

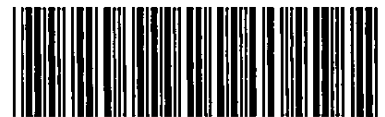
Company Registration Number 3163230

Greenvale AP Limited

REPORTS AND FINANCIAL STATEMENTS

For the 52 weeks ended 26 June 2010

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Greenvale AP Limited

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Greenvale AP Limited

DIRECTORS, OFFICERS AND ADVISERS

DIRECTORS

A Armstrong
A Bambridge
J Tucholski
P M Coleman
R B Clapham
T S Dear
E L Davies
B Macdonald
D Rankin

SECRETARY

B Macdonald

REGISTERED OFFICE

Greenvale AP
Floods Ferry Road
Doddington
March
Cambridgeshire
PE15 0UW

AUDITORS

Baker Tilly UK Audit LLP
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

BANKERS

Clydesdale Bank Plc
2nd Floor
10 Fleet Place
London
EC4M 7RB

Greenvale AP Limited

DIRECTORS' REPORT

The directors present their report and financial statements of Greenvale AP Limited for the 52 weeks ended 26 June 2010

PRINCIPAL ACTIVITIES

The principal activities of the company are the growing, sourcing, packing and sale of fresh potatoes. It also supplies seed potatoes and operates a processing business supplying potatoes for the food ingredient sector.

REVIEW OF THE BUSINESS

The directors are satisfied with the overall trading performance of the company given the trading conditions experienced during the year. A relatively high yielding crop and consequently lower free buy raw material prices meant that the retailers continued their demand for more promotional support as they continue to battle for volume and value market share. The Greenvale procurement model, which is based on sustainable fixed priced procurement contracts with its grower base, has meant that the company has been unable to benefit fully from these lower free buy raw material prices. The company has maintained its position with its major customers through the continued provision of exceptionally high customer service levels across the whole supply chain.

Market conditions are expected to remain competitive but the directors are confident that the company is well placed to capitalise and expand the business as new opportunities arise with both existing and new customers.

The company has maintained a good relationship with its bank throughout the year and continues to reduce its net borrowings.

The company reversed the accounting policy of revaluation of fixed assets from the previous period. This led to a prior year adjustment in the 2010 financial statements as disclosed in the Basis of Preparation section of the Company's accounting policies. The balance sheet impact is a reduction in the carrying value of land and buildings (and revaluation reserve) of £17,016,000 at 27 June 2009, but there was no profit impact of this prior year adjustment. No comparative revaluation has been performed in June 2010.

The immediate parent company, Produce Investments plc, was admitted to trade on the London Stock Exchange AIM market on 18 November 2010. The floatation resulted in a number of new shares being issued in Produce Investments plc. From this date, Produce Investments plc became the ultimate controlling party of Greenvale AP Limited.

Greenvale AP Limited

DIRECTORS' REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The key risks affecting the company are set out below -

Competition

The company operates in a highly competitive market, particularly around price and product availability/quality. In order to mitigate this risk we continually monitor market prices and routinely undertake customer reviews to fully understand our customers' requirements in order to ensure that their expectations are fully met.

We maintain a constant programme of innovation within our product range as well as formal and regular new product development meetings with all of our customers in order to retain our current position of preferred supplier.

Employees

The company's performance depends largely on its regional managers and local staff. The loss of key individuals or the inability to recruit people with the right level of experience and skills locally could adversely impact the company's results. In order to mitigate these risks the company has a rolling programme for employees to enhance continuous learning and skills improvements and has implemented a number of incentive schemes linked to the company's overall results that are designed to retain key individuals. There are also a number of keyman insurance policies in place to further mitigate some of the financial risks associated with the loss of certain key individuals.

Supply Chain

Given the company's focus on product availability and freshness it sources its products locally, nationally and internationally. Throughout this sourcing portfolio the company ensures effective supplier selection and procurement practices in order to minimise the overall risk that is inherent within the fresh produce supply chain.

To mitigate the financial effects of any weather related supply issues the company has a geographically balanced portfolio of forward contract, market related and own-grown supplies available in any one season.

FINANCIAL RISK MANAGEMENT

Credit risk

Company policies are aimed at minimising any potential exposure and require that deferred terms are only offered where customers demonstrate an appropriate payment history and satisfy credit worthiness procedures. Credit limits are subject to regular review to ensure that limits remain appropriate to the circumstances of each customer.

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection targets. The company also manages liquidity risk via revolving credit facilities and long term debt.

Interest rate risk

The company manages this risk, where significant, by fixing interest rate payments using interest rate swaps where payments are variable and hence exposed to interest rate movements.

KEY PERFORMANCE INDICATORS

The directors review performance using a number of both financial and non-financial key performance indicators (KPI'S). These are regularly reviewed as to their appropriateness, set and measured continuously in order to monitor performance and comparative efficiencies across the company.

The principal financial KPI'S monitored by the board are average selling prices and procurement costs, which enable the board to monitor overall profitability. In the year to 26 June 2010 there has been considerable pressure on selling prices, leading to decreases, but lower procurement costs have helped offset these.

