

ABNA Limited
Directors' Report and Financial Statements
14 September 2002

Registered no : 193800



ABNA Limited

Directors' report and financial statements

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ABNA Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 14 September 2002.

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, the business has continued its activities this period substantially unchanged. The directors anticipate that any future developments will be related to these activities.

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 £9,761,000 (2001 : £3,943,000 restated). A dividend of £nil (2001 : £nil) was paid in the year. The directors do not recommend payment of a dividend and the profit has been transferred to reserves.

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 30 days purchases (2001: 24 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
J R Heasman
D R Langlands
C S Peck
H Raine
D J D Yiend
N Kimberley (appointed on 1st May 2003)

The company does not have a designated chairman.

The directors of the company had the following beneficial interests, including family interests in the shares of Associated British Foods plc:

	Ordinary Shares of 5 ¹⁵ / ₂₂ p each at end of period	Ordinary Shares of 5 ¹⁵ / ₂₂ p each at beginning of period
I M Douglas	-	7,500

ABNA Limited

Directors' report (continued)

On 14 September 2002 the following directors each had an outstanding option to acquire ordinary shares of 5 15/22p each in Associated British Foods plc:

	At 15.9.01	Granted	At 14.9.02	Exercise price	Date from which exercisable	Expiry date
I M Douglas	30,000	-	30,000	561.5p	28.4.03	27.4.08
	25,000	-	25,000	484.0p	17.1.04	16.1.11
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.

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

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 £3,000 (2001: £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 (née Schofield)
Company Secretary

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

30 JUNE 2003

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 22.

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.

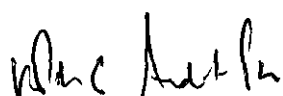
Basis of audit opinion

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 14 September 2002 and of its profit for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.



30 June 2003

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

ABNA Limited

Profit and loss account for the period ended 14 September 2002

		52 week period ended 14 September 2002	52 week period ended 15 September 2001 Restated (note 2)
	Note	£000	£000
Turnover			
Continuing operations	3	766,346	304,284
Acquisitions		-	539,086
Discontinued operations		-	18,203
		<hr/>	<hr/>
		766,346	861,573
		<hr/>	<hr/>
Operating profit			
Continuing operations		13,506	5,231
Acquisitions		-	1,391
Discontinued operations		-	12
		<hr/>	<hr/>
	3, 4	13,506	6,634
Profit on sale of fixed assets		646	692
Profit on the disposal of business	5	300	-
Other interest receivable and similar income	6	169	11
Interest payable and similar charges	7	(103)	(103)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		14,518	7,234
Tax on profit on ordinary activities	8	(4,757)	(3,291)
		<hr/>	<hr/>
Retained profit for the period		9,761	3,943
		<hr/>	<hr/>

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.

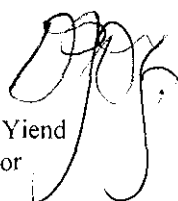
ABNA Limited

Balance sheet at 14 September 2002

	Note	14 September 2002		15 September 2001	
		£000	£000	Restated (note 2) £000	£000
Fixed assets					
Tangible assets	9	65,577		62,508	
Intangible assets	11	565		309	
Investments	12	2,280		2,280	
			68,422		65,097
Current assets					
Stocks	13	34,446		42,422	
Debtors	14	125,846		124,515	
Cash at bank and in hand		194		2,477	
		160,486		169,414	
Creditors—amounts falling due within one year	15	(88,442)		(85,382)	
Net current assets			72,044		84,032
Total assets less current liabilities			140,466		149,129
Creditors—amounts falling due after more than one year	16		(36,231)		(54,925)
Provision for liabilities and charges	17		(5,649)		(5,379)
Net assets			98,586		88,825
Capital and reserves					
Called up share capital	19		85,000		85,000
Profit and loss account	20		13,586		3,825
Equity shareholder's funds	20		98,586		88,825

These financial statements were approved by the board of directors on 30 JUNE 2003 and were signed on its behalf by :

D J D Yiend
Director



ABNA Limited

Statement of total recognised gains and losses

	52 week period ended 14 September 2002 £000	52 week period ended 15 September 2001 Restated (note 2) £000
Profit for the financial year	9,761	3,943
Total recognised gains and losses relating to the financial year	9,761	3,943
Prior year adjustment (as explained in note 8 & 17)	5,379	
Total gains and losses recognised since last annual report	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 14 September 2002.

