

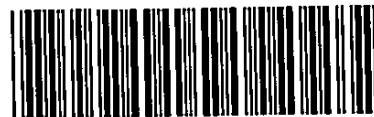
Registered number. 04115910

BENCHMARK HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2010

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BENCHMARK HOLDINGS LIMITED

COMPANY INFORMATION

Directors

R J Bonney
P A Cook
D I Cox
R Layton
J M Muirhead
M D F Pye
P J Southgate
A E Wall
K P Lawless (appointed 17 November 2009)
M Plampin (appointed 30 March 2010)

Company secretary

Endeavour Secretary Limited

Company number

04115910

Registered office

The Field Station
Northfield Farm
Wytham
Oxfordshire
OX2 8QJ

Auditors

PKF (UK) LLP
Regent House
Clinton Avenue
Nottingham
NG5 1AZ

BENCHMARK HOLDINGS LIMITED

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BENCHMARK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2010

The directors present their report and the financial statements for the year ended 30 September 2010

Principal activities

The principal activity of the company during the year was that of a holding company providing business development, acquisition, sales and marketing, financial and accounting support to the Benchmark group companies

The principal activities of the group during the year are embodied under the overall core objective of providing technical services, products and specialist knowledge that support the global development of sustainable food and farming industries

Specific areas of activity include

- the provision of veterinary services, environmental services, diagnostics and animal health products to global aquaculture through FVG,
- commercial farming operations, commissioned research and development projects focused on sustainable food production, and strategic consultancy to clients in the food and farming sectors at FAI (FAI Farms Limited),
- the provision of sustainable food production consultancy, technical advice and auditing services to the international agriculture and food processing sectors through riconsulting (RL Consulting Limited), and
- the provision of online news and technical publications, online shops and online distance learning programmes for the food and farming industries through 5M (5M Enterprises Limited)

Business review

The year's results reflect the long term annual growth trend in revenues which is in excess of 25%. In this financial year the group achieved growth of 45% taking turnover up from £8,453,850 to £12,291,667 and a 52% increase in operating profit up from £2,274,265 to £3,461,938

As the Benchmark Holdings Ltd group grows we remain committed to finding new ways to use our skills and capabilities to help our customers succeed and develop sustainable solutions to the complex challenges they face in the global food production industry. In this development we continue to draw not just on the breadth and depth of technical expertise and resources within the group but also on our highly developed network of connections and relationships which cross the academic, research and commercial arenas to help provide a unique insight across the global development of our industries

The group's performance strongly supports our strategic objectives of continued organic growth and acquisition to create a leading global food industry technology group with a core focus on sustainability and driven by the ethos of ethical business practice. There is real unity of purpose at every level across the Benchmark companies and a strong motivation to continue the successful evolution of the group both through internal progress and also increasingly through the development of collaboration and partnerships with other leaders across the industry which is proving a powerful tool in maintaining Benchmark's rate of growth

The group's interests now include operations in the UK, USA, China, Brazil and India employing 75 people and the further development of Benchmark's global footprint is planned for Scandinavia in the coming year

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £2,507,915 (2009 - £1,611,140)

The directors have proposed a dividend of £949,938 (2009 - £293,083)

BENCHMARK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2010

Directors

The directors who served during the year were

R J Bonney
P A Cook
D I Cox
R Layton
J M Muirhead
M D F Pye
P J Southgate
A E Wall
K P Lawless (appointed 17 November 2009)
M Plampin (appointed 30 March 2010)

Principal risks and uncertainties

Group company directors continually assess risk and uncertainty in their respective businesses. The principal risks and uncertainties facing the Benchmark group that could impact its performance together with the actions that are taken by Benchmark to mitigate their impact on the group are as follows

- Ensuring retention of turnover. Mitigation: The group's strategy is to ensure that there is active engagement with all existing clients in order to maintain long term relationships and to invest significant professional resource in to identifying and securing new clients that share our core objectives,
- Ensuring continuity of key staff. Mitigation: Effective succession planning, development and training programmes plus competitive retention and incentive packages which include a share option scheme,
- The uncertainty of achieving sales growth in new markets. Mitigation: The group continues to develop strong specialist partnerships in new markets and is actively pursuing a policy to establish its own presence in key areas of the world

Future developments

Benchmark's strategy for growth includes the further investment in a healthy product pipeline with

- new aquaculture health products being readied for licensing at FVG,
- new crop publications, online shops and distance learning MSc courses being launched at 5M,
- new animal processing plant welfare training courses being developed at Iconsulting, and
- the development of demonstration farm scale renewable energy projects at FAI

Each of these investment areas are designed to help our clients and customers find efficient and effective ways of sustaining their prosperity whilst enabling them to tackle the issues of challenging efficiency, sustainability and economic problems in a complex world

We can see increasing opportunities for the Benchmark group businesses in helping the global food industry overcome these issues and we are eager to grow the group in a sustainable way. In order to support this we will continue to recruit and train high competence members of the Benchmark company teams and have this year brought in senior marketing and financial management expertise at Benchmark board level to help drive the progression of the company

Benchmark is strongly committed to the development of its personnel and, in part through the Investors in People programme, will continue to expand its individual training initiatives. In addition group companies will continue to provide placements and internships for students and graduates

The group also supports community outreach programmes on farming and sustainability issues and last year had over 50 school visits and over 7,000 visitors to its R & D and farming demonstration facilities – further investment in these initiatives and in resources to support them is planned going forward

BENCHMARK HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

The group has invested in the Benchmark communication strategy and part of this has been the investment in new branding that helps unify and better convey our core messages behind a consistent and succinct group branding. This work has been commissioned and implemented in the first half of 2011.