Non-financial KPI's are principally efficiency related and include

Volume of potatoes sold, overall volumes have remained flat. However fresh retail shows a decrease which has been offset by an increase in other lower priced volumes.

Greenvale AP Limited

DIRECTORS' REPORT (continued)

Yield%, the company monitors the yield through its three main fresh sites and this showed an improvement of over 3.3% compared with the previous year

Man hours per tonne, the company monitors the number of worked hours to pack potatoes and this showed an improvement of over 4% compared with the previous year

RESULTS AND DIVIDENDS

The results for the period are set out on page 8

The directors do not recommend the payment of a final dividend

DIRECTORS

The following directors have held office during the period

A Armstrong

A Bambridge

J Tucholski

P M Coleman

R B Clapham

T S Dear

E L Davies

B Macdonald

D Rankin

RESEARCH AND DEVELOPMENT

Research and development continues in three major areas – developing new and improved potato varieties with increased resistance to potato diseases in conjunction with the Scottish Crop Research Institute, treatments and products to assist in the storage of potatoes, and the introduction of potato products in a variety of different formats including further processing that are additive and chemical free whilst maintaining higher proportions of their natural healthy ingredients

POLITICAL AND CHARITABLE DONATIONS

Donations to UK charities amounted to £16,000 (2009 - £18,000) principally to local charities. The company made no political donations during the period

The company has chosen Macmillan Cancer Support as its preferred charity for 2010

EMPLOYEE INVOLVEMENT

The directors recognise the benefits which arise from keeping employees informed of the company's progress and plans and through their participation in the company's performance. The company is therefore committed on a regular basis to provide its employees with information and to consult them so that their views may be taken into account in making decisions which may affect their interests and to encourage their participation in schemes through which they will benefit from the company's progress and profitability

DISABLED PERSONS

It is the company's policy to ensure that disabled persons are treated fairly and consistently in terms of recruitment, training, career development and promotion and that their employment opportunities should be based on a realistic assessment of their aptitudes and abilities. Wherever possible, the company will continue the employment of persons who become disabled during the course of their employment with the company through retraining, acquisition of special aids and equipment or the provision of alternative employment

AUDITORS

Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue to act as auditors to the company

Greenvale AP Limited

DIRECTORS' REPORT (continued)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the Board

 7.2.2011

B Macdonald - Director

Greenvale AP Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Greenvale AP Limited

INDEPENDENT AUDITORS' REPORT

To the Members of Greenvale AP Limited

We have audited the financial statements on pages 8 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 more fully explained in the Directors' Responsibilities Statement set out on page 6, 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 Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 26 June 2010 and of its profit for the 52 weeks then ended,
- have been properly prepared in accordance with United Kingdom 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.

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, 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.

Baker Tilly UK Audit LLP

7 February 2011

JEREMY READ (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

Greenvale AP Limited
PROFIT AND LOSS ACCOUNT
For the 52 weeks ended 26 June 2010

	<i>Notes</i>	2010 £'000	2009 £'000
TURNOVER	1	156,630	172,528
Raw materials and other consumables		(106,152)	(124,829)
Other external charges		(8,641)	(8,478)
Staff costs	5	(20,188)	(19,654)
Depreciation and amortisation	4	(2,548)	(2,378)
Other operating charges		(10,087)	(9,052)
OPERATING PROFIT		9,014	8,137
Profit on disposal of tangible fixed assets		-	352
Amounts written off investments		-	(5,585)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION		9,014	2,904
Interest receivable	2	92	73
Other finance (cost) / income	23	(111)	7
Interest payable and similar charges	3	(318)	(464)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	8,677	2,520
Taxation	7	(2,244)	(3,963)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	18	6,433	(1,443)

Turnover and operating profits are derived from continuing operations

Greenvale AP Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the 52 weeks ended 26 June 2010

	<i>Notes</i>	2010 £'000	2009 Restated £'000
Profit / (loss) for the financial period after taxation		6,433	(1,443)
Actuarial loss in respect of pension scheme	23	(3,691)	(583)
Deferred taxation thereon		1,033	163
Total recognised gains and losses relating to the period		<u>3,775</u>	<u>(1,863)</u>
Prior year adjustment (as explained in Accounting Policies note)		<u>(17,016)</u>	
Total gains and losses recognised since last annual report		<u>(13,241)</u>	

