

Castle MacLellan Foods Limited
Annual report and financial statements
for the year ended 31 December 2010

Registered number SC077607

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Castle MacLellan Foods Limited
Annual report and financial statements
for the year ended 31 December 2010
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Castle MacLellan Foods Limited

Directors and advisers

Directors

P R Lewney

E Volden

Managing director

Chairman

Company secretary

L Hayes

Registered office

Riverside

Dee Walk

Kirkcudbright

Dumfries and Galloway

DG6 4DR

Bankers

DnBNor

20 St Dunstan's Hill

London

EC3R 8HY

Solicitors

Dickinson Dees

St Ann's Wharf

112 Quayside

Newcastle upon Tyne

NE99 1SB

Eversheds

Bridgewater Place

Water Lane

Leeds

LS11 5DR

Independent auditors

Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP

89 Sandyford Road

Newcastle upon Tyne

NE1 8HW

Castle MacLellan Foods Limited

Directors' report for the year ended 31 December 2010

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2010.

Company number

Registered number SC077607

Principal activities and business review

The Kavli Trust (Kavlifondet) is the sole owner of Kavli Holding A/S which runs the commercial operations of the Scandinavian based Kavli food group. The objective of Kavli Holding A/S is to provide secure, long-term funding to the Kavli Trust so that it can continue to provide financial support to good causes. A proportion of the Kavli food group's profits are reinvested to strengthen and develop the group's operations, while the remainder is passed to the Kavli Trust to make charitable donations in line with its priorities and commitments, the key beneficiaries being research and cultural activities as well as humanitarian work. All of the prior year profits after taxation of Castle MacLellan Foods Limited are transferred via Kavli Limited to Kavli Holding A/S for the ultimate benefit of the Kavli Trust.

Castle MacLellan Foods Limited is a wholly owned subsidiary of Kavli Limited, which is itself a wholly owned subsidiary of Kavli Holding A/S. Both Castle MacLellan Foods Limited and Kavli Limited operate as part of the Kavli group's European division, headed by Kavli Holding A/S (the group).

The principal activities of the company are the manufacture and sale of pâté and other food products to the retail food and food service industries in the United Kingdom and Europe. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

The company continues to invest in research and development in its products and processes. This has resulted in a number of updates to existing products and processes as well as the launch of new products. The directors regard research and development investment as necessary for continuing success in the medium to long term future.

As shown in the company's profit and loss account on page 7, the company's sales have increased by 8.2% against the prior year and the profit before tax has increased from £33,294 in 2009 to £204,784 in 2010. This is due primarily to sales growth and removal of less profitable products from the range.

A dividend of £22,111 was paid during the year ended 31 December 2010 (2009: £nil).

The balance sheet on page 8 of the financial statements shows that the company's financial position at the year end is, in net asset terms, consistent with the prior year. Details of amounts owed to its parent company are shown in notes 11 and 12.

There are no significant events since the balance sheet date.

Land and buildings

In the opinion of the directors, the current value of the properties and cost are not materially different.

Castle MacLellan Foods Limited

Directors' report for the year ended 31 December 2010 (continued)

Key performance indicators (KPIs)

The group manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the European division of Kavli Holding A/S, which includes the company, is discussed in the group's annual report which does not form part of this report.

Principal risks and uncertainties

Competitive pressure in the United Kingdom is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing value-added services to its customers, having fast response times not only in supplying products but in handling all customer queries, product development and by maintaining strong relationships with its customers.

The company's sales in Ireland are in Euros and the company purchases some of its raw material inputs and services from European companies. It is therefore exposed to the movement in the Euro to Pound exchange rate. The group's treasury function takes out contracts to manage this risk at a group level.

The company has a loan from its parent which attracts interest charges at a margin of 1.40% above LIBOR. It is therefore exposed to interest rate movements.

Group risks are discussed in the group's annual report which does not form part of this report.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate cash flow risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Price risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the cost of managing exposure to commodity price risk exceeds any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The company does not utilise debt finance, relying on its own controls to manage credit risk.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Castle MacLellan Foods Limited

Directors' report for the year ended 31 December 2010 (continued)

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances, all of which earn interest at a variable rate. The company has a policy of maintaining low levels of debt to reduce the volatility of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Environment

The group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies which are described in the group's annual report which does not form part of this report. Initiatives designed to minimise the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

P R Lewney
E Volden

Statement of 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 that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Castle MacLellan Foods Limited

Directors' report for the year ended 31 December 2010 (continued)

Independent auditors and disclosure of information to auditors

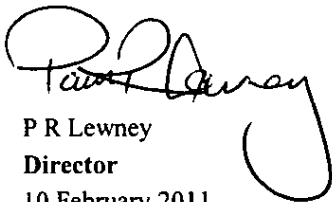
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as "information needed by the company's auditors in connection with preparing their report".