This is a highly interesting and rewarding time in the development of a sustainable food industry and the Benchmark group companies are highly ambitious and motivated to play a significant role in this work.

Provision of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

This report was approved by the board on 31 May 2011 and signed on its behalf



M D F Pye
Director

BENCHMARK HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 SEPTEMBER 2010

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 the group and of the profit or loss of the group 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BENCHMARK HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENCHMARK HOLDINGS LIMITED

We have audited the financial statements of Benchmark Holdings Limited for the year ended 30 September 2010 which comprise the group profit and loss account, the group statement of total recognised gains and losses, the group and parent company balance sheets, the group cash flow statement and the related notes. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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, 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 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 Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 September 2010 and of the group's profit for the year 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.

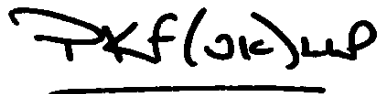
BENCHMARK HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENCHMARK HOLDINGS LIMITED

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 parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Jeffery Kirkham (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditors
Nottingham, UK

Date 3 June 2011

BENCHMARK HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 £	2009 £
TURNOVER	1,2	12,291,667	8,453,850
Cost of sales		<u>(5,066,884)</u>	<u>(4,012,818)</u>
GROSS PROFIT		7,224,783	4,441,032
Administrative expenses		<u>(4,064,443)</u>	<u>(2,792,696)</u>
Other operating income	3	<u>301,598</u>	<u>625,929</u>
OPERATING PROFIT		3,461,938	2,274,265
Interest receivable and similar income		14,562	1,736
Interest payable and similar charges	7	<u>(25,109)</u>	<u>(100,483)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,451,391	2,175,518
Tax on profit on ordinary activities	8	<u>(957,967)</u>	<u>(605,954)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,493,424	1,569,564
Minority interests		<u>14,491</u>	<u>41,576</u>
PROFIT FOR THE FINANCIAL YEAR	19	<u>2,507,915</u>	<u>1,611,140</u>

All amounts relate to continuing operations

The notes on pages 13 to 36 form part of these financial statements

BENCHMARK HOLDINGS LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 £	2009 £
PROFIT FOR THE FINANCIAL YEAR		2,507,915	1,611,140
Movement on foreign exchange reserve		<u>19,576</u>	<u>42,889</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>2,527,491</u>	<u>1,654,029</u>

The notes on pages 13 to 36 form part of these financial statements

BENCHMARK HOLDINGS LIMITED
REGISTERED NUMBER. 04115910

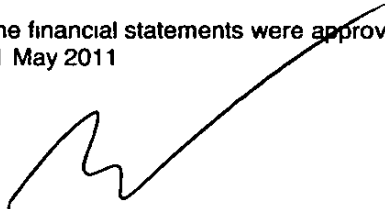
CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Intangible assets	9		628,256		679,372
Tangible assets	10		778,928		717,179
			<u>1,407,184</u>		<u>1,396,551</u>
CURRENT ASSETS					
Stocks	12	868,050		1,018,335	
Debtors	13	3,236,899		2,166,471	
Cash at bank and in hand		1,741,306		765,512	
		<u>5,846,255</u>		<u>3,950,318</u>	
CREDITORS: amounts falling due within one year	14	<u>(2,853,629)</u>		<u>(2,803,046)</u>	
NET CURRENT ASSETS			<u>2,992,626</u>		<u>1,147,272</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,399,810</u>		<u>2,543,823</u>
CREDITORS: amounts falling due after more than one year	15		<u>(128,620)</u>		<u>(127,582)</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	16	-		(3,389)	
Other provisions	17	<u>(475,000)</u>		<u>(250,000)</u>	
			<u>(475,000)</u>		<u>(253,389)</u>
NET ASSETS			<u>3,796,190</u>		<u>2,162,852</u>
CAPITAL AND RESERVES					
Called up share capital	18		93,308		93,308
Share premium account	19		382,789		382,789
Foreign exchange reserve	19		62,465		42,889
Profit and loss account	19		3,168,121		1,596,830
SHAREHOLDERS' FUNDS	20		<u>3,706,683</u>		<u>2,115,816</u>
MINORITY INTERESTS	22		<u>89,507</u>		<u>47,036</u>
			<u>3,796,190</u>		<u>2,162,852</u>