Greenvale AP Limited

BALANCE SHEET

At 26 June 2010

Company Registration No 3163230

	Notes	2010 £'000	2009 Restated £'000
FIXED ASSETS			
Intangible fixed assets	8	83	93
Tangible fixed assets	9	16,051	16,310
Investments	10	133	133
		<u>16,267</u>	<u>16,536</u>
CURRENT ASSETS			
Stocks	11	5,202	6,632
Debtors	12	34,520	29,503
Cash at bank and in hand		502	157
		<u>40,224</u>	<u>36,292</u>
CREDITORS			
Amounts falling due within one year	13	36,326	38,848
NET CURRENT LIABILITIES		<u>3,898</u>	<u>(2,556)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,165</u>	<u>13,980</u>
CREDITORS			
Amounts falling due after more than one year	14	(89)	(184)
PROVISIONS FOR LIABILITIES	15	<u>(1,032)</u>	<u>(970)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>19,044</u>	<u>12,826</u>
PENSION LIABILITY	23	<u>(4,017)</u>	<u>(1,677)</u>
NET ASSETS INCLUDING PENSION LIABILITY		<u>15,027</u>	<u>11,149</u>
CAPITAL AND RESERVES			
Called up share capital	16	750	750
Share premium account	18	6,923	6,923
Capital redemption reserve	18	595	595
Profit and loss account	18	6,138	2,363
Share based payment reserve	18	621	518
SHAREHOLDERS FUNDS	19	<u>15,027</u>	<u>11,149</u>

The financial statements on pages 8 to 31 were approved by the board of directors and authorised for issue on 7 February 2011 and were signed on its behalf by

B. Macdonald 7.2.2011

B Macdonald
Director

Greenvale AP Limited

ACCOUNTING POLICIES

For the 52 weeks ended 26 June 2010

BASIS OF ACCOUNTING AND CHANGE IN ACCOUNTING POLICY

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards that have been applied consistently

The company has taken advantage of the exemption available in Financial Reporting Standard No 1 (Revised) from the requirement to produce a cashflow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group, and the company is included in consolidated financial statements

The company is exempt by virtue of S400 Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group

Correction of Accounting Policy

Up to and including the period ended 28 June 2008, the policy of the ultimate parent, Produce Investments Limited was to account for land and buildings at historic cost within the consolidated accounts. However, given the history of company set ups and acquisitions, different companies within the group were carrying the same buildings at different original costs

In the period ended 27 June 2009, the ultimate parent's directors adopted a change of accounting policy to a revaluation basis which was considered by the directors to be more appropriate at the time. The change was made at group level in order to more fairly reflect the true values of the asset base of the group within the audited published consolidated financial statements

As a consequence, all group companies, including Greenvale AP Limited, changed their accounting policy to remain consistent with the consolidated accounts. This also achieved the objective of common carrying values for the same land and buildings, whether in the consolidated accounts or individual company accounts

The application of the group accounting policy of revaluation meant that the carrying value of land and buildings in the 2009 financial statements was based upon an existing use valuation, determined as an operational entity

The existing use valuation is largely dependent on the assumptions made on potato prices which can be volatile from year to year. The directors have concluded that a revaluation policy based on a methodology which uses assumptions made on potato prices could result in material changes to the values of land and buildings which would not be reflective of changes to the underlying assets or their capacity to generate income and is therefore not the most appropriate to the company's circumstances. Therefore in hindsight, although the ultimate parent's directors believe that an existing use valuation determined as an operational entity achieves the most realistic valuation of the assets, they now recognise that a revaluation policy may not always aid comparability between periods if regular revaluations are required to be performed

The directors have therefore reversed the policy to the historic cost basis in place of the less appropriate policy adopted in 2009. Consequently, Greenvale AP Limited, has reverted back to the historic cost policy

The balance sheet impact of this correction to a more appropriate policy on the company's balance sheet is a reduction in both the carrying value of land and buildings and the revaluation reserve of £17,016,000 at 27 June 2009. This is shown as a prior year adjustment within the financial statements, as reflected in the Statement of Total Recognised Gains and Losses, and in the notes to the financial statements for tangible fixed assets (note 9) and reserves (note 18). There is no impact on the profit and loss account of this correction in either the current or preceding period

GOING CONCERN

The company has traded profitably throughout the period under review, and the directors have prepared cash flow projections for the next 12 months indicating that this will continue for the foreseeable future. In addition, the group successfully raised £15m following the parent company's admission to trade on the London AIM market

Therefore, the directors remain satisfied that the financial statements should be prepared on the going concern basis

Greenvale AP Limited

ACCOUNTING POLICIES (continued)

For the 52 weeks ended 26 June 2010

GOODWILL

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets) is capitalised. Positive goodwill is amortised to nil by equal annual instalments over the period which the directors consider the company will derive economic benefit from the goodwill. For the acquisitions made to date, this period is currently considered to be 15 years for incorporated businesses and one year for unincorporated businesses.

RESEARCH AND DEVELOPMENT

All expenditure on research and development is written off as incurred.

TANGIBLE FIXED ASSETS

All tangible fixed assets are stated at historical cost less depreciation and impairment in accordance with Financial Reporting Standard 15.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	- 5 to 50 years
Plant and machinery	- 5 to 15 years
Fixtures, fittings and equipment	- 2 to 10 years

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCK AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Greenvale AP Limited

ACCOUNTING POLICIES (continued)

For the 52 weeks ended 26 June 2010

LEASED ASSETS

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments. Hire purchase agreements are treated in the same way.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

PENSION CONTRIBUTIONS

The company operates a defined benefit pension scheme and defined contribution pension schemes, all of which require contributions to be made to separately administered funds.

For defined benefit schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance income.

