

1522607

HEYGATE GRAIN LIMITED
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 29TH MARCH, 2008

THURSDAY



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COMPANIES HOUSE

HEYGATE GRAIN LIMITED

DIRECTORS

P. M. Heygate
A. R. Heygate

SECRETARY

A. C. Greene

BANKERS

HSBC Bank plc.,
Home & Eastern Counties Corporate Banking Centre,
Level 6, Metropolitan House,
CBX3 Avebury Boulevard,
Milton Keynes.
MK9 2GA

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

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HEYGATE GRAIN LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 29TH MARCH, 2008

OVERVIEW

The company's operations comprise the purchase of UK 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.

The UK food and agriculture industry is a highly competitive market. Margins are extremely low on the merchandising of agricultural produce, and the high price of raw materials has resulted in the company making a loss for the year. It anticipates increases in sales volumes and revenues and, with expected falls in the price of raw materials, it expects to return to profitability in the next financial year.

Business objectives

The company has the main objective of sourcing and providing consistent good quality raw materials, at a competitive price, for animal feed and flour production within the Heygate Group as well as sale to third parties. There are a number of key factors which contribute to this:

1. The skill of the company's grain buyers in sourcing a reliable supply of consistent, quality, raw material at a competitive price.
2. The implementation of cost control initiatives to improve operational efficiency.

The key performance indicators (KPIs) used in monitoring the company's performance are:-

- Organic sales growth - year on year percentage increase in sales revenue, excluding the impact of acquisitions and disposals, if any.
- Gross return on sales - gross profit as a percentage of sales revenue.
- Net return on sales - operating (loss)/profit before non-recurring items as a percentage of sales revenue.
- Return on net assets - (loss)/profit on ordinary activities before taxation and before non-recurring items and income from other fixed asset investments as a percentage of net assets.
- Free cashflow - comprises the net cashflows from operating activities less cash outflows due to capital expenditure and financial investment.

Business strategy

It is the company's overall market strategy to continue to source quality raw material products, bearing in mind the group's anticipated requirements, over a period of at least 18 months forward.

Key Performance Indicators (KPIs)

	2008	2007
Organic sales growth	63.7%	11.3%
Gross return on sales	0.3%	1.0%
Net return on sales	(0.71)%	(0.16)%
Return on net assets	(28.84)%	(3.12)%
Free cashflow	£(4.0)m	£(2.3)m

HEYGATE GRAIN LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 29TH MARCH, 2008
(CONTINUED)

FINANCIAL REVIEW

The basis of reporting

The results for the year ended 29th March, 2008 have been prepared according to UK GAAP.

Turnover

The company's turnover for the year was £53,289,178 (2007 - £32,560,621) .

Operating profit/(loss)

There was a loss before taxation and non-recurring items of £376,486 (2007 - loss £52,527).

Taxation

A reconciliation of the total tax charged at the standard rate of corporation tax in the UK of 30% is set out in note 5 to the financial statements.

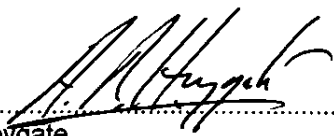
Pensions

The company's employees are members of a group pension scheme. The group operates two pension schemes; one a defined benefit and the other a defined contribution. The defined benefit scheme was closed to new members on 1st October, 2002. From 3rd April, 2005 the group adopted in full the provisions of FRS17, Retirement Benefits, the details of which are contained within the financial statements of the sponsoring company, Heygates Limited, and in the consolidated financial statements of Heygate & Sons Limited and its subsidiary companies.

Balance sheet

The year end shows net assets of £1.3m (2007 - £1.68m)

This operating and financial review was
approved by the board
on 9th January, 2008
and signed on its behalf by:


.....
A.R. Heygate
Chairman

HEYGATE GRAIN LIMITED**DIRECTORS' REPORT**

The directors present their report and audited financial statements for the year ended 29th March, 2008.

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.

RESULTS AND DIVIDENDS

There was a loss on ordinary activities after taxation for the year amounting to £374,873 (2007 - loss £52,527). The directors have not recommended a dividend in respect of the year ended 29th March, 2008.

FUTURE DEVELOPMENTS

The company has been unable to trade profitably during the year and continued pressure in the market place will have the effect of permanently reducing margins capable of being earned in this type of business. However, changes in the market place should see the company return to a more favourable situation in future years.