BENCHMARK HOLDINGS LIMITED

**CONSOLIDATED BALANCE SHEET (continued)
AS AT 30 SEPTEMBER 2010**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 May 2011



M D F Pye
Director

The notes on pages 13 to 36 form part of these financial statements

BENCHMARK HOLDINGS LIMITED

COMPANY BALANCE SHEET AS AT 30 SEPTEMBER 2010

	Note	£	2010 £	As restated 2009 £
FIXED ASSETS				
Tangible assets	10		3,184	1,815
Investments	11		957,797	837,797
			<u>960,981</u>	<u>839,612</u>
CURRENT ASSETS				
Debtors	13	2,894,301		1,215,221
Cash at bank		74,037		123,000
		<u>2,968,338</u>		<u>1,338,221</u>
CREDITORS · amounts falling due within one year	14	(407,209)		(133,819)
NET CURRENT ASSETS			<u>2,561,129</u>	<u>1,204,402</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,522,110</u>	<u>2,044,014</u>
CREDITORS · amounts falling due after more than one year	15		(59,999)	(105,658)
NET ASSETS			<u><u>3,462,111</u></u>	<u><u>1,938,356</u></u>
CAPITAL AND RESERVES				
Called up share capital	18		93,308	93,308
Share premium account	19		382,790	382,790
Profit and loss account	19		2,986,013	1,462,258
SHAREHOLDERS' FUNDS	20		<u><u>3,462,111</u></u>	<u><u>1,938,356</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 May 2011


M D F Pye
Director

The notes on pages 13 to 36 form part of these financial statements

BENCHMARK HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Note	2010 £	2009 £
Net cash flow from operating activities	23	2,851,332	1,480,425
Returns on investments and servicing of finance	24	(10,547)	(98,748)
Taxation	24	(618,790)	(110,011)
Capital expenditure and financial investment	24	(252,443)	(80,527)
Acquisitions and disposals	24	-	132,000
Equity dividends paid		(794,987)	(249,226)
CASH INFLOW BEFORE FINANCING		1,174,565	1,073,913
Financing	24	(196,584)	(197,209)
INCREASE IN CASH IN THE YEAR		977,981	876,704

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 30 SEPTEMBER 2010

	2010 £	2009 £
Increase in cash in the year	977,981	876,704
Cash outflow from decrease in debt and lease financing	196,584	197,209
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	1,174,565	1,073,913
New finance leases	(62,020)	(7,180)
MOVEMENT IN NET DEBT IN THE YEAR	1,112,545	1,066,733
Net funds/(debt) at 1 October 2009	140,122	(926,611)
NET FUNDS AT 30 SEPTEMBER 2010	1,252,667	140,122

The notes on pages 13 to 36 form part of these financial statements

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Basis of consolidation

The financial statements consolidate the accounts of Benchmark Holdings Limited and all of its subsidiary undertakings ('subsidiaries')

The results of subsidiaries acquired during the year are included from the effective date of acquisition

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Goodwill relating to the acquisition of the Brazilian subsidiary is amortised over 10 years, being the term of the farm lease acquired. All other goodwill arising on consolidation is amortised over 20 years.

Intangible assets are stated at cost less amortisation. Assets are capitalised and amortised over the expected life of the asset starting from the first year that the asset generates revenue.

Amortisation is provided at the following rates:

Website	-	20% straight line
E-commerce infrastructure	-	10% straight line
Goodwill	-	5 - 10% straight line
Patents and trademarks	-	20 - 50% straight line

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	2% straight line
Plant & machinery	-	15% reducing balance
Other fixed assets	-	15 - 33% reducing balance

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. ACCOUNTING POLICIES (continued)

1.6 Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment
- (ii) **Associated undertakings**
Investments in associates are stated at the amount of the company's share of net assets. The profit and loss account includes the company's share of the associated companies' profits after taxation using the equity accounting basis.

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Live and deadstocks have been valued at the lower of cost and net realisable value and in accordance with normal agricultural practice.

The majority of livestock valued on this basis is included at deemed cost of production since the original cost is not considered appropriate and unascertainable. Deemed cost of production is 60% of market value for cattle and 75% of market value for all other livestock categories.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. ACCOUNTING POLICIES (continued)

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.13 Share based payments

The company issues equity settled share based payments to certain employees of the group. Equity settled share based payments are measured at fair value (excluding the effect of non market based vesting conditions) at the date of grant. The fair value determined at the date of the grant of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the group's estimates of shares that will eventually vest and adjusted for the effect of non market based vesting conditions. The effect of this is shown in note 33. Fair value is measured by use of a Black-Scholes model.