Defined benefit schemes are funded with the assets held separately from the company in separate trustee administered funds. A liability is recognised in the balance sheet in respect of the defined benefit plan which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. A full valuation of the liability is calculated by an independent actuary every 3 years and updated on an annual basis using the projected unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised in reserves in the year in which they arise. Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

From 31 October 2007, the defined benefit scheme has ceased to accrue benefits going forward and accordingly there will be no ongoing current service costs. The company will continue to fund the scheme to ensure it can meet its obligations as they fall due.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. The company contributes to a stakeholder scheme and also personal pension plans of certain employees. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Greenvale AP Limited

ACCOUNTING POLICIES (continued)

For the 52 weeks ended 26 June 2010

FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

REVENUE RECOGNITION

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods. For some customers, the risks and rewards of ownership pass to the buyer when the goods arrive with the buyer. However, given that sales are principally fresh food products that arrive with the buyer within hours of despatch, the date of despatch and the date of arrival is typically the same, and any overnight goods in transit on the last day of the year are not adjusted for on the grounds of materiality.

Revenue is recognised on confirmed delivery to the customer for seed potatoes.

SHARE BASED PAYMENTS

Equity-settled transactions

The cost of equity settled transactions with employees is measured by reference to the fair value at the date which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using the Black Scholes option pricing model. For grants prior to 2010, fair value was determined using the intrinsic valuation method permitted under FRS 20.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance criteria are satisfied.

At the balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non market conditions. Number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous reporting date is recognised in profit or loss, with a corresponding entry in equity.

Where the terms of an equity settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the profit and loss account.

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 26 June 2010

1 TURNOVER

In the opinion of the directors, the company only has one principal activity. All turnover originates in the UK.

The analysis by destination of the geographical location of the company's turnover is set out below.

	2010 £'000	2009 £'000
Geographical location		
UK	152,031	167,278
Other EU countries	2,235	2,012
Rest of world	2,364	3,238
	<u>156,630</u>	<u>172,528</u>

2 INTEREST RECEIVABLE

	2010 £'000	2009 £'000
Bank interest received	5	73
Other interest received	87	-
	<u>92</u>	<u>73</u>

3 INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £'000	2009 £'000
On bank loans and overdrafts	284	464
Other interest paid	34	-
	<u>318</u>	<u>464</u>

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2010 £'000	2009 £'000
Amortisation of intangible assets	10	10
Depreciation of tangible assets		
Charge for the period		
Owned assets	2,311	2,208
Leased assets	227	170
Loss / (profit) on disposal of fixed assets	-	(352)
Profit on disposal of investment	36	-
Research and development	315	263
Operating lease rentals		
Plant and machinery	541	785
Other	263	288
Net foreign exchange gains	-	(6)
	<u> </u>	<u> </u>

Remuneration paid to Baker Tilly UK Audit LLP and its associates was as follows

	£'000	£'000
Audit services – Baker Tilly UK Audit LLP		
- Statutory audit	60	50
Tax services – Baker Tilly Tax and Advisory Services LLP		
- Compliance services	39	34

In addition the company has borne auditors remuneration in respect of other group companies amounting to £30,000 (2009 - £28,000)

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

5 EMPLOYEES

The average monthly number of persons (including directors) employed by the company during the period was

	2010 No	2009 No
Production and warehouse	708	696
Management and administration	117	119
	<u>825</u>	<u>815</u>

Staff costs for the above persons

	2010 £'000	2009 £'000
Wages and salaries	18,035	17,469
Social security costs	1,568	1,528
Other pension costs	482	405
Share based payments	103	252
	<u>20,188</u>	<u>19,654</u>

Wages and salaries include agency labour amounting to £1,759,000 (2009 - £1,554,000)

6 DIRECTORS' REMUNERATION

	2010 £'000	2009 £'000
In respect of the directors		
Emoluments for qualifying services	796	653
Company pension contributions to money purchase scheme	128	117
	<u></u>	<u></u>

Emoluments disclosed above include the following amounts paid to the highest paid director

	2010 £'000	2009 £'000
Emoluments for qualifying services	114	113
Company pension contributions to money purchase schemes	81	81
	<u></u>	<u></u>

Retirement benefits are accruing to two (2009 – two) directors within the company's defined benefit pension scheme and to five (2009 – five) directors in other pension schemes

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

7 TAXATION

	2010 £'000	2009 £'000
UK corporation tax		
Current tax charge	2,119	984
Adjustment in respect of prior years	(60)	-
Payment to subsidiary for tax losses	-	2,900
	<u>2,059</u>	<u>3,884</u>
Deferred tax		
Origination and reversal of timing differences	62	(69)
Adjustment in respect of prior years	-	-
	<u>62</u>	<u>(69)</u>
Pension scheme timing differences	123	148
	<u>185</u>	<u>79</u>
Taxation	<u>2,244</u>	<u>3,963</u>
Factors affecting the tax charge for the period		
Profit on ordinary activities before taxation	<u>8,677</u>	<u>2,520</u>
Profit on ordinary activities before taxation multiplied by the following rate of UK corporation tax of 28% (2009 – 28%)	2,430	706
Effects of		
Non deductible expenses	131	1,749
Depreciation in excess of capital allowances	62	135
Group relief claimed without payment	(527)	-
Other tax adjustments	38	(214)
Income not taxable	(15)	-
Adjustment in respect of prior years	(60)	-
Chargeable gains	-	45
Excess payment for group relief	-	1,463
Current tax charge	<u>2,059</u>	<u>3,884</u>