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. The company has adopted FRS 18 'Accounting policies' and FRS 19 'Deferred tax' in these financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards except that the company has adopted FRS 19 Deferred Taxation during the year.

The company is exempt by virtue of S228 of the Companies Act 1985 from the requirement to prepare group accounts.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A group cash flow statement is included in the financial statements of Associated British Foods plc.

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 which 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

During the period the useful economic lives of certain items of plant, machinery, fixtures and fittings were reviewed and revised from 5 – 20 years to as stated above. The net effect of this revision is disclosed in note 9.

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.

The adoption of FRS 19 'Deferred Taxation' in the period resulted in a prior year adjustment reducing shareholder funds by £5,379,000 and increasing the tax charge in the current year by £270,000 (2001: increase of £2,951,000)

Foreign currencies

Transactions denominated 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 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.

ABNA Limited

3 Operating profit on ordinary activities before taxation

	52 week period ended 14 September 2002		52 week period ended 15 September 2001		
	Continuing operations	Continuing operations	Acquisitions	Discontinued Operations	Total
	£000	£000	£000	£000	£000
Turnover	766,346	304,284	539,086	18,203	861,573
Cost of sales	(688,695)	(266,558)	(511,621)	(17,013)	(795,192)
Gross profit	77,651	37,726	27,465	1,190	66,381
Distribution costs	(46,432)	(24,460)	(15,746)	(486)	(40,692)
Administration expenses	(17,713)	(8,035)	(10,328)	(692)	(19,055)
Operating profit	13,506	5,231	1,391	12	6,634

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 14 September 2002 £000	52 week period ended 15 September 2001 £000
Depreciation of tangible fixed assets	9,221	8,061
Writedown of fixed assets	-	4,013
Auditor's remuneration:		
- audit fees	218	197
Hire of plant and machinery		
- rentals payable under operating leases	1,583	1,917
Land and building payments under operating leases	475	494
Research and development expenditure	24	100
Amortisation of intangible assets – goodwill	159	218
Restructuring costs	502	2,145

ABNA Limited

4 Directors and employees

	52 week period ended 14 September 2002 £000	52 week period ended 15 September 2001 £000
<i>Employment costs during the period were:</i>		
Wages and salaries	35,512	40,038
Social security costs	2,408	2,833
Pension costs	4,225	2,622
	<hr/>	<hr/>
	42,145	45,493
	<hr/>	<hr/>

The average weekly number of employees, including directors, of the company during the period was 1,534 (2001: 1,526). In the opinion of the directors, all employees fall into a single category.

	52 week period ended 14 September 2002 £000	52 week period ended 15 September 2001 £000
Directors' emoluments	998	661
	<hr/>	<hr/>

Of the directors' emoluments £243,000 (2001: £265,000) was paid by other group companies on behalf of ABNA Limited.

The aggregate emoluments of the highest paid director was £243,000 (2001: £215,000), and company pension contributions of £37,000 (2001: £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 Profit on disposal of business

	52 week period ended 14 September 2002 £000	52 week period ended 15 September 2001 £000
Consideration received	300	-
Book value of net assets disposed	-	-
Profit on disposal	<u>300</u>	<u>-</u>

The consideration received relates to the sale of a small part of the company's ruminant compound feed business based in East Anglia. The company's ruminant compound feed business in the rest of the UK continues unaffected.

