

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2009

FOR

HEART OF ENGLAND GRAIN COMPANY LIMITED

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**HEART OF ENGLAND GRAIN COMPANY LIMITED**

**CONTENTS OF THE ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors on the Abbreviated Accounts</b>	<b>4</b>
<b>Abbreviated Profit and Loss Account</b>	<b>5</b>
<b>Abbreviated Balance Sheet</b>	<b>6</b>
<b>Cash Flow Statement</b>	<b>7</b>
<b>Notes to the Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Abbreviated Accounts</b>	<b>10</b>

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**HEART OF ENGLAND GRAIN COMPANY LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 JULY 2009**

**DIRECTORS.**

H Raby  
J P Stafford  
J G England  
D F Godfrey  
N S J Hooper

**SECRETARY.**

J P Stafford

**REGISTERED OFFICE:**

Swan Farm Buildings  
Charwelton Road  
Preston Capes  
Daventry  
Northamptonshire  
NN11 3TA

**REGISTERED NUMBER**

1591771

**AUDITORS**

Cresswell Crabtree & Sons  
Chartered Accountants  
Registered Auditors  
Barclays Bank Chambers  
Hebden Bridge  
West Yorkshire  
HX7 6AA

## **HEART OF ENGLAND GRAIN COMPANY LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 JULY 2009**

The directors present their report with the accounts of the company for the year ended 31 July 2009

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of grain trading

#### **REVIEW OF BUSINESS**

The company has enjoyed another satisfactory year maintaining its level of profitability in a difficult market. Heart of England Country Feed sales in the year continued to show good growth despite an increase in doubtful debts arising from the recession.

Grain trading has again produced a good level of profitability despite volatility in commodity prices.

The company's profit for the year before tax was £280,836 (2008 - £319,902). Net current assets have increased from £228,344 to £440,989. Shareholders' funds have increased from £688,535 to £853,451.

#### **DIVIDENDS**

The total distribution of dividend for the year ended 31 July 2009 will be £54,768.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 August 2008 to the date of this report.

H Raby  
J P Stafford  
J G England  
D F Godfrey  
N S J Hooper

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#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

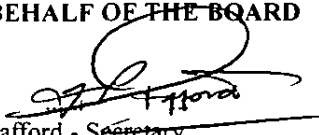
**HEART OF ENGLAND GRAIN COMPANY LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 JULY 2009**

**AUDITORS**

The auditors, Cresswell Crabtree & Sons, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD**

  
J P Stafford - Secretary

Date 30 November 2009

**REPORT OF THE INDEPENDENT AUDITORS TO**  
**HEART OF ENGLAND GRAIN COMPANY LIMITED**  
**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages five to sixteen, together with the full financial statements of Heart of England Grain Company Limited for the year ended 31 July 2009 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Gordon Beever FCA (Senior Statutory Auditor)  
for and on behalf of Cresswell Crabtree & Sons  
Chartered Accountants  
Registered Auditors  
Barclays Bank Chambers  
Hebden Bridge  
West Yorkshire  
HX7 6AA

Date 30 November 2009

REGISTERED NUMBER 1591771

**HEART OF ENGLAND GRAIN COMPANY LIMITED****ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>		<u>30,334,923</u>	<u>30,701,035</u>
<b>GROSS PROFIT</b>		1,563,789	1,475,698
Distribution costs		149,186	119,330
Administrative expenses		<u>1,120,310</u>	<u>1,035,281</u>
		1,269,496	1,154,611
<b>OPERATING PROFIT</b>	3	294,293	321,087
Interest receivable and similar income		<u>3,237</u>	<u>20,620</u>
		297,530	341,707
Interest payable and similar charges	4	<u>16,694</u>	<u>21,805</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		280,836	319,902
Tax on profit on ordinary activities	5	<u>61,152</u>	<u>69,496</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>219,684</u>	<u>250,406</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

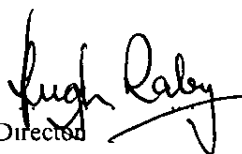
**ABBREVIATED BALANCE SHEET**  
**31 JULY 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Intangible assets	7	2,000	4,000
Tangible assets	8	431,642	486,520
Investments	9	<u>1</u>	<u>1</u>
		433,643	490,521
<b>CURRENT ASSETS</b>			
Stocks	10	156,146	145,195
Debtors	11	2,699,660	3,168,278
Cash at bank and in hand		<u>659</u>	<u>49,684</u>
		2,856,465	3,363,157
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>2,415,476</u>	<u>3,134,813</u>
<b>NET CURRENT ASSETS</b>		<u>440,989</u>	<u>228,344</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		874,632	718,865
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(8,198)	(17,777)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(12,983)</u>	<u>(12,553)</u>
<b>NET ASSETS</b>		<u>853,451</u>	<u>688,535</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	64,784	64,784
Capital redemption reserve	19	34,416	34,416
Profit and loss account	19	<u>754,251</u>	<u>589,335</u>
<b>SHAREHOLDERS' FUNDS</b>	21	<u>853,451</u>	<u>688,535</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 30 November 2009 and were signed on its behalf by

