

ABNA Limited
Directors' Report and Financial Statements
13 September 2003

Registered no : 193800



ABNA Limited

Directors' report and financial statements

CONTENTS	Page
Directors' report	1
Statement of directors' responsibilities	4
Report of the independent auditors to the members of ABNA Limited	5
Profit and loss account	6
Balance sheet	7
Statement of total recognised gains and losses	8
Notes	9

ABNA Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 13 September 2003.

Principal activities

In the course of the period the principal activities were the manufacture and sale of animal feed and agricultural products; and the marketing of arable products and livestock.

Business review

Following the acquisitions and disposals made during the previous period, ABNA Ltd has continued to develop and integrate its core business. Key changes during the period are as follows:

- On 14 September 2002 the trade and assets of ABN Scotland Ltd were transferred into ABNA Ltd at net book value.
- During the year the company's Horse feed business, Badminton Speciality Feeds, was sold to John Loader Wessex Ltd for a cash consideration of £282,000.
- During the year the company acquired the assets and liabilities of Roper Foods Ltd, a business manufacturing animal feeds from the by-products of human food production. The consideration paid was £248,000.
- In the year the company wrote off its 50% investment in Eastbrook Farm Organic Pigs Ltd, after this company ceased to trade.

Post Balance Sheet Events

Subsequent to the period end, on 9 December 2003, ABNA Ltd sold its Ruminant compound feed business, including 6 feed mills, to W & J Pye Limited for a cash consideration of £15.1 million.

On 31 January 2004, ABNA sold its 33 1/3 % investment in Welsh Feed Producers limited for £100,000.

Research and development

The company continued its expenditure on research and development during the year. The expenditure, which is primarily on the development of products as opposed to basic or applied research, will continue at broadly the same real level in the foreseeable future in respect of the current business activities.

Trading results, dividends and transfer to reserves

The profit and loss account for the period is set out on page 6. Profit on ordinary activities after taxation amounted to £8,716,000 (2002 : £9,761,000). An interim ordinary dividend of £7,500,000 (2002 : £nil) was paid in the year. The directors do not recommend payment of a final dividend.

ABNA Limited

Directors' report (continued)

Policy and practice on payment of creditors

The company does not have a formal code that it follows with regard to payments to suppliers.

The company agrees payment terms with its suppliers at the time it enters into binding purchasing contracts for the supply of goods and services. Its suppliers are in that way made aware of these terms. The company seeks to abide by these payment terms whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

The outstanding trade creditors at the balance sheet date, as a proportion of payments to suppliers during the period, represents 32 days purchases (2002: 30 days).

Market value of land and buildings

Changes in tangible fixed assets are shown in note 9. In the opinion of the directors the market value of land and buildings at the end of the period exceeded the amount included in the balance sheet, but they are unable to quantify the excess.

Directors and directors' interests

The directors who held office during the period and at the date of this report were as follows:

I M Douglas	(resigned 31 August 2003)
J R Heasman	
D R Langlands	(resigned 20 October 2003)
B D J Kent	(appointed 20 October 2003)
C S Peck	
H Raine	
D J D Yiend	
N Kimberley	(appointed on 1 May 2003)

The company does not have a designated chairman.

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

On 13 September 2003 the following directors each had an outstanding option to acquire ordinary shares of 5 ¹⁵/₂₂p each in Associated British Foods plc:

	At 14.9.02	Granted	At 13.9.03	Exercise price	Date from which exercisable	Expiry date
C S Peck	30,000	-	30,000	561.5p	28.4.03	27.4.08
	25,000	-	25,000	484.0p	17.1.04	16.1.11
D J D Yiend	40,000	-	40,000	561.5p	28.4.03	27.4.08
	40,000	-	40,000	484.0p	17.1.04	16.1.11

The other directors notified no interests.

ABNA Limited

Directors' report (continued)

None of the directors of the company had beneficial interests, including family interests in the shares of Associated British Foods Plc.

No director had at any time during the period any material interest in a contract with the company, other than service contracts.