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

8 INTANGIBLE FIXED ASSETS

	Goodwill £'000
Cost	
At 27 June 2009 and at 26 June 2010	166
Amortisation	
At 27 June 2009	73
Charge for period	10
At 26 June 2010	83
Net book value	
At 26 June 2010	83
Net book value	
At 27 June 2009	93

9 TANGIBLE FIXED ASSETS

	Land and buildings freehold £'000	Plant and machinery £'000	Fixtures fittings and equipment £'000	Total £'000
Cost or valuation				
At 27 June 2009 - originally presented	24,161	16,405	990	41,556
Prior year adjustment	(13,295)	-	-	(13,295)
At 27 June 2009 as restated	10,866	16,405	990	28,261
Additions	181	2,145	57	2,383
Disposals	-	(189)	(5)	(194)
At 26 June 2010	11,047	18,361	1,042	30,450
Depreciation				
At 27 June 2009 - originally presented	-	7,494	736	8,230
Prior year adjustment	3,721	-	-	3,721
At 27 June 2009 as restated	3,721	7,494	736	11,951
Disposals	-	(85)	(5)	(90)
Charge for the period	307	2,107	124	2,538
At 26 June 2010	4,028	9,516	855	14,399
Net book value				
At 26 June 2010	7,019	8,845	187	16,051
Net book value				
At 27 June 2009 - as restated	7,145	8,911	254	16,310
Net book value				
At 27 June 2009 - originally presented	24,161	8,911	254	33,326

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

9 TANGIBLE FIXED ASSETS (continued)

As described in the basis of preparation section of the company's Accounting Policies, the company has prepared the 2010 financial statements on a historic cost basis with no revaluation of tangible fixed assets. The historic cost policy has been determined to be more appropriate than the revaluation policy adopted in 2009 owing to the potential volatility which might arise from regular revaluations using the existing use approach. The change in accounting policy has resulted in a reduction of the carrying value of land and buildings at 27 June 2009 of £17,016,000.

Included above are assets held under finance leases and hire purchase contracts as follows

	Plant and machinery £'000
Net book value At 26 June 2010	961
Net book value At 27 June 2009	1,188

The gross book value of freehold land and buildings includes approximately £727,000 (2009 - £727,000) of non-depreciable assets.

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

10 FIXED ASSET INVESTMENTS

	Trade investments £'000	Shares in group undertakings £'000	Total £'000
Cost			
At 27 June 2009 and 26 June 2010	133	12,500	12,633
Provision for diminution in value			
At 27 June 2009 and 26 June 2010	-	12,500	12,500
Net book value			
At 27 June 2009 and 26 June 2010	133	-	133

The company holds an investment of 33.3% in Organic Potato Growers (Scotland) Limited a company incorporated in Scotland. Greenvale AP Limited does not exercise any significant influence over the operating and financial policies of this company and hence the investment is considered to be a passive investment and accordingly this company are accounted for as a trade investment.

During the period ended 26 June 2010, Greenvale AP Limited disposed of its 24.5% holding in Brookland Solutions Limited. This disposal gave rise to a profit on disposal of £38,200 which is reflected within the profit and loss account. Greenvale AP Limited did not pay for its 24.5% holding in Brookland Solutions Limited and as a result there is no disposal separately identified in the note above.

The company holds more than 20% of the share capital of the following companies

Subsidiary undertakings	Country of incorporation	Class	Shares held	Nature of business
Swancote Foods Limited	UK	Ord	100%	Potato processing – non trading
Greenvale Foods Limited	UK	Ord	100%	Potato processing – ceased trading

11 STOCKS

	2010 £'000	2009 £'000
Raw materials and consumables	3,919	5,170
Work in progress	1,077	1,234
Finished goods and goods for resale	206	228
	<u>5,202</u>	<u>6,632</u>

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

12 DEBTORS

	2010 £'000	2009 £'000
Due within one year		
Trade debtors	14,734	14,431
Amounts owed by group undertakings	18,325	12,998
Other debtors	666	621
Prepayments and accrued income	795	1,453
	<u>34,520</u>	<u>29,503</u>

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Bank overdrafts and invoice discounting	4,767	8,930
Redeemable B preference shares of £1 each (note 16)	2,291	2,291
Obligations under finance lease and hire purchase contracts	151	129
Trade creditors	14,925	15,532
Amounts owed to group undertakings	6,468	6,460
Corporation tax	1,548	1,366
Taxes and social security costs	1,199	484
Accruals and deferred income	4,977	3,656
	<u>36,326</u>	<u>38,848</u>

The bank overdraft and invoice discounting facility is secured against trade debtors and stock