The directors have taken all the steps they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.

On behalf of the board



P R Lewney
Director
10 February 2011

Castle MacLellan Foods Limited

Independent auditors' report to the members of Castle MacLellan Foods Limited

We have audited the financial statements of Castle MacLellan Foods Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with chapter 3 of part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Michael Jeffrey (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
11 February 2011

Castle MacLellan Foods Limited

Profit and loss account for the year ended 31 December 2010

	Note	2010 £	2009 £
Turnover	1	8,623,900	7,971,609
Net operating expenses	2	(8,397,756)	(7,920,616)
Operating profit		226,144	50,993
Interest receivable and similar income	4	500	12,505
Interest payable and similar charges	5	(21,860)	(30,204)
Profit on ordinary activities before taxation		204,784	33,294
Tax on profit on ordinary activities	6	(60,453)	(11,183)
Profit for the financial year	17	144,331	22,111

All of the operations of the company are continuing.

There are no recognised gains and losses other than those included in the results above for the current financial year and the preceding financial year and therefore no separate statement of total recognised gains and losses has been prepared.

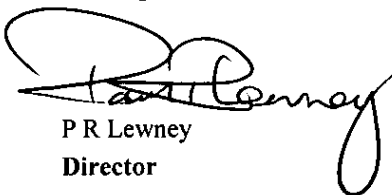
There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

Castle MacLellan Foods Limited

Balance sheet as at 31 December 2010

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible assets	8		1,880,861		2,297,895
Current assets					
Stocks	9	650,473		557,691	
Debtors	10	3,006,178		2,637,701	
Cash at bank and in hand		7,318		455	
		3,663,969		3,195,847	
Creditors: amounts falling due within one year	11	(4,023,231)		(3,615,263)	
Net current liabilities			(359,262)		(419,416)
Total assets less current liabilities			1,521,599		1,878,479
Creditors: amounts falling due after more than one year	12		(895,768)		(1,298,272)
Provisions for liabilities	13		(26,407)		(103,003)
Net assets			599,424		477,204
Capital and reserves					
Called up share capital	16		145,000		145,000
Capital redemption reserve	17		120,000		120,000
Profit and loss account	17		334,424		212,204
Total shareholders' funds	18		599,424		477,204

The financial statements on pages 7 to 20 were approved by the board of directors on 10 February 2011 and were signed on its behalf by:


 P R Lewney
 Director

Castle MacLellan Foods Limited

Statement of accounting policies

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies adopted are described below and have been applied consistently in the current and prior year.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 "cash flow statements" (revised 1996) from the requirement to produce a cash flow statement due to the results of the company being included in the consolidated financial statements of the ultimate parent undertaking, Kavli Holding A/S.

Tangible fixed assets and depreciation

Tangible fixed assets are held at historic cost less accumulated depreciation. Tangible fixed assets are stated at purchase cost together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values, on a straight line basis, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold buildings	2.5%
Plant and machinery	10% - 33.33%

Freehold land is not depreciated

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value including any provision for obsolete or slow moving stock. Cost comprises the invoiced value of goods purchased plus direct labour and attributable overheads, where applicable. Net realisable value is based upon estimated selling price in the normal course of business after allowing for disposal costs.

Foreign currencies/exchange

Monetary assets and liabilities arising in overseas currencies are converted into sterling at the exchange rate ruling on the transaction date. Payments are converted at the actual rates incurred. The resulting exchange differences are charged or credited to the profit and loss account in the period in which they arise. At the end of the financial year foreign currency monetary assets and liabilities are translated into sterling at the rate of exchange ruling at that date.

Turnover

Turnover, which excludes value added tax, represents amounts receivable for goods and services provided in the normal course of business, less returns. Turnover is recognised at the point at which goods are received by the customer.

Government grants

Grants that relate to specific capital expenditure are treated as deferred income which is then credited to the profit and loss account over the useful life of the related asset. Grants received in respect of specific projects are treated as deferred income and credited to the profit and loss account over the duration of the project.

Pension costs

The company operates a defined contribution pension scheme for employees. Pension costs are charged to the profit and loss account in the year in which they are incurred.

Castle MacLellan Foods Limited

Statement of accounting policies (continued)

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Taxation

Current tax, including United Kingdom corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax or a right to pay less tax at a future 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 which are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are measured at the average tax rates that are expected to apply and are on an undiscounted basis.

Research and development

Costs in respect of research and development activities are charge to the profit and loss account as they are incurred.