Since the period end the Directors interests have changed as follows:

Options to acquire ordinary shares of 5 ¹⁵/₂₂p each in Associated British Foods plc:

	At 13.9.03	Lapsed	At 30.6.04	Exercise Price	Date of lapse
D J D Yiend	40,000	20,000-	20,000	484.0p	17.1.04

Shares allocated under the Associated British Foods Executive Share Incentive Plan 2003:

	At 13.9.03	Allocated	At 30.6.04	Allocation Price	Date of Allocation
D J D Yiend	0	39,292	39,292	565p	17.12.03

The expected date of release for these shares is 17 December 2006

Employees

The company is committed to offering equal opportunities to all persons in their recruitment, training and career development, having regard for their particular aptitudes and abilities. Full and fair consideration is given to applicants with disabilities and every effort is made to give employees who become disabled whilst employed by the company an opportunity for retraining.

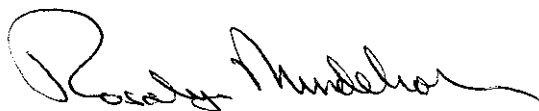
Political and charitable contributions

Donations to UK charities amounted to £7,000 (2002: £3,000). The company made no political contributions during the year.

Auditors

Pursuant to a shareholders' resolution, the company is not obliged to re-appoint its auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the board



Rosalyn Mendelsohn
Company Secretary

Registered Office:
Weston Centre
Bowater House
68 Knightsbridge
London
SW1X 7LQ

ABNA Limited

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;
- ▷ state whether applicable 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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

ABNA Limited

Report of the independent auditors to the members of ABNA Limited

We have audited the financial statements on pages 6 to 23.

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 auditor's 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 are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

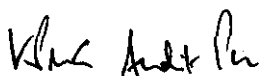
Basis of audit opinion

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 13 September 2003 and of its profit for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

30 June 2004

ABNA Limited

Profit and loss account for the period ended 13 September 2003

	Note	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Turnover			
Continuing operations	3	746,361	766,346
Operating profit			
Continuing operations		12,862	13,506
	3, 4	12,862	13,506
Profit on sale of fixed assets		244	646
(Loss)/Profit on the disposal of business	5	(551)	300
Other interest receivable and similar income	6	301	169
Interest payable and similar charges	7	(126)	(103)
Profit on ordinary activities before taxation		12,730	14,518
Tax on profit on ordinary activities	8	(4,014)	(4,757)
Profit on ordinary activities after taxation		8,716	9,761
Dividends on equity shares		(7,500)	-
Retained profit for the period		1,216	9,761

A statement of movement in reserves is given in note 20.

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

ABNA Limited

Balance sheet at 13 September 2003

	Note	13 September 2003		14 September 2002	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	9	69,193		65,577	
Intangible assets	11	426		565	
Investments	12	2,143		2,280	
			71,762		68,422
Current assets					
Stocks	13	48,734		34,446	
Debtors	14	128,768		125,846	
Cash at bank and in hand		4,978		194	
		182,480		160,486	
Creditors—amounts falling due within one year	15	(95,526)		(88,442)	
Net current assets			86,954		72,044
Total assets less current liabilities			158,716		140,466
Creditors—amounts falling due after more than one year	16		(52,101)		(36,231)
Provision for liabilities and charges	17		(6,813)		(5,649)
Net assets			99,802		98,586
Capital and reserves					
Called up share capital	19		85,000		85,000
Profit and loss account	20		14,802		13,586
Equity shareholder's funds	20		99,802		98,586

These financial statements were approved by the board of directors on 30 June 2004 and were signed on its behalf by:



B D J Kent
Director

ABNA Limited

Statement of total recognised gains and losses

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Retained profit for the financial year	1,216	9,761
Total recognised gains and losses relating to the financial year	1,216	9,761
Prior year adjustment as explained in note 17	-	5,379
Total gains and losses recognised since last annual report	1,216	15,140

ABNA Limited

Notes

(forming part of the financial statements)

1 Accounting reference date

The accounting reference date of the company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared for the 52 week period ended 13 September 2003.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

The company is controlled by Associated British Foods plc and is exempt from disclosing transactions with it and other group companies under the Financial Reporting Standard 8, as it is a wholly owned subsidiary undertaking included within the consolidated Financial Statements that are publicly available.