The bank overdraft is also secured by a composite cross guarantee given by all group companies. These borrowings are also secured by first legal charges over land and buildings, debenture over all present and future assets of the group and assignment of keyman policies

Obligations under finance leases and hire purchase contracts are secured on the underlying assets

14 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010 £'000	2009 £'000
Obligations under finance leases and hire purchase contracts due between two and five years	<u>89</u>	<u>184</u>

Obligations under finance leases and hire purchase contracts are secured on the underlying assets

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

15 PROVISIONS FOR LIABILITIES

	Deferred taxation £'000	
Balance at 27 June 2009		970
Transfer to profit and loss account		62
At 26 June 2010		<u>1,032</u>
Deferred taxation provision in the financial statements is as follows		
	2010 £'000	2009 £'000
Excess of tax allowances over depreciation	1,040	978
Other timing differences	(8)	(8)
	<u>1,032</u>	<u>970</u>

16 SHARE CAPITAL

	2010 £'000	2009 £'000
Authorised		
1,070,000 Ordinary shares of £1 each	1,070	1,070
9,891,000 Preference shares of 1p each	99	99
2,290,722 Redeemable B Preference shares of £1 each	2,291	2,291
	<u>3,460</u>	<u>3,460</u>
Allotted, issued and fully paid		
750,000 Ordinary shares of £1 each	750	750
2,290,722 Redeemable B Preference shares of £1 each	2,291	2,291
	<u>3,041</u>	<u>3,041</u>

The Redeemable B Preference shares of £1 each were due for redemption at par on 30 June 2007. Dividends on Preference and Redeemable B Preference shares are payable as the company shall determine

The holders of the Preference and Redeemable B Preference shares shall be entitled to receive notice of all general meetings but shall not by any reason of such holding be entitled to attend or vote thereat

The 2,290,722 Redeemable B Preference shares of £1 each are classed as debt and are included in note 13

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

17 SHARE BASED PAYMENTS

In the period ended 28 June 2008 the group commenced an HMRC approved CSOP scheme whereby share options were granted to key personnel within the business. Options vest if and when the group's achieved profit before interest and taxation (PBIT) meets or exceeds a percentage of budgeted PBIT. Performance targets are split over 3 years. All option awards are broken into three separate and equal tranches to be measured against the actual results in each of the 3 years for which options have been granted.

Following the initial awards in 2008, similar options have been granted in 2009 and 2010. The criteria for vesting options are as follows:

- If 100% of budget is met, all options available for that year vest
- If, in years one and two, 80 – 100% of budget is met, that portion of the options available in that year vest, with the remaining vesting in the following year provided PBIT target is met in full in the following year
- If less than 80% of budget is met, no options vest
- In the final year, if 80- 100% of target is achieved, that portion of options will vest and the remaining options will lapse

The contractual life of each option granted is ten years. There is no cash settlement alternative. The expense recognised for share based payments in respect of employee services rendered during the period ended 26 June 2010 is £103,000 (2009 £252,000). All of this expense arises from equity share based payment transactions.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

	2010 No.	2010 WAEP	2009 No.	2009 WAEP
Outstanding options brought forward	175,600	£6.00	143,800	£6.00
Granted during period	18,200	£6.00	34,200	£6.00
Forfeited during period	(5,000)	£6.00	(2,400)	£6.00
Lapsed during period	(27,597)	£6.00	-	-
Outstanding at period end	161,203		175,600	
Exercisable at period end	-		-	

In 2008 and 2009 the fair value of the options granted was derived using the intrinsic valuation method. The value of each share was estimated at the grant date using a discounted future cash flows business valuation assumption. The following table lists the key assumptions in respect of the fair value of the shares and related options for the 2008 and 2009 grants:

	2010 p.a.	2009 p.a.
Profit growth over 5 yrs	3%	3%
Perpetual growth rate	1%	1%
WACC	11%	11%

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

17 SHARE BASED PAYMENTS (continued)

In 2010 the fair value of equity settled share options granted was estimated using the Black Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the 52 weeks ended 26 June 2010. The exercise price for all options granted in the period was £6.00. The share price used as the basis for valuing all options issued in the period was £10.34.

	2010
Dividend yield (%)	3.5
Expected share price volatility (%)	52.4
Risk free interest rate (%)	3.0
Expected life of option (years)	6.5
Option strike price (£)	£6.00
Estimated share price (£)	£10.34

For the share options outstanding at 26 June 2010, the weighted average remaining contractual life is 7 years 11 months (2009: 8 years, 8 months).

All options granted during the periods were issued based on a company share value of £10.34. All options have been granted at the same exercise price.

All outstanding options at the end of the period are exercisable at £6.00 (2009: £6.00).

The expected life of the options is not necessarily indicative of exercise patterns that may occur. The scheme allows for exercising of the options not earlier than 3 years after the option grant date, and not later than 10 years after the option grant date.