6 Other interest receivable and similar income

	52 week period ended 14 September 2002 £000	52 week period ended 15 September 2001 £000
Bank interest receivable	3	-
Other interest receivable	166	11
	<u>169</u>	<u>11</u>

7 Interest payable and similar charges

	52 week period ended 14 September 2002 £000	52 week period ended 15 September 2001 £000
Interest payable on other loans	<u>(103)</u>	<u>(103)</u>

ABNA Limited

8 Tax on profit on ordinary activities

Analysis of tax charge

	14 September 2002		15 September 2001	
	£000	£000	Restated £000	£000
<i>UK corporation tax</i>				
Current tax on income for the period	3,982		340	
Adjustments in respect of prior periods	505		-	
Total current tax		4,487		340
<i>Deferred tax (see note 17)</i>				
Origination of timing differences		270		2,951
Tax on profit on ordinary activities		4,757		3,291

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2001: lower) than standard rate of corporation tax in the UK (30%, 2001: 30%). The differences are explained below.

	14 September 2002 £000	15 September 2001 Restated £000
<i>Current tax at reconciliation</i>		
Profit on ordinary activities before tax	14,518	7,234
Current tax at 30% (2001: 30%)	4,355	2,170
Effects of:		
Expenses not deductible for tax purposes	63	45
Capital allowances for period in excess of depreciation	(336)	(760)
Adjustments to tax charge in respect of prior periods	505	-
Group relief	(103)	(125)
Other short term timing differences	3	(990)
Total current tax charge (see above)	4,487	340

Prior year adjustment

As explained in note 2, FRS 19 'Deferred Taxation' has been adopted during the period. Deferred tax is now provided in full on all potential timing differences. As a result a prior year adjustment was required of £5,379,000. The effect of this change in policy on reported profits has been to increase the tax charge in the current year by £270,000 (2001: increase of £2,951,000).

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	28,492	1,829	77,765	108,086
Additions	665	-	14,338	15,003
Disposals	(857)	(23)	(5,752)	(6,632)
Transfers between lines	104	-	(104)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	28,404	1,806	86,247	116,457
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At beginning of period	6,074	664	38,840	45,578
Charge for period	815	111	8,295	9,221
Disposals	(376)	(3)	(3,540)	(3,919)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	6,513	772	43,595	50,880
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 14 September 2002	21,891	1,034	42,652	65,577
	<hr/>	<hr/>	<hr/>	<hr/>
At 15 September 2001	22,418	1,165	38,925	62,508
	<hr/>	<hr/>	<hr/>	<hr/>

Freehold land of £5,028,000 is not depreciated (2001: £5,342,000).

The change in useful economic life of certain assets referred to in note 2 resulted in a reduction in the depreciation charge for the period of £446,000.

10 Capital commitments

Capital commitments at the end of the financial period for which no provision has been made amounted to £2,311,000 (2001: £5,438,000).

11 Intangible Assets - Goodwill

	Cost £000	Amortisation £000	Net carrying Amount £000
As at 15 September 2001	567	(258)	309
Additions in the period	415	-	415
Charge in the period	-	(159)	(159)
	<hr/>	<hr/>	<hr/>
As at 14 September 2002	982	(417)	565
	<hr/>	<hr/>	<hr/>

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 and end of period	1,543	125	1,668	612	2,280

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	Manufacture and marketing of animal feed	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
Eastbrook Farms Organic Pigs Limited	England	Breeding and raising of organic pigs	50% Ordinary

Group financial statements have not been prepared, as the company is a wholly owned undertaking of ABF Investments plc and is therefore exempt under S228 of the Companies Act 1985 from the obligation to prepare group accounts. ABF Investments plc prepares group financial statements, which include this company.

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.

13 Stocks

	14 September 2002 £000	15 September 2001 £000
Raw materials and consumables	31,177	32,025
Finished goods and goods for resale	3,269	10,397
	34,446	42,422

ABNA Limited

14 Debtors

	14 September 2002 £000	15 September 2001 £000
<i>Amount falling due within one year:</i>		
Trade debtors	107,129	102,918
Amounts owed by group undertakings	-	526
Amounts owed by participating interests	-	260
Other debtors	1,930	1,591
Prepayments and accrued income	7,086	9,589
Loan receivable	1,386	-
	<hr/> 117,531	<hr/> 114,884
<i>Amount falling due after one year:</i>		
Loan receivable	8,315	9,631
	<hr/> 125,846	<hr/> 124,515

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

15 Creditors - amounts falling due within one year

	14 September 2002 £000	15 September 2001 £000
Trade creditors	56,829	52,891
Bank loans and overdraft	9,912	8,922
Variable rate unsecured loan stock 2006	3,034	3,034
Amounts owed to group undertakings	1,419	279
Amounts owed to participating interests	224	-
Other creditors including taxation and social security	2,190	370
Accruals and deferred income	14,834	19,886
	<hr/> 88,442	<hr/> 85,382

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.