Intangible Assets

Intangible assets relate to the excess of purchase consideration over the fair value acquired on the acquisition of customer lists and trade.

The assets are amortised over the length of time the directors anticipate receiving separately identifiable income streams from the goodwill purchased; this does not exceed 10 years.

ABNA Limited

Fixed assets and depreciation

Depreciation, calculated on cost or on valuation, is provided on a straight line basis over the anticipated life of the asset. No depreciation is provided on freehold land. Leaseholds are written off over the period of the lease or 50 years, whichever is the shorter period. The anticipated useful life of other assets is generally deemed to be not longer than:

Freehold buildings	50 years
Plant, machinery, fixtures and fittings	5-12 years
Vehicles	5 years

Deferred income

Deferred income consists of Government grants. These are receivable on specific capital expenditure and are credited to the profit and loss account over the expected useful lives of the related assets. Grants not based on specific expenditure but on other criteria are credited to the profit and loss account so as to match the costs involved.

Leases

All material leases entered into by the company are operating leases whereby substantially all the risks and rewards of ownership of an asset remain with the lessor. Rental payments are charged against profits on a straight line basis over the life of the lease.

Research and development

Expenditure in respect of research and development is written off against profits in the period in which it is incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due provision against obsolete and slow moving items. In the case of manufactured goods the term 'cost' includes raw materials, production wages, and production overheads.

ABNA Limited

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences that have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling using the rates of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Post-retirement benefits

The company participates in the Associated British Foods plc pension scheme that provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement Benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Investments

Investments are stated at cost less amounts written off in respect of any impairment in value.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

The company recognises revenue at the point of despatch of goods and for services when they have been provided.

ABNA Limited

3 Operating profit on ordinary activities before taxation

	52 week period ended 13 September 2003 Continuing Operations £000	52 week period ended 14 September 2002 Continuing operations £000
Turnover	746,361	766,346
Cost of sales	(658,147)	(688,695)
Gross profit	88,214	77,651
Distribution costs	(54,112)	(46,432)
Administration expenses	(21,240)	(17,713)
Operating profit	12,862	13,506

In the opinion of the directors, the company operates in only one business segment, being the manufacture, purchase and sale of agricultural products.

Materially all the company's turnover and results arise from trade within the European Union, principally the United Kingdom. Materially all of the company's net assets are located in the United Kingdom.

Profit on ordinary activities before taxation is stated after charging:

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Depreciation of tangible fixed assets	9,437	9,221
Auditor's remuneration:		
- audit fees	180	218
Hire of plant and machinery		
- rentals payable under operating leases	1,313	1,583
Land and building payments under operating leases	429	475
Research and development expenditure	156	24
Amortisation of intangible assets – goodwill	262	159
Restructuring costs	207	502

ABNA Limited

4 Directors and employees

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
<i>Employment costs during the period were:</i>		
Wages and salaries	37,665	35,512
Social security costs	2,881	2,408
Pension costs	4,765	4,225
	<hr/>	<hr/>
	45,311	42,145
	<hr/>	<hr/>

The average weekly number of employees, including directors, of the company during the period was 1,495 (2002: 1,534). In the opinion of the directors, all employees fall into a single category.

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Directors' emoluments	1,148	998
Compensation for loss of office	50	-
	<hr/>	<hr/>
	1,198	998
	<hr/>	<hr/>

Of the directors' emoluments £303,000 (2002: £243,000) was paid by other group companies on behalf of ABNA Limited.

The aggregate emoluments of the highest paid director was £299,000 (2002: £243,000), and company pension contributions of £54,000 (2002: £37,000) were made on his behalf.