H Raby - Director



The notes form part of these abbreviated accounts



**HEART OF ENGLAND GRAIN COMPANY LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2009**

	Notes	2009 £	2008 £
Net cash (outflow)/inflow from operating activities	1	(693,556)	365,013
Returns on investments and servicing of finance	2	(13,457)	(1,185)
Taxation		(66,816)	(10,472)
Capital expenditure	2	12,493	(40,099)
Equity dividends paid		<u>(54,768)</u>	<u>(28,855)</u>
		(816,104)	284,402
Financing	2	<u>(10,129)</u>	<u>(12,895)</u>
(Decrease)/Increase in cash in the period		<u>(826,233)</u>	<u>271,507</u>
Reconciliation of net cash flow to movement in net debt	3		
(Decrease)/Increase in cash in the period		(826,233)	271,507
Cash outflow from decrease in debt		<u>10,129</u>	<u>12,895</u>
Change in net debt resulting from cash flows		<u>(816,104)</u>	<u>284,402</u>
Movement in net debt in the period		(816,104)	284,402
Net debt at 1 August		<u>(190,856)</u>	<u>(475,258)</u>
Net debt at 31 July		<u>(1,006,960)</u>	<u>(190,856)</u>

The notes form part of these abbreviated accounts

**HEART OF ENGLAND GRAIN COMPANY LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2009**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2009 £	2008 £
Operating profit	294,293	321,087
Depreciation charges	43,298	43,976
Loss/(Profit) on disposal of fixed assets	1,087	(426)
Increase in stocks	(10,951)	(24,857)
Decrease/(Increase) in debtors	468,618	(1,059,993)
(Decrease)/Increase in creditors	<u>(1,489,901)</u>	<u>1,085,226</u>
<b>Net cash (outflow)/inflow from operating activities</b>	<b><u>(693,556)</u></b>	<b><u>365,013</u></b>

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

	2009 £	2008 £
<b>Returns on investments and servicing of finance</b>		
Interest received	3,237	20,620
Interest paid	<u>(16,694)</u>	<u>(21,805)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(13,457)</u></b>	<b><u>(1,185)</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	<u>(23,507)</u>	<u>(40,525)</u>
Sale of tangible fixed assets	<u>36,000</u>	<u>426</u>
<b>Net cash inflow/(outflow) for capital expenditure</b>	<b><u>12,493</u></b>	<b><u>(40,099)</u></b>
<b>Financing</b>		
Loan repayments in year	<u>(10,129)</u>	<u>(12,895)</u>
<b>Net cash outflow from financing</b>	<b><u>(10,129)</u></b>	<b><u>(12,895)</u></b>

**HEART OF ENGLAND GRAIN COMPANY LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2009**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 8 08 £	Cash flow £	At 31 7 09 £
Net cash			
Cash at bank and in hand	49,684	(49,025)	659
Bank overdrafts	<u>(13,063)</u>	<u>(777,208)</u>	<u>(790,271)</u>
	<u>36,621</u>	<u>(826,233)</u>	<u>(789,612)</u>
Debt			
Debts falling due within one year	(209,700)	550	(209,150)
Debts falling due after one year	<u>(17,777)</u>	<u>9,579</u>	<u>(8,198)</u>
	<u>(227,477)</u>	<u>10,129</u>	<u>(217,348)</u>
Total	<u><u>(190,856)</u></u>	<u><u>(816,104)</u></u>	<u><u>(1,006,960)</u></u>

## **HEART OF ENGLAND GRAIN COMPANY LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS** **FOR THE YEAR ENDED 31 JULY 2009**

#### **1 ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention

##### **Preparation of consolidated financial statements**

The financial statements contain information about Heart of England Grain Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 402 of the Companies Act 2006 not to prepare consolidated financial statements on the grounds that the amounts concerned are immaterial.

