

REGISTRAR OF COMPANIES

COMPANY NO: 464777

261

Accounts

ASSOCIATED DAIRIES LIMITED

28 April 1984

Ernst & Whinney



ASSOCIATED DAIRIES LIMITED

NOTICE OF MEETING

Notice is hereby given to the ordinary shareholders of the company that the thirty-fifth annual general meeting of the company will be held at the registered office of the company, on Wednesday 31 October 1984, at 10.30 am for the following purposes:

- 1 To receive the report of the directors and the accounts for the fifty-two weeks to 28 April 1984 with report of the auditors thereon and declare a dividend. (Resolution 1)
- 2 To re-elect the following directors:

| | |
|------------------|----------------|
| Mr J N Hardman | (Resolution 2) |
| Mr A N Stockdale | (Resolution 3) |
| Mr E G Bousfield | (Resolution 4) |
- 3 To reappoint Messrs Ernst & Whinney auditors of the company and to authorise the directors to fix their remuneration. (Resolution 5)
- 4 To transact any other ordinary business of an annual general meeting.

A member entitled to attend and vote at the meeting may appoint one or more proxies to attend and on a poll, vote on his behalf, a proxy need not be a member. A proxy form is enclosed at the end of this report.

By order of the board

P R Baines

Secretary

Craven House
Kirkstall Road
Leeds LS3 1JE

28 September 1984

The register of directors' interests in shares will together with directors' service agreements be available for inspection during the usual business hours on any weekday (Saturdays and Public Holidays excluded) at the registered office from this date until the date of the annual general meeting and at the place of the meeting for fifteen minutes prior to and until the termination of the meeting.



ASSOCIATED DAIRIES LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

Executive

A N Stockdale DFM Chairman
 E G Bousfield MA (Cantab) Vice Chairman
 and Managing Director
 P R Baines MA (Cantab) FCIS
 D Drew FCA
 A E Gardiner
 D M Gransby BA (Hons) M Phil
 J N Hardman B Comm (Hons) FCA

Non-Executive

E E Binns FCA
 J D Fletcher MBA (Harvard) BA (Oxon)

SECRETARY

P R Baines

REGISTERED OFFICE

Craven House,
 Kirkstall Road,
 Leeds LS3 1JE

AUDITORS

Ernst & Whinney
 Chartered Accountants
 P O Box 61
 Cloth Hall Court
 14 King Street
 Leeds LS1 2JN

BANKERS

National Westminster Bank PLC
 Leeds City Office
 8 Park Row
 Leeds LS1 1QS

ASSOCIATED DAIRIES LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited accounts of the company for the 52 weeks ended 28 April 1984.

GROUP PROFIT AND LOSS ACCOUNT AND DIVIDENDS

| | 1984 £ | 1983 £ |
|---|---------------|-------------|
| The profits for the 52 weeks to 28 April 1984 before taxation amount to | 97,029,884 | 72,654,069 |
| After allowing for taxation of | (43,914,162) | 31,189,711 |
| and extraordinary items of | (21,722,246) | - |
| There remains a net profit attributable to the company of | 31,393,476 | 41,464,358 |
| Out of which the directors have paid and recommend dividends as detailed in the profit and loss account of (See note 10 to the accounts) | 58,970,153 | 33,552,756 |
| Leaving retained profits/(a deficit) of | £(27,576,677) | £ 5,911,602 |

On 29 August 1984 the directors recommended payment of a final dividend on the ordinary shares of £10,948,800.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

There have been no significant changes in the principal activities of the company during the financial period which have been to carry on business as dairymen and retailers of goods to the general public through the medium of supermarkets and superstores.

FUTURE DEVELOPMENTS

The group continues to expand into new areas of merchandise where considered appropriate and plans to continue physical expansion of retail stores and manufacturing units as and when the appropriate opportunity arises.

FIXED ASSETS

The following net additions have been made during the financial period to the fixed assets of the company:

| | |
|---|-------------|
| Freehold land and buildings | £20,072,574 |
| Leasehold property | £21,267,251 |
| Plant, equipment, machinery and vehicles | £17,285,440 |

The movement of fixed assets are set out in note 12 in the notes to the accounts on page 14.

ASSOCIATED DAIRIES LIMITED

DIRECTORS' REPORT (continued)

RESEARCH AND DEVELOPMENT

Company policy is to invest in product innovation and process improvement at a level designed to enable it to retain and enhance its market position.

DIRECTORS' INTERESTS

A list of the present directors of the company who were directors during the period is shown on page one.