	Number	Number
Retirement benefits are accruing to the following number of directors under defined benefit schemes	6	6
	<hr/>	<hr/>

ABNA Limited

5 (Loss)/Profit on disposal of business

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Consideration received	282	300
Book value of net assets disposed	(833)	-
	<hr/>	<hr/>
(Loss)/Profit on disposal	(551)	300
	<hr/>	<hr/>

The loss made on disposal of businesses in the period arose through the sale of the company's horsefeed business to John Loader Wessex Ltd, and the write-off of its 50% investment in Eastbrook Farm Organic Pigs Ltd.

The consideration received in 2002 relates to the sale of the company's ruminant compound feed business based in East Anglia.

6 Other interest receivable and similar income

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Exchange gains on foreign currency balances	6	-
Bank interest receivable	1	3
Other interest receivable	294	166
	<hr/>	<hr/>
	301	169
	<hr/>	<hr/>

7 Interest payable and similar charges

	52 week period ended 13 September 2003 £000	52 week period ended 14 September 2002 £000
Exchange losses on foreign currency balances	(64)	-
Interest payable on other loans	(62)	(103)
	<hr/>	<hr/>
	(126)	(103)
	<hr/>	<hr/>

ABNA Limited

8 Tax on profit on ordinary activities

Analysis of tax charge

	13 September 2003		14 September 2002	
	£000	£000	£000	£000
<i>UK corporation tax</i>				
Current tax on income for the period	3,651		3,982	
Adjustments in respect of prior periods	(744)		505	
	<hr/>		<hr/>	
Total current tax		2,907		4,487
<i>Deferred tax (see note 17)</i>				
Origination of timing differences				
- Current Year	493		270	
- Prior Year	614		-	
	<hr/>		<hr/>	
		1,107		270
	<hr/>		<hr/>	
Tax on profit on ordinary activities		4,014		4,757
	<hr/>		<hr/>	

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2002: higher) than standard rate of corporation tax in the UK (30%, 2002: 30%). The differences are explained below.

	13 September 2003 £000	14 September 2002 £000
<i>Current tax at reconciliation</i>		
Profit on ordinary activities before tax	12,730	14,518
	<hr/>	<hr/>
Current tax at 30% (2002: 30%)	3,819	4,355
Effects of:		
Expenses not deductible for tax purposes	325	63
Capital allowances for period in excess of depreciation	(493)	(336)
Adjustments to tax charge in respect of prior periods	(744)	505
Group relief	-	(103)
Other short term timing differences	-	3
	<hr/>	<hr/>
Total current tax charge (see above)	2,907	4,487
	<hr/>	<hr/>

ABNA Limited

9 Tangible assets

	Land and Freehold Buildings £000	Buildings Long Leasehold £000	Plant, Machinery Fixtures and Fittings, Vehicles £000	Total £000
Cost or valuation				
At beginning of period	28,404	1,806	86,247	116,457
Additions	1,205	-	12,937	14,142
Disposals	(400)	-	(2,552)	(2,952)
Transfers between lines	20	-	(20)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	29,229	1,806	96,612	127,647
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At beginning of period	6,513	772	43,595	50,880
Charge for period	866	113	8,458	9,437
Disposals	-	-	(1,863)	(1,863)
Transfers between lines	3	-	(3)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	7,382	885	50,187	58,454
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 13 September 2003	21,847	921	46,425	69,193
	<hr/>	<hr/>	<hr/>	<hr/>
At 14 September 2002	21,891	1,034	42,652	65,577
	<hr/>	<hr/>	<hr/>	<hr/>

Freehold land of £4,839,000 is not depreciated (2002: £5,028,000).

10 Capital commitments

Capital commitments at the end of the financial period, for which no provision has been made, amounted to £208,000 (2002: £2,311,000).

11 Intangible Assets - Goodwill

	Cost £000	Amortisation £000	Net carrying Amount £000
As at 14 September 2002	982	(417)	565
Additions in the period	123	-	123
Charge in the period	-	(262)	(262)
	<hr/>	<hr/>	<hr/>
As at 13 September 2003	1,105	(679)	426
	<hr/>	<hr/>	<hr/>

The addition in the year arose on the acquisition of Roper Foods Ltd.