##### **Turnover**

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

##### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of five years.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- over 50 years
Fixtures and fittings	- over 10 years
Motor vehicles	- over 5 years
Computer equipment	- over 5 years

##### **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.

##### **Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

#### **2 STAFF COSTS**

	2009 £	2008 £
Wages and salaries	643,885	648,420
Other pension costs	<u>165,481</u>	<u>159,511</u>
	<u>809,366</u>	<u>807,931</u>

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

	2009	2008
Management	5	5
Other staff	<u>10</u>	<u>10</u>
	<u>15</u>	<u>15</u>

**HEART OF ENGLAND GRAIN COMPANY LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2009**

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2009	2008
	£	£
Depreciation - owned assets	41,298	40,642
Loss/(Profit) on disposal of fixed assets	1,087	(426)
Goodwill amortisation	2,000	3,334
Auditors' remuneration	6,500	5,000
Other services relating to taxation	650	550
All other services	<u>4,766</u>	<u>3,356</u>

Directors' remuneration	<u>460,109</u>	<u>477,617</u>
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The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>3</u>	<u>3</u>
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Information regarding the highest paid director is as follows

	2009	2008
	£	£
Emoluments etc	<u>143,115</u>	<u>138,055</u>

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**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2009	2008
	£	£
Bank interest	-	2,963
Loan	<u>16,694</u>	<u>18,842</u>
	<u>16,694</u>	<u>21,805</u>

**5 TAXATION**

**Analysis of the tax charge**

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

	2009	2008
	£	£
Current tax		
UK corporation tax	60,722	66,816
Deferred tax	<u>430</u>	<u>2,680</u>
Tax on profit on ordinary activities	<u>61,152</u>	<u>69,496</u>

# HEART OF ENGLAND GRAIN COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 JULY 2009

### 5 TAXATION - continued

#### Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>280,836</u>	<u>319,902</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2008 - 20.985%)	58,976	67,131
Effects of Expenses not deductible	371	278
Depreciation in excess of capital allowances	<u>1,375</u>	<u>(593)</u>
Current tax charge	<u>60,722</u>	<u>66,816</u>

### 6 DIVIDENDS

	2009 £	2008 £
Ordinary shares of £1 each		
Final 2008	51,828	25,914
Interim	<u>2,940</u>	<u>2,941</u>
	<u>54,768</u>	<u>28,855</u>

The company has declared a final dividend of 80p per ordinary share, amounting to £51,828 in respect of the year ended 31st July 2009 payable on 1 December 2009

### 7 INTANGIBLE FIXED ASSETS

	Goodwill £
<b>COST</b>	
At 1 August 2008 and 31 July 2009	<u>17,334</u>
<b>AMORTISATION</b>	
At 1 August 2008	13,334
Amortisation for year	<u>2,000</u>
At 31 July 2009	<u>15,334</u>
<b>NET BOOK VALUE</b>	
At 31 July 2009	<u>2,000</u>
At 31 July 2008	<u>4,000</u>

# HEART OF ENGLAND GRAIN COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 JULY 2009

### 8 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 August 2008	417,684	150,011	118,483	19,274	705,452
Additions	-	19,550	-	3,957	23,507
Disposals	(37,087)	-	-	-	(37,087)
At 31 July 2009	<u>380,597</u>	<u>169,561</u>	<u>118,483</u>	<u>23,231</u>	<u>691,872</u>
<b>DEPRECIATION</b>					
At 1 August 2008	52,584	72,114	76,068	18,166	218,932
Charge for year	<u>7,512</u>	<u>15,346</u>	<u>16,605</u>	<u>1,835</u>	<u>41,298</u>
At 31 July 2009	<u>60,096</u>	<u>87,460</u>	<u>92,673</u>	<u>20,001</u>	<u>260,230</u>
<b>NET BOOK VALUE</b>					
At 31 July 2009	<u>320,501</u>	<u>82,101</u>	<u>25,810</u>	<u>3,230</u>	<u>431,642</u>
At 31 July 2008	<u>365,100</u>	<u>77,897</u>	<u>42,415</u>	<u>1,108</u>	<u>486,520</u>

Included in cost of land and buildings is freehold land of £5,000 (2008 - £41,637) which is not depreciated

### 9 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1 August 2008 and 31 July 2009	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 July 2009	<u>1</u>
At 31 July 2008	<u>1</u>

The company's investments at the balance sheet date in the share capital of companies include the following

#### H E Pringle Limited

Nature of business dormant

Class of shares	% holding	2009 £	2008 £
Ordinary	100.00	<u>1,255</u>	<u>1,255</u>
Aggregate capital and reserves			