DIRECTORS AND THEIR INTERESTS

The directors in office during the year are listed below:-

A.R. Heygate
P.M. Heygate

All served on the board throughout the year.

The directors held no shares in the company during the year and there is no requirement for them to do so under the Memorandum and Articles of Association. However, the directors held shares in the parent company and in fellow subsidiaries at 29th March, 2008 and 1st April, 2007, as follows:

At 29th March, 2008 and 1st April, 2007

	Heygate and Sons Limited					County	Heygate
	Preference	Ordinary Shares			D	Pride	Farms
	Shares	A	B	C		Products	Swaffham
	No.	No.	No.	No.	No.	Limited	Limited
A.R. Heygate	7,878	6,608	13,528	327,716	-	666	8,716
P.M. Heygate	3	6,608	13,528	-	-	666	8,716

The directors also held the following shares in the holding company, as principal trustees of family trusts, at 29th March, 2008 and 1st April, 2007, as follows:

At 29th March, 2008 and 1st April, 2007

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

HEYGATE GRAIN LIMITED

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 the 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information, if any, 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.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, the directors of the company who held office at the date of approval of these financial statements as set out above, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

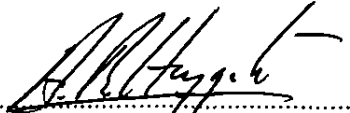
POLITICAL AND CHARITABLE CONTRIBUTIONS

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
on 9th January, 2009
and signed on its behalf by:


.....
A.R. Heygate
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 29th March, 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information in the Directors' Report includes that specific information presented in the Operating and Financial Review, that is cross referred from the Business Review section of the Directors' Report.

In addition we report to you if, in our opinion, 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 other transactions 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

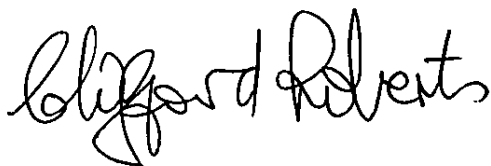
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF**HEYGATE GRAIN LIMITED****(CONTINUED)****Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 29th March, 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



CLIFFORD ROBERTS
Chartered Accountants and
Registered Auditors
9th January, 2009

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

HEYGATE GRAIN LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 29TH MARCH, 2008**

	Note	2008 £	2007 £
Turnover	2	53,289,178	32,560,621
Cost of sales		<u>(53,130,777)</u>	<u>(32,236,758)</u>
Gross profit		158,401	323,863
Distribution costs		246,883	117,043
Administrative expenses		<u>288,004</u>	<u>259,347</u>
		<u>(534,887)</u>	<u>(376,390)</u>
(Loss) on ordinary activities before taxation	4	(376,486)	(52,527)
Tax on (loss) on ordinary activities	5	<u>1,643</u>	<u>-</u>
(Loss) on ordinary activities after taxation sustained for the financial year		<u>£ (374,843)</u>	<u>£ (52,527)</u>

Statement of retained profits

Retained profits brought forward	1,585,838	1,638,365
(Sustained loss) for the financial year	<u>(374,843)</u>	<u>(52,527)</u>
Retained profits carried forward	<u>£ 1,210,995</u>	<u>£ 1,585,838</u>

Continuing operations

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

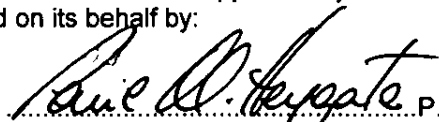
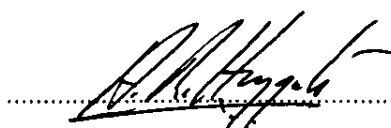
Total recognised gains and losses

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

HEYGATE GRAIN LIMITED
BALANCE SHEET AT 29TH MARCH, 2008

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	6	74,693	77,551
Current assets			
Stocks	7	4,788,874	2,195,066
Debtors	8	4,120,645	181,428
Cash at bank		-	3,205,865
		8,909,519	5,582,359
Creditors: amounts falling due within one year	9	<u>(7,663,910)</u>	<u>(3,963,122)</u>
Net current assets		<u>1,245,609</u>	<u>1,619,237</u>
Total assets less current liabilities		1,320,302	1,696,788
Provision for liabilities and charges			
Deferred taxation	10	(13,357)	(15,000)
Net assets		<u>£ 1,306,945</u>	<u>£ 1,681,788</u>
Capital and reserves			
Called up share capital	11	19,945	19,945
Share premium account		76,005	76,005
Profit and loss account		1,210,995	1,585,838
Shareholders' funds	12	<u>£ 1,306,945</u>	<u>£ 1,681,788</u>

These financial statements were approved by the Board on 9th January, 2009 and were signed on its behalf by:

 P.M. Heygate)
)
) Directors
)
 A.R. Heygate)

The notes on pages 9 to 14 form part of these financial statements

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH, 2008

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.