ABNA Limited

12 Fixed asset investments

	Shares in Group undertakings £000	Participating Interests £000	Total Shares £000	Loans to Participating interests £000	Total £000
Cost					
At beginning of period	1,543	125	1,668	612	2,280
Additions during period	-	-	-	428	428
Disposals during the period	-	(25)	(25)	(540)	(565)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	1,543	100	1,643	500	2,143
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The companies in which the company's interest is more than 20% are as follows:

	Country of registration	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
ABN (Overseas) Limited	England	Investment company	100% Ordinary
ABN (Scotland) Limited	Scotland	Non-trading	100% Ordinary
Courtyard Beef UK Limited	England	Non trading	100% Ordinary
<i>Participating interests</i>			
Welsh Feed Producers Limited	England	Manufacture and marketing of animal feed	33 ¹ / ₃ % Ordinary

In the period the company's 50% investment in Eastbrook Farm Organic Pigs Ltd, was written off following the decision by the joint venture partners to cease to trade. See note 5.

In the opinion of the directors, the investments in the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

ABNA Limited

13 Stocks

	13 September 2003 £000	14 September 2002 £000
Raw materials and consumables	44,251	31,177
Finished goods and goods for resale	4,483	3,269
	<u>48,734</u>	<u>34,446</u>

14 Debtors

	13 September 2003 £000	14 September 2002 £000
<i>Amount falling due within one year:</i>		
Trade debtors	108,442	107,129
Amounts owed by group undertakings	506	-
Other debtors	2,766	1,930
Prepayments and accrued income	8,711	7,086
Loan receivable	2,353	1,386
	<u>122,778</u>	<u>117,531</u>
<i>Amount falling due after one year:</i>		
Loan receivable	5,990	8,315
	<u>128,768</u>	<u>125,846</u>

The loan is in respect of the sale of the pig business to Dalehead Foods Ltd. It is repayable in instalments that began in November 2002.

ABNA Limited

15 Creditors - amounts falling due within one year

	13 September 2003 £000	14 September 2002 £000
Trade creditors	58,770	56,829
Bank loans and overdraft	14,551	9,912
Variable rate unsecured loan stock 2006	2,000	3,034
Amounts owed to group undertakings	2,491	1,419
Amounts owed to participating interests	268	224
Other creditors including taxation and social security	1,653	2,190
Accruals and deferred income	15,793	14,834
	<u>95,526</u>	<u>88,442</u>

The interest rate on the loan stock is determined as three quarters of one percent per annum below Lloyds Bank plc base rate. Interest accrues on the outstanding loan stock balance.

16 Creditors - amounts falling due after more than one year

	13 September 2003 £000	14 September 2002 £000
Amounts due to group undertakings	51,476	35,546
Accruals and deferred income (note 18)	625	685
	<u>52,101</u>	<u>36,231</u>

Repayment is not anticipated within 5 years.

ABNA Limited

17 Provision for liabilities and charges

	13 September 2003 £000	14 September 2002 £000
Deferred taxation		
<i>Analysis by component</i>		
Accelerated capital allowances	6,813	5,649
	<hr/>	<hr/>
	13 September 2003 £000	14 September 2002 £000
<i>Movement on provision for deferred taxation</i>		
Opening balance	5,649	5,379
Amount arising on transfer of business	57	-
Amount charged to profit & loss account	1,107	270
	<hr/>	<hr/>
Closing balance	6,813	5,649
	<hr/>	<hr/>

Prior Year Adjustment 2002

FRS19 "Deferred Taxation" was adopted during the period ending 14 September 2002. This constituted a change in accounting policy and as a result a prior year adjustment was required of £5,379,000.

