

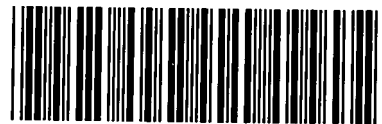
**The Jordans & Ryvita Company
Limited**

Directors' report and financial
statements

For the 52 week period ended
14 September 2013

Registered number 245345

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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 14 September 2013.

Principal activities

The principal activities during the year were the manufacture and sale of food.

Business review

Jordans and Ryvita achieved sales and profit growth. Turnover at £150.0m increased by £11.5m compared with the previous year. Operating profit at £21.4m was £3.7m higher than last year.

UK sales growth was driven by the launch of new pack formats. The relaunch of Ryvita crispbread in new foil-fresh packaging drove increased sales, and new varieties of Crackerbread and Thins have recently been introduced. Internationally, both brands achieved good sales growth, particularly in Canada. In France, the introduction of a small in-country marketing team strengthened our presence and drove an increase in market share.

The principal uncertainties facing the company are:

- rising energy and commodity costs; and
- the potential impact of the global economy on exchange rates and consumer demand.

This year the Jordans and Ryvita company was recognised for its work with British farmers, winning the Waitrose Way award for "Championing British" produce.

Trading results, dividends and transfer to reserves

The profit and loss account for the period is set out on page 8. The profit on ordinary activities after taxation amounted to £19,192,000 (2012: £13,465,000). An interim dividend of £7,568,000 (2012: £5,439,000) was paid in the year. No final dividend is proposed (2012: £nil).

Directors' report (*continued*)

Principal risks and uncertainties

The principal risks and uncertainties facing the company are broadly grouped as competitive, legislative or regulatory and financial instrument risk.

Competitive risks

In the UK particularly, the company is reliant on continued product listings with the major food retailing companies. These listings are reviewed periodically by the retailers and renewal of these listings is based on financial and performance criteria determined by the retailer.

Legislative and regulatory risks

All products manufactured are subject to UK and, where sold outside of the UK, overseas legislative or regulatory requirements surrounding food production, packaging requirement, and food safety standards. In addition the company is subject to Health & Safety legislation. Compliance with these legislative and/or regulatory requirements is reported to senior management and to the board on a regular basis. Such compliance imposes costs on the business and failure to comply with these requirements could materially affect the performance of the company.

Financial instrument risk

The company has an established risk and financial management framework. The primary objective of this framework is to protect the company from events that hinder the achievement of the company's performance objectives. The purpose of the framework is to limit any undue exposure, ensure adequate working capital exists and to monitor the management of risk at the board level.

Use of derivatives

The company uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates by fixing the rate of any material payments or material receipts as may be considered necessary. In order to reduce the exposure to foreign currencies, wherever possible the company makes use of natural hedging afforded by buying and selling products in foreign currencies.

Exposure to price, credit, liquidity and cash flow risk

Price risk arises because of changes in, for example, commodity prices as a result of increased demand for commodities or ingredients (including energy and fuel), crop failure or political intervention in foreign market places. This is managed by the company through the negotiation of contracts in advance of requirements and, where possible, by making use of alternative suppliers.

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. Policies employed by the company seek to reduce this risk and require that credit is only granted to customers who satisfy credit worthiness criteria and/or demonstrate an appropriate payment history. Details of the company's debtors are shown in note 14 to the financial statements.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations because of an inability to access adequate funding. The company aims to mitigate this risk by managing cash generation by its operations through applying targets around working capital. The company also utilises revolving credit facilities and long-term loans to manage liquidity risk.

Cash flow risk is the risk of exposure to short-term variability in cash flows that could be attributable to any seasonality of the business, capital expenditure requirements, or loan repayments. This risk is managed through agreed bank overdraft facilities as well as available revolving credit facilities. Over the course of a financial year the company aims to generate sufficient cash from operations to cover the capital expenditure, working capital, financing and taxation needs of the business.

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.

It 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.

Employees

The average number of employees increased from 544 to 556 during the year.

The company is committed to the further development of employee information and consultation. This is achieved both in conjunction with trade union representatives and through briefing sessions with wider groups of employees.

It is the policy of the company to offer equal opportunities to disabled persons in recruitment, training and career development, having due regard to their aptitudes and abilities in relation to the jobs available.

Directors

The directors who held office during and subsequent to the period were:

Scott Ellison
Alison Farrar
Claire Jefferey (resigned 26 April 2013)
Paul Murphy
Christoph Schulze-Melander
Mark Ward (resigned 31 July 2013)
Carol Ann Welch (resigned 26 June 2013)
Peter Trundley
Ian Mace (appointed 31 July 2013)

United Kingdom charitable and political contributions

Donations to UK charities amounted to £11,130 (2012: £2,000). The company made no political contributions during the year (2012: £nil).

