

REGISTERED NUMBER: 3166152 (England and Wales)

**ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003**

**FOR**

**BENNINGTON FOODS LIMITED**



**BENNINGTON FOODS LIMITED**

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**for the Year Ended 31 December 2003**

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**BENNINGTON FOODS LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 December 2003**

**DIRECTORS:**

N F Quinn  
G L Andrews  
L G Wrigley  
P R Messent

**SECRETARY:**

S Hamilton

**REGISTERED OFFICE:**

Unit 7  
Normanton Airfield  
Long Bennington  
Newark  
Nottinghamshire  
NG23 5FF

**REGISTERED NUMBER:**

3166152 (England and Wales)

**AUDITORS:**

Harrison Farrow  
Registered Auditors  
Newnham House  
3 Kings Road  
Newark  
Nottinghamshire  
NG24 1EW

**BENNINGTON FOODS LIMITED**

**REPORT OF THE DIRECTORS**  
**for the Year Ended 31 December 2003**

The directors present their report with the accounts of the company for the year ended 31 December 2003.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture of textured vegetable protein for use in the production of pet foods.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed accounts.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2003.

**DIRECTORS**

The directors during the year under review were:

N F Quinn  
G L Andrews  
L G Wrigley  
P R Messent

- appointed 1.7.03

The directors holding office at 31 December 2003 did not hold any beneficial interest in the issued share capital of the company at 1 January 2003 (or date of appointment if later) or 31 December 2003.

All the directors of the company are also directors of the ultimate parent company. Their interests in the shares of that company are disclosed in that company's financial statements.

**STATEMENT OF 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 profit or loss 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 judgements and 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.

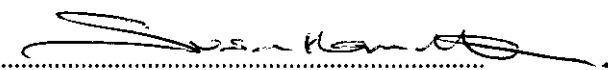
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

**AUDITORS**

The auditors, Harrison Farrow, were appointed by the directors during the year in succession to Clayton & Brewill.

Harrison Farrow will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



S Hamilton - Secretary

Date: 27 April 2004

**REPORT OF THE INDEPENDENT AUDITORS TO**  
**BENNINGTON FOODS LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages four to fifteen, together with the full financial statements of the company for the year ended 31 December 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages four to fifteen are properly prepared in accordance with that provision.

*Harrison Farrow*  
/

Harrison Farrow  
Registered Auditors  
Newnham House  
3 Kings Road  
Newark  
Nottinghamshire  
NG24 1EW

Date: 28 April 2004

**BENNINGTON FOODS LIMITED**

**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**for the Year Ended 31 December 2003**

31.12.02 £		Notes	31.12.03 £
1,007,360	<b>GROSS PROFIT</b>		769,431
725,166	Administrative expenses		698,757
<u>282,194</u>	<b>OPERATING PROFIT</b>	3	<u>70,674</u>
76,274	Interest payable and similar charges	4	<u>71,934</u>
205,920	<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(1,260)
25,492	Tax on (loss)/profit on ordinary activities	5	<u>10,402</u>
180,428	<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(11,662)
175,000	Dividends	6	<u>-</u>
<u>5,428</u>	<b>(DEFICIT)/RETAINED PROFIT FOR THE YEAR</b>		<u>(11,662)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

The notes form part of these abbreviated accounts

**BENNINGTON FOODS LIMITED**

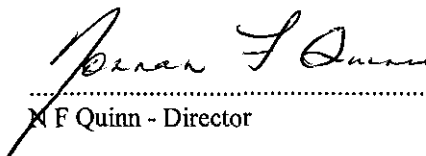
**ABBREVIATED BALANCE SHEET**

**31 December 2003**

31.12.02			Notes	31.12.03	
£	£			£	£
		<b>FIXED ASSETS</b>			
	1,117,434	Tangible assets	7		982,803
		<b>CURRENT ASSETS</b>			
140,061		Stocks	8	101,801	
297,445		Debtors	9	411,813	
865		Cash in hand		1,861	
438,371				515,475	
		<b>CREDITORS</b>			
659,207		Amounts falling due within one year	10	791,164	
	(220,836)	<b>NET CURRENT LIABILITIES</b>			(275,689)
		<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
	896,598				707,114
		<b>CREDITORS</b>			
		Amounts falling due after more than one year	11		(556,083)
	(732,027)				
		<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
	(94,549)		15		(92,671)
	70,022				58,360
		<b>CAPITAL AND RESERVES</b>			
	2	Called up share capital	16		2
	70,020	Profit and loss account	17		58,358
	70,022	<b>SHAREHOLDERS' FUNDS</b>	20		58,360