2. TURNOVER

A geographical analysis of turnover is as follows

	2010 £	2009 £
United Kingdom	4,994,186	5,272,488
Rest of European Union	332,733	91,149
Rest of world	6,964,748	3,090,213
	<u>12,291,667</u>	<u>8,453,850</u>

3. OTHER OPERATING INCOME

	2010 £	2009 £
Grants receivable	301,598	625,884
Sundry income	-	45
	<u>301,598</u>	<u>625,929</u>

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

4. OPERATING PROFIT

	2010	2009
	£	£
Amortisation - intangible fixed assets	63,974	111,478
Depreciation of tangible fixed assets	-	-
- owned by the group	125,140	85,306
- held under finance leases	15,208	20,432
Auditors' remuneration	15,000	12,000
Impairment of intangible fixed assets	164,541	-
Loss on foreign exchange	33,455	-
Operating lease rentals	-	-
- other operating leases	<u>171,893</u>	<u>123,505</u>

Auditors fees for the company were £2,046 (2009 - £1,170)

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2010	2009
	£	£
Wages and salaries	2,065,826	1,397,807
Social security costs	214,838	125,218
Other pension costs	77,386	45,849
	<u>2,358,050</u>	<u>1,568,874</u>

The average monthly number of employees, including the directors, during the year was as follows

	2010	2009
	No	No
Production	29	20
Administration	9	6
Management	13	11
	<u>51</u>	<u>37</u>

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

6. DIRECTORS' REMUNERATION

	2010 £	2009 £
Emoluments	<u>952,228</u>	<u>482,611</u>
Company pension contributions to defined contribution pension schemes	<u>44,113</u>	<u>19,817</u>

During the year retirement benefits were accruing to 9 directors (2009 - 9) in respect of defined contribution pension schemes

The highest paid director received remuneration of £107,374 (2009 - £70,677)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,435 (2009 - £3,534)

7 INTEREST PAYABLE

	2010 £	2009 £
On bank loans and overdrafts	24,581	38,953
On other loans	8	48,565
On finance leases and hire purchase contracts	520	12,965
	<u>25,109</u>	<u>100,483</u>

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

8. TAXATION

	2010 £	2009 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	977,525	621,966
Adjustments in respect of prior periods	-	(334)
	<u>977,525</u>	<u>621,632</u>
Foreign tax on income for the year	1,047	1,353
	<u>978,572</u>	<u>622,985</u>
Total current tax		
Deferred tax (see note 16)		
Origination and reversal of timing differences	(20,605)	(17,031)
	<u>957,967</u>	<u>605,954</u>
Tax on profit on ordinary activities		

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK of 28% (2009 - 28%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	3,451,391	2,175,518
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	966,389	609,145
Effects of.		
Non-tax deductible amortisation of goodwill	6,429	6,781
Expenses not deductible for tax purposes, other than goodwill amortisation	19,864	10,603
Depreciation for year in excess of capital allowances	2,770	512
Lower rate taxes on UK subsidiary company earnings	-	(473)
Lower rate taxes on overseas earnings	(3,742)	(17,784)
Adjustments to tax charge in respect of prior periods	-	(334)
Other timing differences leading to a decrease (increase) in taxation	(16,896)	6,822
Unrelieved tax losses carried forward	3,758	7,713
	<u>978,572</u>	<u>622,985</u>
Current tax charge for the year (see note above)		

Factors that may affect future tax charges

The provision for deferred tax is calculated based on the tax rates enacted or substantially enacted at the balance sheet date. The Chancellor of the Exchequer announced in his Budget on 23 March 2011 that the rate of corporation tax of 28% will be reduced by 2 percentage points with effect from 1 April 2011 and a further 1 percentage point a year until 2014, when it will remain at 23%. At the balance sheet date the enacted future tax rate was 27% and hence the provision for deferred tax has been calculated using this rate.

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

9 INTANGIBLE FIXED ASSETS

	Websites £	E-commerce infrastructure £	Patents & trademarks £	Goodwill £
Group				
Cost				
At 1 October 2009	201,566	85,798	224,374	579,800
Additions	79,224	30,129	-	56,963
Foreign exchange movement	-	-	-	11,083
At 30 September 2010	280,790	115,927	224,374	647,846
Amortisation				
At 1 October 2009	176,758	8,580	59,833	166,995
Charge for the year	11,032	11,593	-	41,349
Impairment charge	-	-	164,541	-
At 30 September 2010	187,790	20,173	224,374	208,344
Net book value				
At 30 September 2010	93,000	95,754	-	439,502
At 30 September 2009	24,808	77,218	164,541	412,805
				Total £
Group				
Cost				
At 1 October 2009				1,091,538
Additions				166,316
Foreign exchange movement				11,083
At 30 September 2010				1,268,937
Amortisation				
At 1 October 2009				412,166
Charge for the year				63,974
Impairment charge				164,541
At 30 September 2010				640,681
Net book value				
At 30 September 2010				628,256
At 30 September 2009				679,372

The directors have reviewed the useful economic lives of the patents and trademarks held and conclude that their value in use is less than the carrying amount and therefore are impaired. Accordingly they have been written down to £nil at the end of the year.