Directors' report (*continued*)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office. However, our auditors, KPMG Audit Plc, have instigated an orderly transfer of its business to its parent company, KPMG LLP. Therefore, during the 2013/14 year the board of Jordans & Ryvita Company Limited will propose KPMG LLP as auditors.

By order of the board



Ian Mace
Director

Date: 6th June 2014

Weston Centre
10 Grosvenor Street
London
W1K 4QY

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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 its financial statements comply with the Companies Act 2006. 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.

KPMG Audit Plc

15 Canada Square
London
E14 5GL

Independent auditor's report to the members of The Jordans & Ryvita Company Limited

We have audited the financial statements of The Jordans & Ryvita Company Limited for the 52 weeks ended 14 September 2013 set out on pages 8 to 23. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is prepared on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 14 September 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report to the members of The Jordans & Ryvita Company Limited (*continued*)

Matters on which we are required to report by exception

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

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



Nigel Harker (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc,
Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 10 June 2014

Profit and loss account

for the 52 week period ended 14 September 2013

		52 week period ended 14 September 2013	52 week period ended 15 September 2012
	Note	£000	£000
Turnover	3	150,008	138,526
Operating profit	4	21,379	17,695
Other interest receivable and similar income	8	556	341
Other interest payable	8	(32)	(44)
Profit on ordinary activities before taxation	5	21,903	17,992
Tax on profit on ordinary activities	9	(2,711)	(4,527)
Profit on ordinary activities after taxation	19	19,192	13,465

All of the company's activities in the above financial periods are derived from continuing operations.

The financial statements have been prepared on an unmodified historical cost basis and therefore, no note of historical cost profits and losses has been presented.

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

A statement of movements on reserves is given in note 18.

Pages 10 to 23 form part of the financial statements.

Balance sheet

At 14 September 2013

	Note	2013 £000	2012 £000
Fixed assets			
Tangible assets	11	28,098	26,366
		<u>28,098</u>	<u>26,366</u>
Current assets			
Stocks	13	11,217	9,817
Debtors: amounts falling due within one year	14	72,191	60,050
Cash at bank and in hand		40	866
		<u>83,448</u>	<u>70,733</u>
Creditors: amounts falling due within one year	15	(55,552)	(52,879)
Net current assets		<u>27,896</u>	<u>17,854</u>
Total assets less current liabilities		<u>55,994</u>	<u>44,220</u>
Provisions for liabilities and charges	16	(961)	(996)
Net assets		<u>55,033</u>	<u>43,224</u>
Capital and reserves			
Issued share capital	17	196	196
Share premium account	18	1,263	1,263
Profit and loss account	18	53,574	41,765
Equity shareholders' funds	19	<u>55,033</u>	<u>43,224</u>

These financial statements were approved by the board of directors on 6th June 2014 and were signed on its behalf by:



Ian Mace

Director

Company Registration number 245345

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 2013.

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 except as noted below.

Basis of preparation

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

Under Financial Reporting Standard 1 (revised 1996) 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 Financial Reporting Standard 8 as it is a wholly owned subsidiary undertaking included within the consolidated financial statements which are publicly available (note 22).

We have elected under SSAP 20 to hold trade debtors where hedging contracts are in place at the contracted rate. This impacts trade debtors for each period of the financial year. As such the company has not adopted hedge accounting in these accounts.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Turnover

Turnover represents the invoiced value of goods sold (excluding value added tax) derived from the manufacture and distribution of food products to customers during the period.

All turnover and profit before taxation are derived from the company's principal activities, which the directors consider represent one class of business. Turnover attributable to geographical markets outside the UK amounted to 32% (2012: 33%).

Fixed assets and depreciation

Depreciation is charged to the profit and loss account to write off the cost, less the estimated residual value, of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	50 years
Leasehold land and buildings	-	life of lease
Plant, machinery, fixtures and fittings	-	5 – 12 years

Freehold land is not depreciated.

Notes (continued)

2 Accounting policies (continued)

Impairment of fixed assets

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless the loss arises on a previously revalued fixed asset.

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 to the profit and loss account on a straight line basis over the life of the lease.

Research and development

Expenditure in respect of research and development is written off to the profit and loss account 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 for obsolete and slow-moving items. For raw materials, consumables and goods purchased for resale, the cost is determined on a first-in first-out basis and includes transport and handling costs. For work-in-progress and finished goods manufactured by the company the term 'cost' includes ingredients, production wages and an appropriate proportion of attributable production overheads.