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

**ON BEHALF OF THE BOARD:**

  
.....  
N F Quinn - Director

Approved by the Board on 27 April 2004

The notes form part of these abbreviated accounts

**BENNINGTON FOODS LIMITED****CASH FLOW STATEMENT  
for the Year Ended 31 December 2003**

31.12.02			Notes	31.12.03
£	£			£
		<b>Net cash inflow</b>		
	361,843	<b>from operating activities</b>	1	456,608
	(76,274)	<b>Returns on investments and servicing of finance</b>	2	(71,934)
	(9,638)	<b>Taxation</b>		(15,363)
	(80,348)	<b>Capital expenditure</b>	2	(41,730)
	(175,000)	<b>Equity dividends paid</b>		-
	<u>20,583</u>			<u>327,581</u>
	(200,886)	<b>Financing</b>	2	(341,474)
	<u>(180,303)</u>	<b>Decrease in cash in the period</b>		<u>(13,893)</u>
<hr/>				
		<b>Reconciliation of net cash flow to movement in net debt</b>	3	
(180,303)		Decrease in cash in the period		(13,893)
<u>155,515</u>		Cash outflow from decrease in debt and lease financing		<u>189,442</u>
	(24,788)	Change in net debt resulting from cash flows		175,549
	-	New Hire Purchase Agreement		(16,872)
	<u>(24,788)</u>	<b>Movement in net debt in the period</b>		<u>158,677</u>
	(596,906)	<b>Net debt at 1 January</b>		(621,694)
	<u>(621,694)</u>	<b>Net debt at 31 December</b>		<u>(463,017)</u>

The notes form part of these abbreviated accounts



**BENNINGTON FOODS LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**

**for the Year Ended 31 December 2003**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.12.03 £	31.12.02 £
Operating profit	70,674	282,194
Depreciation charges	193,387	258,035
Profit on disposal of fixed assets	(155)	-
Release of other provision	-	(50,000)
Decrease/(Increase) in stocks	38,260	(56,130)
Decrease in debtors	46,809	105,316
Increase/(Decrease) in creditors	107,633	(177,572)
<b>Net cash inflow from operating activities</b>	<b>456,608</b>	<b>361,843</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.12.03 £	31.12.02 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(11,152)	(8,617)
Interest element of hire purchase payments	(60,782)	(67,657)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(71,934)</b>	<b>(76,274)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(42,980)	(81,355)
Sale of tangible fixed assets	1,250	1,007
<b>Net cash outflow for capital expenditure</b>	<b>(41,730)</b>	<b>(80,348)</b>
<b>Financing</b>		
Loan to ultimate parent	(161,176)	(66,472)
Loan from immediate parent	-	9,200
Bank loan repaid in year	(50,004)	(14,169)
Capital repayments in year	(139,438)	(141,346)
Amount introduced by directors	9,144	11,901
<b>Net cash outflow from financing</b>	<b>(341,474)</b>	<b>(200,886)</b>

The notes form part of these abbreviated accounts

**BENNINGTON FOODS LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**for the Year Ended 31 December 2003**

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.03 £	Cash flow £	Other non-cash changes £	At 31.12.03 £
Net cash:				
Cash at bank and in hand	865	996		1,861
Bank overdraft	(166,113)	(14,889)		(181,002)
	<u>(165,248)</u>	<u>(13,893)</u>		<u>(179,141)</u>
Debt:				
Hire purchase	(335,615)	139,438	(16,872)	(213,049)
Debts falling due within one year	(50,004)	-	-	(50,004)
Debts falling due after one year	(70,827)	50,004	-	(20,823)
	<u>(456,446)</u>	<u>189,442</u>	<u>(16,872)</u>	<u>(283,876)</u>
Total	<u>(621,694)</u>	<u>175,549</u>	<u>(16,872)</u>	<u>(463,017)</u>