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

10. TANGIBLE FIXED ASSETS

Group	L/Term Leasehold Property £	Plant & machinery £	Other fixed assets £	Total £
Cost				
At 1 October 2009	201,989	802,641	326,813	1,331,443
Additions	-	251,320	(16,384)	234,936
Disposals	-	(3,029)	(57,472)	(60,501)
At 30 September 2010	201,989	1,050,932	252,957	1,505,878
Depreciation				
At 1 October 2009	22,351	445,727	146,186	614,264
Charge for the year	4,096	109,865	26,387	140,348
On disposals	-	-	(27,662)	(27,662)
At 30 September 2010	26,447	555,592	144,911	726,950
Net book value				
At 30 September 2010	175,542	495,340	108,046	778,928
At 30 September 2009	179,638	356,914	180,627	717,179

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

Group	2010 £	2009 £
Plant and machinery	78,865	163,354
Company		
Cost		
At 1 October 2009		2,269
Additions		3,161
At 30 September 2010		5,430
Depreciation		
At 1 October 2009		454
Charge for the year		1,792
At 30 September 2010		2,246
Net book value		
At 30 September 2010		3,184
At 30 September 2009		1,815

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

11. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
RL Consulting Limited	Ordinary £1	100%
FAI Farms Limited	Ordinary £1	100%
5M Enterprises Limited	Ordinary £1	47%
Woodland Limited	Ordinary £1	100%
FVG Limited	Ordinary £1	100%
FAI do Brasil Criacao Animal Ltda	Social capital R\$1	74%
5M Enterprises Inc	Common stock \$10	47%

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2009	837,797
Additions	120,000
At 30 September 2010	957,797
Net book value	
At 30 September 2010	957,797
At 30 September 2009	837,797

During the year the company acquired 14,400 ordinary £1 shares in 5M Enterprises Limited. The consideration of £120,000 was satisfied through the capitalisation of an existing loan from Benchmark Holdings Limited to the company.

On 30 April 2010, 5M Enterprises Limited acquired 100 shares of \$10 each of the common stock of 5M Enterprises Inc, a newly formed company incorporated in the USA. The acquisition represents a 100% shareholding in the company and the shares were issued at par. Benchmark Holdings Limited owns 47% of the company by virtue of its 47% shareholding in 5M Enterprises Limited.

12. STOCKS

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Raw materials	98,256	182,845	-	-
Finished goods and goods for resale	769,794	835,490	-	-
	868,050	1,018,335	-	-

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

13. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	As restated 2009
	£	£	£	£
Due after more than one year				
Other debtors	370,893	-	290,393	-
Due within one year				
Trade debtors	2,436,787	1,979,256	-	-
Amounts owed by group undertakings	-	-	2,590,465	1,213,540
Other debtors	189,447	114,099	13,443	1,681
Prepayments and accrued income	221,578	29,770	-	-
Amounts recoverable on long term contracts	978	43,346	-	-
Deferred tax asset (see note 16)	17,216	-	-	-
	<u>3,236,899</u>	<u>2,166,471</u>	<u>2,894,301</u>	<u>1,215,221</u>

14. CREDITORS

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts	369,889	372,076	-	-
Other loans	-	63,874	-	-
Net obligations under finance leases and hire purchase contracts	27,642	61,858	-	-
Trade creditors	569,478	729,860	10,968	8,986
Corporation tax	978,205	622,699	-	-
Social security and other taxes	81,095	231,007	24,720	21,163
Other creditors	50,493	60,635	12,473	16,235
Accruals and deferred income	776,827	661,037	359,048	87,435
	<u>2,853,629</u>	<u>2,803,046</u>	<u>407,209</u>	<u>133,819</u>

Finance lease and hire purchase creditors are secured on the assets concerned

At the year end Clydesdale Bank had a floating charge over the assets and undertakings of FVG Limited and standard security over leasehold premises at 22 Carsegate Road, Inverness Barclays Bank Plc had a standard debenture in place with FAI Farms Limited as security on the bank overdraft of that company

Post year end the company transferred all banking facilities to the Co-operative Bank As a result of this the securities held by Barclays Bank Plc and the Clydesdale Bank have been discharged and the Co-operative Bank holds a first and only legal charge over the property at 22 Carsegate Road, Inverness The Co-operative Bank also holds fixed and floating charges over the assets and undertakings of the group

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

15. CREDITORS:
Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Other loans	59,999	105,658	59,999	105,658
Net obligations under finance leases and hire purchase contracts	31,109	21,924	-	-
Other creditors	37,512	-	-	-
	<u>128,620</u>	<u>127,582</u>	<u>59,999</u>	<u>105,658</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Between one and five years	<u>31,109</u>	<u>21,924</u>	<u>-</u>	<u>-</u>

Finance lease and hire purchase creditors are secured on the assets concerned

16 DEFERRED TAXATION

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
At beginning of year	(3,389)	(37,793)	-	-
Released during the year	20,605	34,404	-	-
At end of year	<u>17,216</u>	<u>(3,389)</u>	<u>-</u>	<u>-</u>

The deferred taxation balance is made up as follows

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Accelerated capital allowances	33,199	35,690	-	-
Tax losses	(50,415)	(32,301)	-	-
	<u>(17,216)</u>	<u>3,389</u>	<u>-</u>	<u>-</u>