ABNA Limited

16 Creditors - amounts falling due after more than one year

	14 September 2002 £000	15 September 2001 £000
Amounts due to group undertakings	35,546	54,178
Accruals and deferred income (note 18)	685	747
	<u>36,231</u>	<u>54,925</u>

Repayment is not anticipated within 5 years.

17 Provision for liabilities and charges

	14 September 2002 £000	15 September 2001 Restated £000
Deferred taxation		
<i>Analysis by component</i>		
Accelerated capital allowances	5,649	5,419
Other short term timing differences	-	(40)
	<u>5,649</u>	<u>5,379</u>

	14 September 2002 £000	15 September 2001 Restated £000
<i>Movement on provision for deferred taxation</i>		
Opening balance as previously stated	5,379	-
Prior year adjustment (as explained in note 8)	-	2,428
	<u>5,379</u>	<u>2,428</u>
At beginning of period as restated	5,379	2,428
Amount charged to profit & loss account	270	2,951
	<u>5,649</u>	<u>5,379</u>

ABNA Limited

18 Deferred Income

	14 September 2002 £000	15 September 2001 £000
<i>Government Grants</i>		
At beginning of period	747	425
Additions	-	388
Released to profit and loss account	(62)	(66)
At end of period	<u>685</u>	<u>747</u>

19 Called up share capital

	14 September 2002 £000	15 September 2001 £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 as previously stated	85,000	9,204	94,204
Prior year adjustment (deferred tax - note 8)	-	(5,379)	(5,379)
At beginning of period as restated	<u>85,000</u>	<u>3,825</u>	<u>88,825</u>
Profit for the financial period	-	9,761	9,761
At end of period	<u>85,000</u>	<u>13,586</u>	<u>98,586</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.

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:

	14 September 2002		15 September 2001	
	Land and buildings £000	Other assets £000	Land and Buildings £000	Other assets £000
<i>Operating leases which expire:</i>				
Within one year	45	403	23	321
Between one and five years	110	965	188	730
After five years	283	23	215	77
	<hr/>	<hr/>	<hr/>	<hr/>
	438	1,391	426	1,128
	<hr/>	<hr/>	<hr/>	<hr/>

23 Pension costs

The company is a member of a pension scheme providing benefits based on final pensionable pay. Because the company is unable to identify its share of the scheme assets and liabilities on a consistent basis, as permitted by FRS 17 'Retirement benefits' the scheme will be accounted for by the company when the accounting standard is fully adopted by the company as if the scheme was a defined contribution scheme. The current actuarial valuation of the UK pension schemes indicates a surplus of £141 million. The company is not able to determine its share of this surplus.

The latest full actuarial valuations of the two UK pension schemes were carried out at 1 October 2001 and 5 April 2002 and was updated for FRS 17 purposes to 14 September 2002 by an independent qualified actuary.

The pension charge for the period was £4,225,000 (2001: £2,622,000). The pension contributions due to Associated British Foods Plc, at 14 September 2002 were £16,000 (15 September 2001: £16,000).

ABNA Limited

24 Related Party Transactions

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

		14 September 2002 £000	15 September 2001 £000
Welsh Feed Producers Limited (33 1/3% Joint Venture)	- Purchase of animal feed, and associated products	4,800	4,636
	- Income from supply of administration services	123	128
	- Sales of animal feed and associated products	239	105

Amounts payable at 14 September 2002 in relation to the above transactions were £224,482 (2001: £281,762 receivable).

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.