18 STATEMENT OF MOVEMENT ON RESERVES

	Revaluation reserve	Share premium account	Share based payment reserve	Capital redemption reserve	Profit and loss account
	£'000	£'000	£'000	£'000	£'000
At 27 June 2009	17,016	6,923	518	595	2,363
- originally presented					
Prior year adjustment	(17,016)	-	-	-	-
At 27 June 2009 – restated	-	6,923	518	595	2,363
Profit for the period	-	-	-	-	6,433
Actuarial loss in respect of pension scheme	-	-	-	-	(3,691)
Movement on deferred tax relating to pension scheme	-	-	-	-	1,033
Share based payment	-	-	103	-	-
At end of period	-	6,923	621	595	6,138

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) For the 52 weeks ended 26 June 2010

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009
	£'000	Restated £'000
Profit / (loss) for the financial period	6,433	(1,443)
Actuarial loss in respect on pension scheme	(3,691)	(583)
Deferred taxation on actuarial loss	1,033	163
Share based payments	103	252
Net increase in shareholders' funds	3,878	(1,611)
Opening shareholders' funds (originally £28,615,000 before deducting prior year adjustment of £17,016,000)	11,149	12,760
Closing shareholders' funds	15,027	11,149

20 CONTINGENT LIABILITY

The company has provided a composite cross guarantee to its bankers in respect of bank borrowings with group companies. At the end of the period the total bank borrowings of the group companies amounted to £20,635,000 (2009 - £29,135,000)

21 CAPITAL COMMITMENTS

At 26 June 2010 the company had capital commitments as follows

	2010	2009
	£'000	£'000
Contracted for but not provided in the financial statements	450	1,018

22 COMMITMENTS UNDER OPERATING LEASES

At 26 June 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010	2009
	£'000	£'000
Plant and machinery		
Expiring in the first year	171	416
Expiring in the second to fifth year	765	630
	936	1,046

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) For the 52 weeks ended 26 June 2010

23 PENSION COSTS

The company operates a defined contribution pension scheme whose assets are held separately from those of the company in an independently administered fund. The company also contributes to a stakeholder scheme and personal pension plans of certain employees of the company. Contributions to these defined contribution pension plans for the period amounted to £ 482,000 (2009 - £244,000)

The company operates a defined benefit scheme. A full actuarial valuation was carried out at 1 July 2007 and updated to 26 June 2010 by a qualified independent actuary. The major assumptions used by the actuary were:

	26 June 2010 %	27 June 2009 %	28 June 2008 %
Future salary increases	N/a	N/a	N/a
Future pension increase	3.20	3.40	3.60
Discount rate	5.40	7.00	6.50
Inflation assumption	3.20	3.40	3.60
Expected return on plan assets	6.66	7.26	7.55

No rate of increase in salaries is required as the scheme was closed to future accrual on 1 November 2007.

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on bonds are based on gross redemption yields at the balance sheet date whilst the expected returns on the equity and property investments reflect the long term real rates of return experienced in the respective markets.

The mortality assumption for 2010 follows the standard tables SINMA (males) and SINFA (females), projected by year of birth using Medium Cohort improvements with a minimum annual improvement of 1%. For June 2009 and prior years, mortality assumptions followed the table known as PA92 with medium cohort mortality improvements with a minimum improvement each year of 1%.

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) For the 52 weeks ended 26 June 2010

23 PENSION COSTS (continued)

Under FRS17 it is recommend practice to disclose the life expectancy based on your mortality assumption Assuming retirement at age 65, the life expectancy in years are as follows

	2010	2009
For a male aged 65 now	86 3	86 7
At 65 for a male member aged 45 now	88 2	88 6
For a female aged 65 now	89 1	90 0
At 65 for a female member aged 45 now	91 0	92 0

The company's share of the net pension liability that is recognised in the balance sheet as at 26 June 2010 is as follows

	2010 £'000	2009 £'000
Present value of funded obligations	(23,005)	(16,323)
Fair value of plan assets	17,426	13,994
Deficit in the scheme	(5,579)	(2,329)
Related deferred tax asset	1,562	652
Net pension liability	<u>(4,017)</u>	<u>(1,677)</u>

An analysis of the amounts charged to operating profit is as follows

	2010 £'000	2009 £'000
Current service cost	-	-
Past service cost	-	-
Settlements or curtailments	-	-
Total operating charge	<u>-</u>	<u>-</u>

An analysis of the amounts credited to other finance income is as follows

	2010 £'000	2009 £'000
Expected return on pension scheme assets	1,018	1,217
Interest on pension scheme liabilities	(1,129)	(1,210)
Net return	<u>(111)</u>	<u>7</u>

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

23 PENSION COSTS (continued)

An analysis of the amounts recognised in the statement of total recognised gains and losses is as follows

	2010 £'000	2009 £'000
Actual return less expected return on pension scheme assets	2,263	(3,092)
Experience gains and losses arising on pension scheme liabilities	335	49
Changes in assumptions underlying present value of scheme liabilities	(6,289)	2,460
Actuarial loss recognised in STRGL	<u>(3,691)</u>	<u>(583)</u>

The cumulative amount recognised through the consolidated statement of total recognised gains and loss is a loss of £6,054,000 (2009 £2,363,000)