Cashflow statement

The company has taken advantage of the provisions of FRS 1 "cashflow statements", whereby it is exempt from providing a cashflow statement as it is a wholly owned subsidiary.

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 and post employment benefits

In accordance with "FRS 17 - Retirement benefits", the operating and financing costs of pension and post-retirement schemes are recognised separately in the profit and loss account. Service costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise. The costs of past service benefit enhancements, settlements and curtailments are also recognised in the period in which they arise.

The difference between actual and expected returns on assets during the year, including changes in actuarial assumptions, are recognised in the statement of total recognised gains and losses.

The disclosures required by the transitional arrangements of FRS 17 "Retirement Benefits" are given in note 17 to the financial statements.

Two of the directors that are not members of the group scheme are members of a small self administered money purchase scheme. The pension cost for the year is the amount paid into the scheme during the accounting period.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided stated net of value added tax. Turnover is recognised upon evidence of delivery.

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

HEYGATE GRAIN LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH, 2008****3. STAFF COSTS**

	2008	2007
	£	£
Wages and salaries	78,755	53,851
Social security costs	7,837	5,404
Other pension costs	585	4,195
	<u>£ 87,177</u>	<u>£ 63,450</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. (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	2008	2007
	£	£
This is stated after charging:		
Auditors' remuneration	19,000	18,600
Depreciation	11,137	10,699
Rent of buildings	<u>9,500</u>	<u>9,500</u>

5. TAX ON (LOSS) ON ORDINARY ACTIVITIES

	2008	2007
	£	£
(a) Analysis of tax charge in the period		
Current tax		
UK corporation tax on (loss) for the period (30%)	-	-
Payable in respect of prior periods	-	-
Deferred tax movement	<u>(1,643)</u>	<u>-</u>
	<u>£ (1,643)</u>	<u>£ -</u>

- (b) Factors affecting the tax charge for the period**
The tax assessed is less than the standard rate of corporation tax in the U.K. (30%). The differences are explained below:

	2008	2007
	£	£
(Loss) on ordinary activities before tax	<u>(376,486)</u>	<u>(52,527)</u>
(Loss) on ordinary activities multiplied by standard rate of corporation tax in the U.K. (30%)	(112,946)	(15,758)
Effects of:		
Depreciation in excess of capital allowances	775	1,122
Income not taxable	-	-
Losses received under group relief	<u>112,171</u>	<u>14,636</u>
Current tax charge for period	<u>£ -</u>	<u>£ -</u>

HEYGATE GRAIN LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH, 2008****6. TANGIBLE FIXED ASSETS**

	Short leasehold buildings	Plant and machinery	Total
	£	£	£
Cost:			
At 1st April, 2007	226,488	573,719	800,207
Additions	-	8,279	8,279
Disposals	-	-	-
At 29th March, 2008	<u>£ 226,488</u>	<u>£ 581,998</u>	<u>£ 808,486</u>
Depreciation:			
At 1st April, 2007	152,062	570,594	722,656
Charge for the year	6,989	4,148	11,137
Disposals	-	-	-
At 29th March, 2008	<u>£ 159,051</u>	<u>£ 574,742</u>	<u>£ 733,793</u>
Net book amount:			
At 29th March, 2008	<u>£ 67,437</u>	<u>£ 7,256</u>	<u>£ 74,693</u>
At 31st March, 2007	<u>£ 74,426</u>	<u>£ 3,125</u>	<u>£ 77,551</u>

7. STOCKS

	2008 £	2007 £
Purchases for resale	<u>4,788,874</u>	<u>2,195,066</u>

8. DEBTORS**Amounts falling due within one year:**

	2008 £	2007 £
Trade debtors	313,729	86,337
Prepayments	-	-
Amounts due from group companies:		
Holding company and fellow subsidiaries	<u>3,806,916</u>	<u>95,091</u>
	<u>£ 4,120,645</u>	<u>£ 181,428</u>