Taxation and deferred 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 between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

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 rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes (continued)

2 Accounting policies (continued)

Pension costs

The company participates in a group wide pension scheme providing 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 money purchase 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.

Share-based payments

Associated British Foods plc operates a share incentive plan which allows employees to receive allocations of shares subject to the attainment of certain financial performance criteria and typically after a three-year performance period. The fair value of the shares to be awarded is recognised as an employee expense by the company, with a corresponding increase in reserves. The fair value is measured at grant date and charged to the income statement over the period during which the employee becomes unconditionally entitled to the shares. The fair value of the shares allocated is measured taking into account the terms and conditions under which the shares were allocated. The amount recognised as an expense is adjusted to reflect the actual number of shares that vest.

3 Turnover

	52 week period ended 14 September 2013 £000	52 week period ended 13 September 2012 £000
<i>By geographical market</i>		
UK	101,908	93,517
Rest of the World	48,100	45,009
	<hr/>	<hr/>
	150,008	138,526
	<hr/>	<hr/>

All turnover and profit before taxation are derived from the company's principal activities, which the directors consider represent one class of business.

Notes (continued)

4 Analysis of operations

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
Turnover	150,008	138,526
Cost of sales	(88,103)	(81,950)
Gross profit	61,905	56,576
Distribution costs	(31,883)	(30,090)
Administrative expenses	(8,643)	(8,791)
Operating profit	21,379	17,695

5 Notes to the profit and loss account

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation and other amounts written off owned tangible fixed assets	3,049	3,732
Loss on sale of fixed assets	6	86
Hire of plant and machinery – rentals payable under operating leases	358	315
Hire of other assets – operating leases	280	199
Research and development expenditure	410	467
<i>Auditors' remuneration:</i>		
Audit of these financial statements	71	70

Notes (continued)

6 Remuneration of directors

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
Directors' emoluments	1,876	1,693
Amounts receivable under long-term incentive schemes	185	134
Company contributions to money purchase pension schemes	74	99
	<u>2,135</u>	<u>1,926</u>

The aggregate emoluments and amounts receivable under long-term incentive schemes of the highest paid director were £589,000 (2012: £517,000). As at 14 September 2013, the amount of the highest paid director's accrued pension was £28,000 (2012: £26,000).

Retirement benefits in respect of their services to the company are accruing to the following number of directors under:

	52 week period ended 14 September 2013	52 week period ended 15 September 2012
Defined benefit schemes	2	1
Money purchase schemes	<u>4</u>	<u>6</u>

Notes (continued)

7 Staff numbers and costs

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

	Number of employees	
	52 week period ended 14 September 2013	52 week period ended 15 September 2012
Management	32	35
Administration	101	93
Production	423	416
	<hr/>	<hr/>
	556	544
	<hr/>	<hr/>

The aggregate payroll costs were as follows:

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
Wages and salaries	19,864	18,683
Share based payments	185	134
Social security costs	2,043	1,961
Other pension costs (note 24)	1,620	1,142
	<hr/>	<hr/>
	23,712	21,920
	<hr/>	<hr/>

8 Interest

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
Other interest receivable and similar income		
Receivable from group undertakings	345	341
Foreign exchange gains on cash and cash equivalents	211	-
	<hr/>	<hr/>
	556	341
	<hr/>	<hr/>
Other interest payable	£000	£000
Bank interest	5	14
Foreign exchange loss on cash and cash equivalents	27	30
	<hr/>	<hr/>
	32	44
	<hr/>	<hr/>

Notes (continued)

9 Taxation

Analysis of charge in period

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
<i>UK corporation tax</i>		
Current tax on income for the period	5,128	4,679
Adjustments in respect of prior periods	(2,403)	-
Total current tax	2,725	4,679
<i>Deferred tax (see note 16)</i>		
Origination/ reversal of timing differences	127	(75)
Adjustments in respect of prior periods	-	4
Effect of change in the rate of Corporation Tax	(141)	(81)
Total deferred tax	(14)	(152)
Tax on profit on ordinary activities	2,711	4,527

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2012: *higher*) than the standard rate of corporation tax in the UK, 23 % (2012: 25%). The Company has used a rate of 23.5% to arrive at taxable charges based on a number of months method, (2012: 25.1%). The differences are explained below:

	52 week period ended 14 September 2013 £000	52 week period ended 14 September 2012 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	21,903	17,992
Current tax at 23.5% (2012: 25.1%)	5,147	4,516
<i>Effects of:</i>		
Expenses not deductible for tax purposes	65	74
Capital allowances (in excess of)/less than depreciation	(127)	55
Adjustment in respect of prior periods	(2,403)	-
Effect of share based payments	43	34
Total current tax charge (see above)	2,725	4,679

Notes (continued)

9 Taxation (continued)

Factors that may affect future tax charges

The UK corporation tax rate was reduced from 24% to 23% with effect from 1 April 2013, with further reductions to 21% and 20% due to take effect on 1 April 2014 and 1 April 2015 respectively. The legislation to effect these rate changes had been enacted before the balance sheet date. As deferred tax is measured at the rates that are expected to apply in the periods when the underlying timing differences reverse, closing deferred tax balances have been calculated using a rate of 20%."

10 Dividends

	52 week period ended 14 September 2013 £000	52 week period ended 15 September 2012 £000
Equity shares:		
Interim dividend proposed and fully paid	7,568	5,439

11 Tangible fixed assets

	Freehold land and buildings £000	Plant and machinery £000	Fixtures and fittings £000	Assets under construction £000	Total £000
Cost					
At beginning of period	9,944	57,071	4,717	835	72,567
Additions	2	975	93	3,717	4,787
Transfer	41	75	84	(200)	-
Disposals	-	(18)	-	-	(18)
At end of period	9,987	58,103	4,894	4,352	77,336
Depreciation					
At beginning of period	1,959	40,731	3,511	-	46,201
Charge for period	188	2,498	363	-	3,049
Disposals	-	(12)	-	-	(12)
At end of period	2,147	43,217	3,874	-	49,238
Net book value					
At end of period	7,840	14,886	1,020	4,352	28,098
At beginning of period	7,985	16,340	1,206	835	26,366

Freehold land of £1,863,000 (2012: £1,863,000) is not depreciated.

Notes (continued)

12 Capital commitments

The company has contractual commitments for capital expenditure for which no provision has been made, of approximately £963,000 (2012: £585,000).

13 Stocks

	14 September 2013 £000	15 September 2012 £000
Raw materials and consumables	5,101	5,300
Finished goods and goods for resale	6,116	4,517
	<u>11,217</u>	<u>9,817</u>

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

14 Debtors

	14 September 2013 £000	15 September 2012 £000
<i>Amounts due within one year:</i>		
Trade debtors	22,368	23,068
Amounts due from parent and fellow subsidiary undertakings	47,756	35,872
Corporation Tax	1,020	-
Other taxation and social security	483	529
Prepayments and accrued income	564	581
	<u>72,191</u>	<u>60,050</u>

Included in the amounts due from parent and fellow subsidiary undertakings is £42,976,000 (2012: £33,149,000) in respect of a loan to Associated British Foods plc. This loan bears interest at 1.1175% with no fixed terms of repayment.

Notes (continued)

15 Creditors

	14 September 2013 £000	15 September 2012 £000
Creditors: amounts falling due within one year		
Trade creditors	14,038	10,816
Amounts owed to parent and fellow subsidiary undertakings	1,021	1,605
Amounts owed to related parties	737	811
Other creditors including taxation and social security	589	958
Corporation tax	-	2,020
Accruals and deferred income	16,186	14,628
Intercompany loan	22,981	22,041
	<u>55,552</u>	<u>52,879</u>

The intercompany loan has no fixed date of repayment and does not bear any interest.

16 Provisions for liabilities and charges

	Other Provision £000	Redundancy Provision £000	Deferred Tax £000	Total £000
At beginning of year	43	18	935	996
Credit to profit and loss for the year	-	-	(14)	(14)
Utilised in the year	(3)	(18)	-	(21)
	<u>40</u>	<u>-</u>	<u>921</u>	<u>961</u>

The elements of deferred taxation are as follows:

	14 September 2013 £000	15 September 2012 £000
Accelerated capital allowances	934	951
Other timing differences	(13)	(16)
	<u>921</u>	<u>935</u>
Total deferred tax provision		

Notes *(continued)*

17 Issued share capital

	14 September 2013		15 September 2012	
	Number	£	Number	£
<i>Issued and fully paid</i>				
Ordinary shares of £1.00 each – equity	195,950	195,950	195,950	195,950

18 Reserves

	Share premium account £000	Profit and loss account £000
At beginning of period	1,263	41,765
Share based payments	-	185
Profit on ordinary activities after taxation	-	19,192
Dividends	-	(7,568)
At end of period	1,263	53,574

19 Reconciliation of movements in shareholders' funds

	14 September 2013 £000	15 September 2012 £000
Profit on ordinary activities after taxation	19,192	13,465
Dividends	(7,568)	(5,439)
Net addition to shareholders' funds	11,624	8,026
Opening shareholders' funds	43,224	35,064
Share based payment	185	134
Closing shareholders' funds	55,033	43,224

Notes (continued)

20 Contingent liabilities

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

Guarantees totalling £60,000 (2012: £60,000) have been provided by the company's bankers in respect of Customs Duties.