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

17. PROVISIONS

Group	Legal fees provision £	Repairs provision £	Onerous contract provision £	Total £
At 1 October 2009	250,000	-	-	250,000
Additions	150,000	15,000	60,000	225,000
At 30 September 2010	400,000	15,000	60,000	475,000

Legal fees provision

There is an ongoing legal dispute relating to the use of the Salmosan trademark in Spain for an entirely different product. In addition the company has two further disputes which have arisen during the year, one relating to improper usage of the Salmosan product and the other relating to a dispute regarding a distribution agreement. The directors consider that £400,000 (2009 - £250,000) is a reasonable estimate of the potential legal costs that will be incurred in defending the company's position.

Repairs provision

FAI Farms Limited, a subsidiary company, renegotiated the terms of the various property operating leases during the year. Under the revised agreements, the company has an obligation to maintain all properties to the standard that prevailed at the inception of the lease. The directors estimate the costs of this obligation at £15,000.

Onerous contract provision

The group is committed to funding the costs of an ongoing project for which no future revenues are anticipated. The directors regard this as an onerous contract and estimate the costs of this obligation at £60,000.

The Company has no provisions.

18. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
93,308 Ordinary shares of £1 each	93,308	93,308

Employee share option scheme

The company has introduced an employee share option scheme during the year. Options exist over 1,500 £1 ordinary shares in the company and the exercise price is the nominal value of £1 per share.

Members of the scheme can exercise the options at any point from the third anniversary of joining the scheme until the options lapse on the tenth anniversary of joining. Options cannot be exercised after the optionholder ceases to hold employment with any member of the group.

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

19. RESERVES

Group	Share premium account £	Foreign exchange reserve £	Profit and loss account £
At 1 October 2009	382,789	42,889	1,596,830
Profit for the year			2,507,915
Dividends Equity capital			(936,624)
Movement on foreign exchange		19,576	
At 30 September 2010	<u>382,789</u>	<u>62,465</u>	<u>3,168,121</u>
Company		Share premium account £	Profit and loss account £
At 1 October 2009 (as previously stated)		382,790	1,660,284
Prior year adjustment			(198,026)
At 1 October 2009 (as restated)			1,462,258
Profit for the year			2,460,379
Dividends Equity capital			(936,624)
At 30 September 2010		<u>382,790</u>	<u>2,986,013</u>

Prior year adjustment - Company

A total of £198,026 was included in error within income from investments in group companies in the prior year. The directors have therefore restated the prior year balance to reflect the appropriate level of dividends receivable. Profit and loss reserves as at 30 September 2009 have therefore reduced by £198,026 from the closing position reported in the prior year financial statements.

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2010 £	2009 £
Opening shareholders' funds	2,115,816	480,872
Profit for the year	2,507,915	1,611,140
Dividends (Note 21)	(936,624)	(293,083)
Shares issued during the year	-	13,998
Share premium on shares issued (net of expenses)	-	260,000
Movement on foreign exchange reserve	<u>19,576</u>	<u>42,889</u>
Closing shareholders' funds	<u><u>3,706,683</u></u>	<u><u>2,115,816</u></u>

Company	2010 £	2009 £
Opening shareholders' funds	2,136,382	422,326
Prior year adjustments (note 19)	<u>(198,026)</u>	
Opening shareholders' funds (as restated)	1,938,356	
Profit for the year	2,460,379	1,285,889
Dividends (Note 21)	(936,624)	(43,857)
Shares issued during the year	-	13,998
Share premium on shares issued (net of expenses)	<u>-</u>	<u>260,000</u>
Closing shareholders' funds	<u><u>3,462,111</u></u>	<u><u>1,938,356</u></u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the year dealt with in the accounts of the company was £2,460,379 (2009 - £1,285,889)

21. DIVIDENDS

	2010 £	2009 £
Dividends paid on equity capital	<u><u>936,624</u></u>	<u><u>293,083</u></u>

22. MINORITY INTERESTS

Equity	£
At 1 October 2009	47,036
Proportion of profit/(loss) after taxation for the year	(14,491)
Minority interest movement arising from shares issued during the year	<u>56,962</u>
At 30 September 2010	<u><u>89,507</u></u>

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

23 NET CASH FLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	3,461,938	2,274,265
Amortisation of intangible fixed assets	63,974	67,580
Depreciation of tangible fixed assets	140,348	105,739
Impairments of intangible fixed assets	164,541	-
Profit on disposal of tangible fixed assets	3,013	21,365
Decrease in stocks	150,285	23,508
Increase in debtors	(1,044,174)	(1,497,902)
(Decrease)/increase in creditors	(313,593)	235,870
Increase in provisions	225,000	250,000
Net cash inflow from operating activities	2,851,332	1,480,425