9. CREDITORS**Amounts falling due within one year:**

	2008 £	2007 £
Bank overdraft	748,803	-
Trade creditors	6,748,919	3,182,675
Amounts due to group companies:		
Holding company and fellow subsidiaries	166,188	780,447
Corporation tax	-	-
	<u>£ 7,663,910</u>	<u>£ 3,963,122</u>

HEYGATE GRAIN LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH, 2008****10. DEFERRED TAXATION**

	2008	2007
	£	£
Accelerated capital allowances		
Balance at 1st April, 2007	15,000	15,000
Transfer to profit and loss account	<u>(1,643)</u>	<u>-</u>
Balance at 29th March, 2008	<u>£ 13,357</u>	<u>£ 15,000</u>

11. SHARE CAPITAL

	Authorised 2008 and 2007 £	Allotted, called up and fully paid 2008 and 2007 £
Equity shares		
Ordinary shares of £1 each	<u>20,000</u>	<u>19,945</u>

12. SHAREHOLDERS' FUNDS**Reconciliation of movements in shareholders' funds:**

	2008	2007
	£	£
(Loss) on ordinary activities after taxation	(374,843)	(52,527)
Opening shareholders' funds at 1st April, 2007	<u>1,681,788</u>	<u>1,734,315</u>
Closing shareholders' funds at 29th March, 2008	<u>£ 1,306,945</u>	<u>£ 1,681,788</u>

13. CAPITAL COMMITMENTS

There were no capital commitments at 29th March, 2008 or 1st April, 2007.

14. OTHER FINANCIAL COMMITMENTS

At 29th March, 2008 the company had minimum annual commitments under non-cancellable operating leases as follows:-

	2008	2007
	£	£
Leases in respect of land and buildings which expire:		
After more than five years	<u>9,500</u>	<u>9,500</u>

HEYGATE GRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH, 2008

15. 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

The maximum amount payable was the net overdraft of the group at 29th March, 2008.

16. 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.

17. PENSION ARRANGEMENTS

The long-serving employees of the company, with the exception of the two 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 for current members, and this scheme was closed to new members on 1st October, 2002.

For all employees starting employment since 2nd October, 2002, the company has a separate plan within the scheme which provides defined contribution benefits. The assets of the scheme are held in trustee administered funds separate from the company's assets.

The total pension cost for the company for the year was £585 (2007- £4,195).

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 projected unit method.

The most recent actuarial valuation was carried out on 1st October, 2005.

As the defined benefit scheme has been closed to new entrants, the age profile of active members is increasing over time. Under the projected unit method, the current service cost will increase as active members of the scheme approach retirement.

The disclosures required under FRS17 are contained within the financial statements of the sponsoring company of the scheme, Heygates Limited (a wholly owned subsidiary of Heygate and Sons Limited), and in the group financial statements of Heygate and Sons Limited and its subsidiary companies.

HEYGATE GRAIN LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH, 2008****18. 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 100% of the voting issued share capital. Heygate and Sons Limited has a controlling nucleus of directors: Mr. A.R. Heygate and Mr. P.M. Heygate who together own 10% of the voting issued ordinary share capital personally and 47.94% of the voting issued ordinary share capital as principal trustees of family trusts.

Mrs. D. Haines, sister of Mr. P.M. Heygate and cousin of Mr. A.R. Heygate, 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 and Mrs. D. Haines are participators, in the sum of £9,500 (2007 - £9,500). All rentals charged to the company were on an arm's length commercial basis.

During the year the company purchased grain from Heygate and Sons (Farmers), a partnership in which Mr. A.R. Heygate, Mr. P.M. Heygate and Mrs. D. Haines are partners, in the sum of £486,840 (2007 - £370,661). The company also purchased administration services from a wholly owned subsidiary, in the sum of £198,536 (2007 - £169,910). These transactions were undertaken at arm's length on normal commercial terms.

Balances due to/from related parties

At 29th March, 2008 there were the following balances outstanding with other group companies:

Included in debtors: amounts falling due within one year:

	2008 £	2007 £
Due from fellow subsidiaries	3,762,107	-
Due from holding company	<u>44,809</u>	<u>95,091</u>

At 29th March, 2008 there were the following balances owing to group companies and other related entities:

Included in creditors: amounts falling due within one year:

	2008 £	2007 £
Due to fellow subsidiaries	<u>164,907</u>	<u>779,287</u>