheme

The employees of the company, with the exception of the three directors, are members of the Heygate Group Pension and Life Assurance Scheme which provides defined pension and lump sum benefits payable to members on their retirement from the Heygate Group, or to their dependants on death before or after retirement. The scheme is of the defined benefit type and has its assets held in a separate trustee administered fund.

The total pension cost of the company for the year was £270 (2001 - £1,883).

The level of contributions to the scheme is assessed in accordance with the advice of an independently qualified actuary and is calculated so as to spread the charge to profit and loss account over the average service periods of current employees in the scheme. The scheme is valued using the discounted cash flow forward method.

The most recent actuarial valuation was carried out on 1st October, 1999. In conjunction with an allowance for future inflation at 3.0% per annum, the main financial assumptions adopted in making this valuation were as follows:

Rate of interest used in discounting assets and liabilities	7.0% per annum
Increase in pensionable salaries	5.0% per annum
Increase in equity dividends	3.5% per annum

Based on these assumptions, and using the discounted cash flow forward method, the value of the assets amounted to 111% of the accrued liabilities after making allowance for expected future increases in earnings and increases to pensions in payment. The rate of future contributions necessary to finance the benefits accruing in respect of current service was calculated at 10.2% of pensionable salaries.

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002**18. PENSION ARRANGEMENTS - CONTINUED**

The surplus assets of the scheme do not exceed 105% of liabilities when determined in accordance with the statutory actuarial provisions contained in the Finance Act 1996.

The market value of the scheme assets as at 30th September, 1999 amounted to £29.3 million (£24.2m at 30th September, 1996), as per the last full actuarial valuation.

Two of the directors of the company are members of a small self administered money purchase scheme, the contributions to which are paid through a wholly owned subsidiary, as described in note 8. No contributions were paid by this subsidiary company during the year or the previous year.

In addition, a subsidiary company pays pension contributions into the same small self administered money purchase scheme in respect of a director of a quasi-subsidary company. The amount paid in the year was £8,787(2001 - £20,114 for two directors) in respect of this quasi-subsidary company.

b. FRS17 - Retirement benefits

The last actuarial valuation has been updated to 30th March, 2002 by independently qualified actuaries in accordance with FRS17. The financial assumptions used to calculate the present value of scheme liabilities under FRS17 are:-

Discount rate	5.9%
Salary increases	3.45%
LPI pension increases	2.7%
Inflation	2.7%
Deferred pension revaluations	2.7%

The assets in the scheme and the expected rate of return is as set out below:-

		£(000)
Equities and property	7.7%	25,449
Bonds	5.4%	4,468
Cash	4%	1,177
		<u>£ 31,094</u>

The following amounts as at 30th March, 2002 were measured in accordance with the requirements of FRS17:-

	£(000)
Total fair market value of assets	31,094
Present value of scheme liabilities	<u>(30,516)</u>
Surplus in the scheme	578
Deferred tax liability	<u>(173)</u>
Balance sheet asset at 30th March, 2002	<u>£ 405</u>

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH MARCH, 2002

19. RELATED PARTY DISCLOSURES

Ultimate controlling party

The directors consider the ultimate controlling party of the company is its parent company, Heygate and Sons Limited, which owns 52.07% of its issued share capital. Heygate and Sons Limited has a controlling nucleus of directors: Mr. A.R. Heygate, Mr. P.M. Heygate and Mrs. A.E. Tetley, who together own 10% of the voting issued ordinary share capital personally and 74.43% of the voting issued ordinary share capital as principal trustees of family trusts.

Mrs. D. Haines, sister of Mr. P.M. Heygate, cousin of Mr. A.R. Heygate and niece of Mrs. A.E. Tetley, although not a director of Heygate and Sons Limited, is a principal trustee of a family trust which owns 15.45% of the remaining voting issued ordinary share capital.

Related party transactions

During the year the company paid rents for land and buildings to Heygate and Sons (Estates), a related entity in which Mr. A.R. Heygate, Mr. P.M. Heygate, Mrs. A.E. Tetley and Mrs. D. Haines are the participators, in the sum of £9,500 (2001 - £9,500). All rentals charged to the company were on an arm's length commercial basis.

The company was recharged for insurances effected through a wholly owned subsidiary of Heygate and Sons Limited in the sum of £14,210 (2001 - £13,937). The total premium for the group is recharged on the basis of cost to each group company. No profit or loss is involved in these transactions.

During the year the company sold grain to Heygate and Sons Limited and its wholly owned subsidiaries in the sum of £28,984,112 (2001 - £24,788,255). In addition the company purchased grain from Heygate and Sons (Farmers), a partnership in which Mr. A.R. Heygate, Mr. P.M. Heygate, Mrs. A.E. Tetley and Mrs. D. Haines are the partners, in the sum of £224,213 (2001 - £265,047). The company also purchased administration services from a wholly owned subsidiary in the sum of £128,600 (2001 - £124,860). These transactions were undertaken at arm's length on normal commercial terms.

Balances due to/from related parties

At 30th March, 2002 there were the following balances outstanding with other group companies:

Included in debtors: amounts falling due within one year:

	2002	2001
	£	£
Due from fellow subsidiaries	<u>1,208,778</u>	<u>3,275</u>

At 30th March, 2002 there were the following balances owing to group companies and other related entities:

Included in creditors: amounts falling due within one year:

	2002	2001
	£	£
Due to fellow subsidiary	<u>80,222</u>	<u>619,466</u>