Changes in the fair value of plan assets

	2010 £'000	2009 £'000
Opening plan assets	13,994	16,341
Expected return on assets	1,018	1,217
Actuarial gains / (losses)	2,263	(3,092)
Contributions	552	522
Benefits paid	(401)	(994)
Closing fair value of plan assets	<u>17,426</u>	<u>13,994</u>

The actual return on plan assets was a gain of £ 3,281,000 (2009 – loss of £1,875,000)

Changes in the defined benefit obligation

	2010 £'000	2009 £'000
Opening defined benefit obligation	16,323	18,616
Current service cost	-	-
Interest on obligation	1,129	1,210
Actuarial losses / (gains)	5,954	(2,509)
Benefits paid	(401)	(994)
Closing defined benefit obligation	<u>23,005</u>	<u>16,323</u>

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

23 PENSION COSTS (continued)

Major categories of plan assets as a percentage of fair value of total plan assets

	2010 %	2010 £'000	2009 %	2009 £'000
Equities	68	11,762	68	9,432
Bonds	32	5,645	32	4,513
Other assets	0	19	0	49
Total market value of assets		<u>17,426</u>		<u>13,994</u>

A history of scheme assets, liabilities, experience gains and losses is as follows

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Scheme obligation	(23,005)	(16,323)	(18,616)	(18,599)	(16,215)
Plan assets	<u>17,426</u>	<u>13,994</u>	<u>16,341</u>	<u>16,998</u>	<u>13,986</u>
Deficit in the scheme	(5,579)	(2,329)	(2,275)	(1,601)	(2,229)
Experience adjustments on plan liabilities	335	49	203	194	-

The company expects to contribute £552,000 to this defined benefit pension plan in the period to 26 June 2010

24 CONTROL

At the balance sheet date, the company's immediate controlling party was Produce Investments Limited and the ultimate controlling party was RB Clapham. At the balance sheet date the largest group in which the results of the company are consolidated was that headed by Credential Produce LLP (registered in Scotland) and the smallest group into which the results of the company were consolidated was that headed by Produce Investments Limited (registered in England and Wales).

On 18 October 2010 Produce Investments Limited was re registered as a public company. On 18 November 2010 its shares were admitted to trading on the London AIM market. From this date, Credential Produce LLP ceased to have a controlling interest in the share capital of Produce Investments plc and the ultimate controlling party of the company became Produce Investments plc.

Consolidated accounts for the group are available to the public and may be obtained from Produce Investments plc, Greenvale AP, Floods Ferry Road, Doddington, March, Cambridgeshire, PE15 0UW.

25 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning any transactions that are included in the consolidated financial statements of Produce Investments Limited.

Greenvale AP Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the 52 weeks ended 26 June 2010

25 RELATED PARTY TRANSACTIONS (continued)

Brookland Solutions Limited is an IT solutions company in which the company previously held a 24.5% interest. The company received goods and services from this company totalling £69,000 (2009 £245,000). At the period end the company owed £nil (2009 £nil) to this company in respect of IT services received.

Organic Potato Growers (Scotland) Limited ('OPG') is a potato grower in which the company owns a 33.3% interest. The company made purchases from OPG of £352,000 (2009 £386,000) and sales to OPG of £5,000 (2009 £50,000). At the reporting date the company was owed £nil by OPG (2009 £50,000).

The trading premises of one of the subsidiaries Swancote Foods Limited are owned by John Davies Farms (Directors Pension Scheme). EL Davies who is a director of Produce Investments Limited is also a beneficiary of this scheme. During the year, the company paid rent of £150,000 (2009 £150,000). At the reporting date, an amount of £nil (2009 £nil) was due to John Davies Farms (Directors Pensions Scheme).

During the year the company paid £85,000 (2009 £128,000) to Credential Holdings Limited for the services of non executive directors R Clapham, D Porter and R Blin who are directors of Produce Investments Limited and are also directors of Credential Holdings Limited. There were no amounts outstanding as at 26 June 2010 (2009 £nil).

During the year the company paid £45,000 (2009 £42,000) to Produce Acquisitions LLP for the services of non executive directors J Tucholski and M Jankowski who are directors of Produce Investments Limited and are also designated members of Produce Acquisitions LLP. There were no amounts outstanding as at 26 June 2010 (2009 £nil).

During the year the company paid £40,000 (2009 £41,000) to Creation Autosportif Limited for the services of a non executive director M Jankowski who is a director of Produce Investments Limited and is also a director and major shareholder of Creation Autosportif Limited. There were no amounts outstanding as at 26 June 2010 (2009 £nil).

Restrain Company Limited is a company which is 70% owned by Produce Investments Limited, the parent company of Greenvale AP Limited. The remaining 30% of ordinary shares are not controlled by the Group. During the year, Greenvale AP Limited made sales to Restrain Company Limited of £102,000 (2009 £65,000) and purchased goods and services from Restrain Company Limited totalling £94,000 (2009 £79,000). At 26 June 2010 Restrain Company Limited owed Greenvale AP Limited £452,000 (2009 £655,000).