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2010 £	2009 £
Returns on investments and servicing of finance		
Interest received	14,562	1,736
Interest paid	(25,109)	(100,484)
	<hr/>	<hr/>
Net cash outflow from returns on investments and servicing of finance	(10,547)	(98,748)
	<hr/>	<hr/>
	2010 £	2009 £
Taxation		
Corporation tax	(618,790)	(110,011)
	<hr/>	<hr/>
	2010 £	2009 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(109,353)	(27,269)
Purchase of tangible fixed assets	(172,916)	(94,810)
Sale of tangible fixed assets	29,826	41,552
	<hr/>	<hr/>
Net cash outflow from capital expenditure	(252,443)	(80,527)
	<hr/>	<hr/>
	2010 £	2009 £
Acquisitions and disposals		
Purchase of fixed asset investments	-	132,000
	<hr/>	<hr/>
	2010 £	2009 £
Financing		
Repayment of other loans	(109,533)	(140,206)
Repayment of finance leases	(87,051)	(57,003)
	<hr/>	<hr/>
Net cash outflow from financing	(196,584)	(197,209)
	<hr/>	<hr/>

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

25 ANALYSIS OF CHANGES IN NET DEBT

	1 October 2009 £	Cash flow £	Other non-cash changes £	30 September 2010 £
Cash at bank and in hand	765,512	975,794	-	1,741,306
Bank overdraft	(372,076)	2,187	-	(369,889)
	393,436	977,981	-	1,371,417
Finance leases	(83,782)	87,051	(62,020)	(58,751)
Debts due within one year	(63,874)	63,874	-	-
Debts falling due after more than one year	(105,658)	45,659	-	(59,999)
Net funds	140,122	1,174,565	(62,020)	1,252,667

26. CONTINGENT LIABILITIES

Post year end the group transferred all banking facilities to the Co-operative Bank. As a result of this the company has entered into a full cross guarantee in respect of borrowings of other group undertakings. Total borrowings of group undertakings at 30 September 2010 was £369,889 (2009 - £372,076)

27 PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £13,622 (2009 - £3,333). Contributions totaling £9,206 (2009 - £3,034) were payable to the fund at the balance sheet date and are included in creditors.

28 OPERATING LEASE COMMITMENTS

At 30 September 2010 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2010	2009
Group	£	£
Expiry date:		
Within 1 year	15,119	-
Between 2 and 5 years	68,100	15,119
After more than 5 years	115,300	147,400

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

29. DIRECTORS' PERSONAL GUARANTEES

At the year end, the following directors' personal guarantees were in existence

A limited guarantee is in place with Barclays Bank Plc in respect of the borrowings of 5M Enterprises Limited, given by M D F Pye and R J Bonney for £50,000 dated 22 July 2004

A limited guarantee is in place with Barclays Bank Plc in respect of the borrowings of FAI Farms Limited, given by M D F Pye, P A Cook, R J Bonney and R Layton for £350,000 dated 11 April 2003

A limited guarantee is in place with Barclays Bank Plc in respect of the borrowings of R L Consulting Limited, given by M D F Pye, P A Cook, R J Bonney and R Layton for £50,000 dated 12 January 2005

Post year end the group has transferred all banking facilities to the Co-operative Bank and there are no directors' personal guarantees in respect of the new group banking facilities

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

30. RELATED PARTY TRANSACTIONS

Included within debtors / (creditors) due within one year are the following balances

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Benchmark Holdings Limited Executive Pension Scheme	-	(16,400)	-	(13,200)
Directors' loan accounts	12,717	(46,260)	-	-
Total	12,717	(62,660)	-	(13,200)

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

Included within debtors / (creditors) due after more than one year are the following balances

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Benchmark Holdings Limited Executive Pension Scheme	36,000	(45,659)	-	(45,659)
Director's loan account	(59,999)	(59,999)	(59,999)	(59,999)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>(23,999)</u>	<u>(105,658)</u>	<u>(59,999)</u>	<u>(105,658)</u>

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

Group

Included within other creditors is an amount of £nil (2009 - £62,059) being loans from the Benchmark Holdings Limited Executive Pension Scheme

Included within other debtors is a loan from Benchmark Holdings Limited to the Benchmark Holdings Limited Executive Pension Scheme. The capital balance outstanding at the year end was £297,596 (2009 - £nil), of which £290,393 (2009 - £nil) is due after more than one year. Capital overpayments totaling £18,888 (2009 - £nil) had been made at the year end and the balance has been offset against installments due to be paid within one year from the balance sheet date.

Interest is charged on the loan at 5% above the base rate of Barclays Bank Plc.

During the year the group was charged £18,000 (2009 - £nil) by the Benchmark Holdings Limited Executive Pension Scheme in respect of property rental. In addition the group paid a rental deposit of £36,000 (2009 - £nil) to the Benchmark Holdings Limited Executive Pension Scheme and this amount is included within other debtors due after more than one year at the year end.

During the year the group was charged £32,567 (2009 - £9,408) by A E Wall, a director, for the provision of consultancy services.