H E Pringle Limited was dormant throughout the current and preceding year

# HEART OF ENGLAND GRAIN COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 JULY 2009

### 10 STOCKS

	2009	2008
	£	£
Stocks	<u>156,146</u>	<u>145,195</u>

### 11 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Trade debtors	2,619,784	3,131,119
Loan - Total Break Limited	36,000	-
Prepayments and accrued income	<u>43,876</u>	<u>37,159</u>
	<u>2,699,660</u>	<u>3,168,278</u>

### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Bank loans and overdrafts (see note 14)	799,421	21,563
Other loans (see note 14)	200,000	201,200
Trade creditors	1,109,923	2,650,064
Amounts owed to group undertakings	1,255	1,255
Tax	60,722	66,816
Social security and other taxes	28,006	40,008
Directors Remuneration	166,950	98,200
Accrued expenses	<u>49,199</u>	<u>55,707</u>
	<u>2,415,476</u>	<u>3,134,813</u>

### 13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009	2008
	£	£
Bank loans (see note 14)	<u>8,198</u>	<u>17,777</u>

### 14 LOANS

An analysis of the maturity of loans is given below

	2009	2008
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	790,271	13,063
Bank loans	9,150	8,500
Other loans	-	1,200
Loan - Heart of England Grain Company		
Limited Pension Scheme	<u>200,000</u>	<u>200,000</u>
	<u>999,421</u>	<u>222,763</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>8,198</u>	<u>17,777</u>



## **HEART OF ENGLAND GRAIN COMPANY LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS - continued** **FOR THE YEAR ENDED 31 JULY 2009**

#### **15 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	2009	2008
	£	£
Expiring		
Between one and five years	<u>20,240</u>	<u>20,240</u>

#### **16 SECURED DEBTS**

The following secured debts are included within creditors

	2009	2008
	£	£
Bank overdrafts	790,271	13,063
Bank loans	17,348	26,277
Loan - Heart of England Grain Company		
Limited Pension Scheme	<u>200,000</u>	<u>200,000</u>
	<u>1,007,619</u>	<u>239,340</u>

The bank loan is secured by a first legal charge over the company's freehold property at Preston Capes

The Trustees of the Heart of England Grain Company Limited Pension Scheme hold a second charge over the company's freehold property at Preston Capes

#### **17 PROVISIONS FOR LIABILITIES**

	2009	2008
	£	£
Deferred tax	<u>12,983</u>	<u>12,553</u>
		Deferred tax
		£
Balance at 1 August 2008		12,553
Accelerated capital allowance		<u>430</u>
Balance at 31 July 2009		<u>12,983</u>

#### **18 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			2009	2008
Number	Class	Nominal value	£	£
64,784	Ordinary	£1	<u>64,784</u>	<u>64,784</u>

## **HEART OF ENGLAND GRAIN COMPANY LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS - continued** **FOR THE YEAR ENDED 31 JULY 2009**

#### **19 RESERVES**

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 August 2008	589,335	34,416	623,751
Profit for the year	219,684		219,684
Dividends	(54,768)		(54,768)
At 31 July 2009	<u>754,251</u>	<u>34,416</u>	<u>788,667</u>

#### **20 PENSION COMMITMENTS**

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in separately independently administered funds. The pension cost charge represents contributions paid by the company to the funds and amounted to £165,481 (2008 - £ 159,511).

#### **21 RELATED PARTY DISCLOSURES**

Throughout the year the company was under the control of the directors of the company, who have owned in excess of 51% of the issued share capital of the company throughout the year.

During the year the company paid loan interest of £15,800 (2008 £16,200) to the Heart of England Grain Company Limited Executive Pension Scheme. Messrs H Raby and J P Stafford are Trustees and Beneficiaries of this Scheme.

The directors are of the opinion that these amounts represent open market values.

At the balance sheet date the company owed the Heart of England Grain Company Limited Executive Pension Scheme £200,000 (2008 £201,200) by way of loans.

On 1 August 2004 the company acquired the assets and trade of H E Pringle Limited which ceased to trade with effect from that date. At the balance sheet date the company owed H E Pringle Limited £1,255 (2008 - £1,255) by way of loan.

During the year the company sold land to Total Break Limited for £36,000. Messrs Raby, Hooper and Stafford are directors of this company. At the balance sheet date Total Break Ltd owed the company £36,000.

#### **21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2009 £	2008 £
Profit for the financial year	219,684	250,406
Dividends	<u>(54,768)</u>	<u>(28,855)</u>
<b>Net addition to shareholders' funds</b>	<b>164,916</b>	<b>221,551</b>
Opening shareholders' funds	<u>688,535</u>	<u>466,984</u>
<b>Closing shareholders' funds</b>	<b><u>853,451</u></b>	<b><u>688,535</u></b>