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010

1 Turnover

All of the turnover derives from operations based in the United Kingdom and relates to the sale of food products. Turnover by destination has been split as follows:

	2010 £	2009 £
United Kingdom	8,623,900	7,934,879
Europe	-	36,730
	8,623,900	7,971,609

2 Net operating expenses

	2010 £	2009 £
Change in stocks of finished goods and work in progress	(65,447)	134,711
Raw materials and consumables	4,206,467	3,805,120
Employment costs (note 3)	1,737,803	1,616,290
Depreciation charge for the year:		
Tangible owned fixed assets (note 8)	530,859	338,890
Amortisation of government grants (note 14)	(103,958)	(75,115)
Other operating charges	1,945,510	1,837,337
Hire of plant and machinery – operating leases	36,900	33,574
Hire of other assets – operating leases	15,016	12,742
Research & development costs	87,106	81,677
Auditors remuneration:		
Audit of company	7,000	6,800
Tax services	1,500	1,000
(Loss)/profit on sale of fixed assets	(1,000)	127,590
Net operating expenses	8,397,756	7,920,616

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

3 Information regarding directors and employees

The directors of Castle MacLellan Foods Limited are also directors of the parent company Kavli Limited. The directors received total emoluments of £224,786 (2009: £217,612) from Kavli Limited during the year, but it is not practical to allocate this between their services as executives of Castle MacLellan Limited and their services as directors of Kavli Limited.

The average monthly number of persons (including executive directors) employed during the year was:

	2010 Number	2009 Number
Production	87	81
Sales	-	-
Administration	4	4
	91	85

	2010 £	2009 £
Staff costs during the year (including executive directors):		
Wages and salaries	1,563,844	1,460,451
Social security costs	136,612	125,968
Other pension costs (see note 15)	37,347	29,871
	1,737,803	1,616,290

4 Interest receivable and similar income

	2010 £	2009 £
Financial income	495	12,501
Bank interest	5	4
	500	12,505

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

5 Interest payable and similar charges

	2010 £	2009 £
Interest payable on overdrafts	2,222	14,477
Interest payable on group loans	19,638	15,727
	21,860	30,204

6 Tax on profit on ordinary activities

	2010 £	2009 £
Current tax:		
United Kingdom corporation tax on profits of the year	137,012	45,194
Adjustments in respect of prior years	37	-
Total current tax	137,049	45,194
Deferred tax:		
Origination and reversal of timing differences	(76,560)	(34,011)
Adjustments in respect of prior years	(36)	-
Total deferred tax (note 13)	(76,596)	(34,011)
Tax on profit on ordinary activities	60,453	11,183

The tax assessed is higher (2009: higher) than that resulting from applying the standard rate of corporation tax in the United Kingdom of 28% (2009: 28%).

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

6 Tax on profit on ordinary activities (continued)

The differences are explained below:

	2010 £	2009 £
Profit on ordinary activities before taxation	204,784	33,294
Tax on profit multiplied by the standard rate in the United Kingdom of 28% (2009: 28%)	57,340	9,322
Expenses not deductible for tax purposes	4,092	1,798
Capital allowances less than depreciation	73,715	37,146
Movement in short term timing differences	1,865	(3,135)
Tax charged on pension scheme contribution refund	-	63
Adjustments in respect of prior years	37	-
Current tax charge for the year	137,049	45,194

Factors that may affect future tax charges

A number of changes to the UK corporation tax system were announced in the June 2010 budget statement. The Finance (No. 2) Act 2010, which was substantively enacted on 20 July 2010, includes legislation reducing the main rate of corporation tax from 28 per cent to 27 per cent from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1 per cent per annum to 24 per cent by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The impact of these changes is not expected to have a material effect on the financial statements.

There are no other factors which are expected to significantly affect the future tax charge.

7 Dividends

	2010 £	2009 £
Ordinary:		
Final dividend of 15.25p per share (2009: £nil)	22,111	-

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

8 Tangible assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2010	876,675	4,009,337	4,886,012
Additions	-	113,825	113,825
Disposals	-	(94,596)	(94,596)
At 31 December 2010	876,675	4,028,566	4,905,241
Accumulated depreciation			
At 1 January 2010	253,489	2,334,628	2,588,117
Charge for the year	20,759	510,100	530,859
Disposals	-	(94,596)	(94,596)
At 31 December 2010	274,248	2,750,132	3,024,380
Net book value			
At 31 December 2010	602,427	1,278,434	1,880,861
At 31 December 2009	623,186	1,674,709	2,297,895

9 Stocks

	2010 £	2009 £
Raw materials and consumables	311,435	319,542
Packaging	173,696	138,254
Work in progress	1,250	5,051
Finished goods and goods for resale	164,092	94,844
	650,473	557,691