At the balance sheet date, included in other creditors are amounts due to the following directors:

R J Bonney £Nil (2009 - £45,757)
R Layton £Nil (2009 - £503)
M D F Pye £59,999 (2009 - £59,999)

At the balance sheet date, included in other debtors are amounts due from the following directors:

M J Gooding £1,200 (2009 - £nil)
D I Cox £11,517 (2009 - £nil)

No interest is charged on the loan to M J Gooding and interest is charged on the loan to D I Cox at a fixed rate of 4.75%.

Company

Included within other creditors is an amount of £nil (2009 - £58,859) being loans from the Benchmark Holdings Limited Executive Pension Scheme.

Included within other debtors is a loan from Benchmark Holdings Limited to the Benchmark Holdings Limited Executive Pension Scheme. The capital balance outstanding at the year end was £297,596 (2009 - £nil), of which £290,393 (2009 - £nil) is due after more than one year. Capital overpayments totaling £18,888 (2009 - £nil) had been made at the year end and the balance has been offset against installments due to be paid within one year from the balance sheet date.

Interest is charged on the loan at 5% above the base rate of Barclays Bank Plc. The loan is secured on the property to which it relates, located at 8 Smithy Wood Drive, Sheffield, S35 1QN.

At the balance sheet date, included in other creditors are amounts due to the following directors:

M D F Pye £59,999 (2009 - £59,999)

BENCHMARK HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

Of the dividends declared in the year, the following amounts were due to directors of the company

	2010	2009
	£	£
R J Bonney	217,122	10,166
P A Cook	72,374	3,390
D I Cox	46,837	2,193
R Layton	217,122	10,166
J M Muirhead	72,374	3,390
M D F Pye	217,121	10,166
P J Southgate	46,837	2,193
A E Wall	46,837	2,193
Total	936,624	43,857

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

31. POST BALANCE SHEET EVENTS

At a meeting of the Board of Directors of 5M Enterprises Limited, a subsidiary undertaking, held on 20 January 2011 it was resolved that 114,457 ordinary £1 shares will be issued to Benchmark Holdings Limited at a price of £8.97 per share. Of the total consideration, £4.47 per share is to be paid on the date of allotment of the new shares, with the balance to remain payable at £0.50 per share per month thereafter.

On 8 April 2011 Benchmark Holdings Limited entered into an unconditional agreement with A E Wall to repurchase his shareholding using the available distributable reserves of the company. A total of 4,666 shares will be repurchased at a price of £187.20 per share. Benchmark Holdings Limited repurchased the first tranche of 1,707 shares on 8 April 2011, with a further 1,555 shares to be repurchased on 8 April 2012 and the remaining tranche of 1,404 shares to be repurchased on 8 April 2013.

On 21 April 2011 FVG Limited acquired 1,000 shares of \$1 each of the share capital of FVG Inc, a newly formed company incorporated in the USA. The acquisition represents a 100% shareholding in the company and the shares were issued at par.

On 13 May 2011 Benchmark Holdings Limited issued a total of 1,665 ordinary £1 shares. Of the shares issued, 572 shares were issued to J M Muirhead, a director of the company, as part of a share for share exchange in consideration for 11,938 £1 ordinary shares in 5M Enterprises Limited. The remaining shares were issued for a consideration of £187.20 per share. The following shares were issued to related parties:

- 572 ordinary £1 shares issued to P Tams, a director of 5M Enterprises Limited
- 267 ordinary £1 shares issued to The Trustees for the time being of the Mark Plampin Self-Invested Personal Pension Scheme. M J Plampin is a director of the company.
- 134 ordinary £1 shares issued to M J Gooding, a director of FAI Farms Limited
- 65 ordinary £1 shares issued to K P Lawless, a director of the company
- 55 ordinary shares issued to J Marshall, a director of FVG Limited

On 13 May 2011 Benchmark Holdings Limited also purchased shareholdings in 5M Enterprises Limited from the following related parties:

- 22,760 ordinary £1 shares purchased from the Benchmark Holdings Limited Executive Pension Scheme for a consideration of £8.97 per share
- 11,938 ordinary £1 shares purchased from P Tams, a director of 5M Enterprises Limited, for a consideration of £8.97 per share

Following the transactions listed above, the company's shareholding in 5M Enterprises Limited increased to 98%.

BENCHMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

32. SHARE OPTIONS

The group operates an EMI based equity settled share option scheme for certain employees. Options are exercisable at a price equal to the nominal value of the parent company's shares. The vesting period is three years. If the options remain unexercised after a period of ten years from the date of grant the options expire. Options are forfeited if the employee leaves the group before the options vest.

The share options under the scheme are as follows:

Year	No of Options				Option Price	Exercise Period
	As at 1 October 2009	Granted in 2010	Lapsed in 2010	As at 30 September 2010		
2010	-	1,500	-	1,500	100.00p	September 2013 to September 2020

Share options outstanding at 30 September 2010 had a weighted average exercise price of 100.00p, and a weighted average remaining contractual life of 36 months.

33. CONTROLLING PARTY

The company is controlled by the shareholders. There is no single ultimate controlling party.