The notes form part of these abbreviated accounts

**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**  
**for the Year Ended 31 December 2003**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 20% on cost
Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 25% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

**2. STAFF COSTS**

	31.12.03	31.12.02
	£	£
Wages and salaries	603,643	673,089
Social security costs	56,102	55,126
Other pension costs	11,465	13,668
	<u>671,210</u>	<u>741,883</u>

**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 December 2003**

**2. STAFF COSTS - continued**

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

	31.12.03	31.12.02
Production	28	32
Management & Administration	4	4
	<u>32</u>	<u>36</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.12.03	31.12.02
	£	£
Leasing of Plant & Machinery	10,614	12,119
Depreciation - owned assets	121,694	188,285
Depreciation - assets on hire purchase contracts	71,693	69,818
Profit on disposal of fixed assets	(155)	-
Auditors Remuneration	4,650	5,000
	<u>74,188</u>	<u>24,421</u>
Directors' emoluments	-	(32,500)
Compensation to director for loss of office	-	-

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	31.12.03	31.12.02
	£	£
Bank Interest	4,896	3,796
Bank Loan Interest	6,256	4,821
Hire Purchase Interest	60,782	67,657
	<u>71,934</u>	<u>76,274</u>

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the loss on ordinary activities for the year was as follows:

	31.12.03	31.12.02
	£	£
Current tax:		
UK corporation tax	3,918	60,201
Under/(Over) provision in prior year	8,362	(16,075)
Total current tax	<u>12,280</u>	<u>44,126</u>
Deferred Taxation	<u>(1,878)</u>	<u>(18,634)</u>
Tax on (loss)/profit on ordinary activities	<u>10,402</u>	<u>25,492</u>

**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 December 2003**

**6. DIVIDENDS**

	31.12.03 £	31.12.02 £
Equity shares:		
Final	-	175,000

**7. TANGIBLE FIXED ASSETS**

	Totals £	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £
<b>COST</b>					
At 1 January 2003	1,859,933	70,678	1,600,182	184,073	5,000
Additions	59,852	-	52,459	7,393	-
Disposals	(1,095)	-	(1,095)	-	-
At 31 December 2003	1,918,690	70,678	1,651,546	191,466	5,000
<b>DEPRECIATION</b>					
At 1 January 2003	742,500	65,850	620,273	56,377	-
Charge for year	193,387	4,828	163,470	23,839	1,250
At 31 December 2003	935,887	70,678	783,743	80,216	1,250
<b>NET BOOK VALUE</b>					
At 31 December 2003	982,803	-	867,803	111,250	3,750
At 31 December 2002	1,117,433	4,828	979,909	127,696	5,000

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST</b>	
At 1 January 2003	550,000
Additions	18,747
At 31 December 2003	568,747
<b>DEPRECIATION</b>	
At 1 January 2003	113,613
Charge for year	71,693
At 31 December 2003	185,306
<b>NET BOOK VALUE</b>	
At 31 December 2003	383,441
At 31 December 2002	436,387

**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 December 2003**

**8. STOCKS**

	31.12.03	31.12.02
	£	£
Raw Materials & Packaging	79,659	20,340
Finished Goods	22,142	119,721
	<u>101,801</u>	<u>140,061</u>

**9. DEBTORS**

	31.12.03	31.12.02
	£	£
Amounts falling due within one year:		
Trade Debtors	150,743	192,692
Other Debtors	1,026	15,327
Prepayments	32,395	22,954
	<u>184,164</u>	<u>230,973</u>
Amounts falling due after more than one year:		
Amounts owed by ultimate parent company	<u>227,649</u>	<u>66,472</u>
Aggregate amounts	<u>411,813</u>	<u>297,445</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.03	31.12.02
	£	£
Bank loans and overdrafts (see note 12)	231,006	216,117
Hire purchase contracts (see note 13)	142,249	138,875
Trade Creditors	153,677	108,630
Tax	57,118	60,201
Social Security and Other Taxes	154,724	63,658
Other Creditors	600	9,807
Directors Current Account	15,384	6,240
Accruals	36,406	55,679
	<u>791,164</u>	<u>659,207</u>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.03	31.12.02
	£	£
Bank loans (see note 12)	20,823	70,827
Hire purchase contracts (see note 13)	70,800	196,740
Amounts owed to immediate parent company	464,460	464,460
	<u>556,083</u>	<u>732,027</u>