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

10 Debtors

	2010	2009
	£	£
Trade debtors	1,869,584	1,743,548
Amounts owed by group undertakings	1,023,085	781,875
Other debtors	59,599	37,426
Prepayments	53,910	74,852
	3,006,178	2,637,701

11 Creditors: amounts falling due within one year

	2010	2009
	£	£
Bank overdraft	-	367,089
Trade creditors	743,217	628,984
Amounts due to group undertakings	1,784,483	1,520,169
Corporation tax	119,012	45,131
Taxation and social security	99,429	91,983
Other creditors and accounts	1,210,091	892,433
Deferred income (note 14)	66,999	69,474
	4,023,231	3,615,263

12 Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Deferred income (note 14)	287,768	384,272
Amounts owed to group undertakings	608,000	914,000
	895,768	1,298,272

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

12 Creditors: amounts falling due after more than one year (continued)

Amounts owed to group undertakings include an intra group loan of £914,000 (2009: £1,211,000). This loan is unsecured and due for repayment by 31 December 2014. The loan attracts interest charges at a margin of 1.40% above LIBOR. The effective rate as at 31 December 2010 was 1.9% (2009: 1.90%). The bank overdraft is secured by a guarantee given by Kavli Holding A/S and attracts an interest rate of 0.9% above UK base rate. The maturity of the loan and the bank overdraft is given below.

	2010	2009
	£	£
Repayable as follows:		
Within one year	306,000	664,089
In more than one year but not more than two year	315,000	306,000
In more than two years but not more than five years	293,000	608,000
	914,000	1,578,089

13 Provisions for liabilities

	£
Deferred taxation	
At 1 January 2010	103,003
Profit and loss account credit for the year	(76,596)
At 31 December 2010	26,407

	2010	2009
	£	£
Analysis of deferred tax balance		
Capital allowances in excess of depreciation	39,334	114,506
Short term timing differences	(12,927)	(11,503)
	26,407	103,003

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

14 Deferred income

	2010	2009
	£	£
Government grants		
At 1 January	453,746	528,861
Grants received in year	4,979	-
Amortisation in year	(103,958)	(75,115)
At 31 December	354,767	453,746
Within creditors due within one year	66,999	69,474
Within creditors due after more than one year	287,768	384,272
	354,767	453,746

If the company does not maintain approved headcount numbers, the company may be liable to repay certain government grants.

15 Pension schemes

The company operates a funded defined contribution pension scheme. Contributions charged in the profit and loss account in the year totalled £37,347 (2009: £29,871).

At 31 December 2010 an accrual of £59 (2009: £132) was included in the balance sheet in respect of pension payments.

16 Called up share capital

	2010	2009
	£	£
Authorised		
370,000 ordinary shares of £1 each	370,000	370,000
Allotted and fully paid		
145,000 ordinary shares of £1 each	145,000	145,000

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

17 Reserves

	Capital redemption reserve £	Profit and loss account £
At 1 January 2010	120,000	212,204
Profit for the financial year	-	144,331
Dividends (note 7)	-	(22,111)
At 31 December 2010	120,000	334,424

The capital redemption reserve represents the nominal value of preference shares redeemed.

18 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	144,331	22,111
Dividends (note 7)	(22,111)	-
Net increase in shareholders' funds	122,220	22,111
Opening shareholders' funds	477,204	455,093
Closing shareholders' funds	599,424	477,204

19 Financial commitments

At 31 December the company had annual commitments under non cancellable operating leases, none of which related to land and buildings, as detailed below:

	2010 £	2009 £
Expiring within one year	5,080	11,095
Expiring within two to five years	24,965	10,088
	30,045	21,183

Castle MacLellan Foods Limited

Notes to the financial statements for the year ended 31 December 2010 (continued)

20 Capital commitments

	2010	2009
	£	£
Capital expenditure contracted for but not provided in the financial statements.	-	-

21 Related party transactions

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8 "Related party disclosures" on the grounds that it is a wholly owned subsidiary of a group headed by Kavli Holding A/S, whose consolidated financial statements are publicly available.

22 Ultimate and immediate parent companies

The company is a wholly owned subsidiary of Kavli Limited, a company registered in England. The ultimate parent company is Kavli Holding A/S, a company incorporated in Norway.

The parent undertaking of the largest group which includes the company, and for which consolidated financial statements are prepared, is Kavli Holding A/S. The parent undertaking of the smallest such group is Kavli Limited.

Copies of the financial statements for this group can be obtained from:

Kavli Holding A/S
Postboks 7360
5020 Bergen
Norway

The ultimate controlling party of Kavli Holding A/S is the Kavli Trust (Kavlifondet), formerly known as O Kavli og Knut Kavli's Almennyttige Fond, a charitable foundation established in Norway.