ABNA Limited

18 Deferred Income

	13 September 2003 £000	14 September 2002 £000
<i>Government Grants</i>		
At beginning of period	685	747
Released to profit and loss account	(60)	(62)
At end of period	<u>625</u>	<u>685</u>

19 Called up share capital

	13 September 2003 £000	14 September 2002 £000
<i>Authorised</i>		
Equity: Ordinary shares of £1 each	<u>85,000</u>	<u>85,000</u>
<i>Allotted, called up and fully paid</i>		
Equity: Ordinary shares of £1 each	<u>85,000</u>	<u>85,000</u>

20 Reconciliation of movements in shareholders' funds

	Share Capital £000	Profit and loss account £000	Total £000
At beginning of period	85,000	13,586	98,586
Profit for the financial period	-	1,216	1,216
At end of period	<u>85,000</u>	<u>14,802</u>	<u>99,802</u>

ABNA Limited

21 Contingent Liabilities

The company, together with British Sugar plc and certain other subsidiary undertakings of Associated British Foods plc, is party to a set-off arrangement in respect of its bank accounts with certain of the group's bankers.

The company jointly guarantees a bank loan between Barclays Bank and Welsh Feed Producers Ltd, to a maximum of £100,000.

The company guarantees a bank loan between Fenwick Chickens Ltd and the Bank of Scotland.

In the normal course of business the company enters into forward commodity purchase and sales agreements.

22 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	13 September 2003		14 September 2002	
	Land and buildings £000	Other assets £000	Land and Buildings £000	Other assets £000
<i>Operating leases which expire:</i>				
Within one year	14	1,048	45	403
Between one and five years	15	185	110	965
After five years	210	627	283	23
	<hr/>	<hr/>	<hr/>	<hr/>
	239	1,860	438	1,391
	<hr/>	<hr/>	<hr/>	<hr/>

23 Pension costs

The company is a member of two pension schemes providing benefits based on final pensionable pay. Because the company is unable to identify its share of the schemes assets and liabilities on a consistent basis, as permitted by FRS17 'Retirement Benefits' the schemes will be accounted for by the company when the accounting standard is fully adopted by the company as if the schemes were defined contribution schemes. The current actuarial valuation indicates a surplus of £185m. The company is not able to determine its share of this surplus.

On 30 September 2002 the schemes were closed to new members, with defined contribution arrangements introduced for these members. For the defined contribution scheme, the pension costs are the contributions paid.

The latest full actuarial valuations of the two UK pension schemes were carried out at 5th April 2002 and 1st October 2001 and were updated for FRS 17 purposes to 13 September 2003 by an independent qualified actuary. Further details on the pension schemes are included within the accounts of Associated British Foods plc, which are available from Companies House.

The pension charge for the period was £4,765,000 (2002: £4,225,000). The pension contributions due to Associated British Foods Plc, at 13 September 2003 were £55,000 (14 September 2002: £16,000).

24 Related Party Transactions

During the period the following transactions were undertaken with related parties.

		13 September 2003 £000	14 September 2002 £000
Welsh Feed Producers Limited (33.1/3% Joint Venture)	- Purchase of animal feed, and associated products	4,464	4,800
	- Income from supply of administration services	84	123
	- Sales of animal feed and associated products	116	239

Amounts payable at 13 September 2003 in relation to the above transactions were £268,000 (2002: £224,482 payable).

25 Holding company

The ultimate parent undertaking and controlling party as defined by FRS 8 is Wittington Investments Limited which is incorporated in Great Britain and registered in England.

The largest group in which the results of the company are consolidated is that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that headed by ABF Investments plc which is incorporated in Great Britain and registered in England. The consolidated financial statements of these groups are available to the public and may be obtained from Weston Centre, Bowater House, 68 Knightsbridge, London, SW1X 7LQ.

26 Post balance sheet events

Subsequent to the period end, on 9 December 2003, ABNA Ltd sold its Ruminant compound feed business, including 6 feed mills to W & J Pye Limited for a cash consideration of £15.1 million.

On 31 January 2004, ABNA Ltd sold its 33 1/3% investment in Welsh Feed Producers Limited for £100,000.