**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 December 2003**

**12. LOANS**

An analysis of the maturity of loans is given below:

	31.12.03 £	31.12.02 £
Amounts falling due within one year or on demand:		
Bank overdrafts	181,002	166,113
Bank Loan	50,004	50,004
	<u>231,006</u>	<u>216,117</u>
Amounts falling due between one and two years:		
Bank Loan	<u>20,823</u>	<u>50,004</u>
Amounts falling due between two and five years:		
Bank Loan	<u>-</u>	<u>20,823</u>

**13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	31.12.03 £	31.12.02 £
	Hire purchase contracts	
Gross obligations repayable:		
Within one year	203,507	199,321
Between one and five years	99,100	282,372
	<u>302,607</u>	<u>481,693</u>
Finance charges repayable:		
Within one year	61,258	60,446
Between one and five years	28,300	85,632
	<u>89,558</u>	<u>146,078</u>
Net obligations repayable:		
Within one year	142,249	138,875
Between one and five years	70,800	196,740
	<u>213,049</u>	<u>335,615</u>

The following payments are committed to be paid within one year:

	31.12.03 £	31.12.02 £
	Land and buildings operating leases	
Expiring:		
Between one and five years	<u>129,260</u>	<u>129,260</u>

**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 December 2003**

**14. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.03	31.12.02
	£	£
Bank overdraft	181,002	166,113
Bank loans	70,827	120,831
	<u>251,829</u>	<u>286,944</u>

The bank borrowings provided by National Westminster Bank Plc are secured by a mortgage debenture dated 21 May 2001 incorporating a fixed and floating charge over all current and future assets of the company.

The company has also given an unlimited composite guarantee to National Westminster Bank Plc in respect of the borrowings of its immediate parent company, Bowrain Holdings Limited. The borrowing at the balance sheet date covered by this guarantee amounted to £4,895 (2002 - £4,863).

**15. PROVISION FOR LIABILITIES AND CHARGES**

	31.12.03	31.12.02
	£	£
Deferred Taxation	<u>92,671</u>	<u>94,549</u>
		Deferred tax
		£
Balance at 1 January 2003		94,549
Movement in the year		<u>(1,878)</u>
Balance at 31 December 2003		<u>92,671</u>

**16. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	31.12.03	31.12.02
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.03	31.12.02
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

**17. RESERVES**

	Profit and loss account
	£
At 1 January 2003	70,020
Deficit for the year	<u>(11,662)</u>
At 31 December 2003	<u>58,358</u>



**BENNINGTON FOODS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**for the Year Ended 31 December 2003**

**18. ULTIMATE PARENT COMPANY**

The company's ultimate parent company is Edger 149 Limited, a company incorporated in England and Wales.

The company's immediate parent company is Bowrain Holdings Limited, a company incorporated in England and Wales.

**19. RELATED PARTY DISCLOSURES**

During the year the company paid professional fees, loan interest and loan repayments totalling £84,757 on behalf of its ultimate parent company, Edger 149 Limited. In addition a management charge of £76,420 was made to Edger 149 Limited.

The amount due to the company from Edger 149 Limited at the balance sheet date was £227,649 (2002 - £66,472).

The amount due by the company to its immediate parent company, Bowrain Holdings Limited, at the balance sheet date was £464,460 (2002 - £464,460).

**20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.12.03	31.12.02
	£	£
(Loss)/Profit for the financial year	(11,662)	180,428
Dividends	-	(175,000)
	<hr/>	<hr/>
<b>Net (reduction)/addition to shareholders' funds</b>	<b>(11,662)</b>	<b>5,428</b>
Opening shareholders' funds	70,022	64,594
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>58,360</b>	<b>70,022</b>
	<hr/>	<hr/>
Equity interests	58,360	70,022
	<hr/>	<hr/>