Derivatives held for trading not recognised in the year total £nil (2012: £nil).

21 Commitments

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

	14 September 2013 £000	15 September 2012 £000
Leases expiring:		
Within 1 year	63	33
In the second to fifth year inclusive	288	217
	<hr/>	<hr/>
Total	351	250
	<hr/>	<hr/>

22 Ultimate parent company and parent undertaking of larger group of which the company is a member

The immediate holding company is Parkstone Bakeries Ltd, a company registered in England and Wales. The ultimate holding company is Wittington Investment Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is headed by Wittington Investments Limited, incorporated in Great Britain. The smallest group in which they are consolidated is headed by Associated British Foods plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.

Notes (continued)

23 Related party transactions

The company is controlled by Associated British Foods plc and is exempt from disclosing transactions with it and other group companies under Financial Reporting Standard 8 as it is a wholly owned subsidiary undertaking included within the consolidated financial statements which are publicly available (note 22).

The following transactions took place between the company and a related party of the company:

	52 week period ended 14 September 2013 £000	52 week period ended 14 September 2012 £000
Purchases of goods and services: Princes Countryside Fund	53	-

A director of The Jordans and Ryvita Company Limited, Paul Murphy, is also a Trustee of the Princes Countryside Fund.

There were no outstanding balances with the Princes Countryside Fund as at 14 September 2014.

24 Pensions

The company is a member of the Associated British Foods Pension Scheme, providing benefits based on final pensionable pay. Because the company is unable to identify its share of the scheme's assets and liabilities on a consistent basis, the scheme is accounted for by the company as if it were a defined contribution scheme, as permitted by FRS 17 '*Retirement Benefits*'.

On 30 September 2002 the scheme was closed to new members, with defined contribution arrangements put in place for other employees. For the defined contribution scheme, the pension costs are the contributions payable.

The last actuarial valuation of the Associated British Foods Pension Scheme was carried out as at 5 April 2011. At the valuation date the total market value of the assets of the Scheme was £2,559m and represented 101% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The particulars of the actuarial valuation of the scheme are contained in note 12 to the Associated British Foods plc financial statements which are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, or by download from the group's website at www.abf.co.uk.

The combined contribution to the defined benefit and defined contribution sections of the Associated British Foods Pension Scheme for the period was £1,596,000 (2012: £1,019,000). Upon acquiring Jordan's Cereals, the company contributed to a defined contribution pension plan with Scottish Widows for the benefit of employees and directors. The defined contributions into the Scottish Widows fund for the period were £24,000 (2012: £123,000). On 1 February 2013 the assets of this scheme were transferred into the Associated British Foods Pension Scheme and the Scottish Widows Pension scheme was closed. There were no outstanding contributions at 14 September 2013 (2012: £nil).

Notes (continued)

25 Employee share schemes

Share based payments

The company had the following equity-settled share-based payment plans in operation during the period:

Associated British Foods Executive Share Incentive Plan 2003 ('the Share Incentive Plan')

The Share Incentive Plan was approved and adopted by Associated British Foods plc at its annual general meeting held on 5 December 2003. It takes the form of conditional allocations of shares which will be released if, and to the extent that, certain performance targets are satisfied over a three-year performance period.

Details of the shares outstanding under the equity-settled share-based payment plan are as follows:

	14 September 2013 £000	15 September 2012 £000
Balance outstanding at the beginning of the period	201	67
Awarded	185	134
	<hr/>	<hr/>
Balance outstanding at the end of period	386	201
	<hr/>	<hr/>

Fair values

The weighted average fair value of shares awarded was determined by taking the market price of the shares at the time of grant and discounting for the fact that dividends are not paid on conditionally allocated shares during the vesting period. The dividend yield used was 2.5%.

The weighted average fair value of shares awarded during the year was 1,345 pence (2012: 1,022 pence) per share and the weighted average share price was 1,446 pence (2012: 1,099 pence).

The company recognised a total equity-settled share-based payment expense of £185,000 (2012: £134,000).

Further information regarding the operation of the share incentive plan can be found in the financial statements of Associated British Foods plc which may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. These financial statements are also available by download from the group's website at www.abf.co.uk