Mr J N Hardman was appointed a director of the company on 1 June 1984 and pursuant to Article 85 of the Company's Article of Association Mr J N Hardman retires at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

Pursuant to Article 104 of the company's Articles of Association, Messrs A N Stockdale and E G Bousfield retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Mr J D Ridgway retired as a director of the company on 30 April 1984.

The directors are all directors of the holding company, Associated Dairies Group PLC and their interests in the shares of that company are shown in its accounts.

No director had any interest during the period in any significant contract with the company or any subsidiary.

EMPLOYMENT POLICIES

It is the company's policy that employees should be kept as fully informed as is feasible and practicable about what and how the group is doing through the media of its management associations, works committees, company newspapers and the annual employee financial report.

DISABLED PERSONS POLICY

It is a company policy to give full consideration to suitable applications for employment by disabled persons. Opportunities also exist for the company's employees who become disabled to continue in their employment or to be trained for other positions in the company.

CHARITABLE AND POLITICAL CONTRIBUTIONS

The group made the following contributions during the period:

For charitable purposes : £14,927

ASSOCIATED DAIRIES LIMITED

DIRECTORS' REPORT (continued)

INCOME AND CORPORATION TAXES ACT 1970

The 'Close Company' provisions of the Income and Corporation Taxes Act 1970 do not apply to this company.

AUDITORS

Ernst & Whinney have expressed their willingness to continue in office as auditors and in accordance with Section 14 of the Companies Act 1976 a resolution proposing their reappointment will be put to the members at the annual general meeting.

By order by the board

P R Baines

Secretary

24 August 1984

Ernst & Whinney Chartered Accountants

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the accounts of Associated Dairies Limited set out on pages 7 to 18. These have been prepared under the historical cost convention. Our audit has been carried out in accordance with approved auditing standards.

In our opinion the accounts give a true and fair view of the state of affairs at 28 April 1984 and of the profit and source and application of funds for the period then ended and comply with the Companies Acts 1948 to 1981.

Ernst & Whinney

Leeds

24 August 1984

ASSOCIATED DAIRIES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE FIFTY-TWO WEEKS ENDED 28 APRIL 1984

| | Note | £ | 1984 £ | 1983 £ |
|--|------|---|-----------------------|----------------------|
| TURNOVER | 2 | | 1,628,063,309 | 1,400,866,979 |
| Change in stocks | | | 7,355,113 | 10,513,880 |
| Other operating income | | | <u>9,812,522</u> | <u>2,779,137</u> |
| | | | 1,645,230,944 | 1,414,159,996 |
| Raw materials and consumables | | | 1,337,706,218 | 1,170,661,367 |
| Staff costs | 4 | | 116,655,194 | 99,125,031 |
| Depreciation of tangible fixed assets | | | 16,809,355 | 13,654,041 |
| Other operating charges | | | <u>81,548,924</u> | <u>61,973,359</u> |
| | | | <u>1,552,719,691</u> | <u>1,345,413,798</u> |
| OPERATING PROFIT | 4 | | 92,511,253 | 68,746,198 |
| Other income | 6 | | 5,576,233 | 5,136,675 |
| Interest payable and similar charges | 7 | | <u>(1,057,602)</u> | <u>(1,228,804)</u> |
| PROFIT BEFORE TAXATION | | | 97,029,884 | 72,654,069 |
| TAXATION ON PROFIT ON ORDINARY ACTIVITIES | 8 | | <u>43,914,162</u> | <u>31,189,711</u> |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | | 53,115,722 | 41,464,358 |
| Extraordinary item | 9 | | <u>21,722,246</u> | <u>-</u> |
| PROFIT AVAILABLE FOR APPROPRIATION | | | 31,393,476 | 41,464,358 |
| Dividends | 10 | | <u>58,970,153</u> | <u>35,552,756</u> |
| RETAINED PROFIT/(DEFICIT) FOR THE PERIOD | 22 | | <u>£ (27,576,677)</u> | <u>£ 5,911,602</u> |

ASSOCIATED DAIRIES LIMITED

BALANCE SHEET - 28 APRIL 1984

| | Note | 1984 £ | 1983 £ |
|--|------|----------------------|----------------------|
| FIXED ASSETS | | | |
| Intangible assets | 11 | 1,324,477 | 1,118,452 |
| Tangible assets | 12 | 282,241,821 | 229,232,685 |
| Investments | 13 | <u>4,500,075</u> | <u>-</u> |
| | | 288,066,373 | 230,351,137 |
| CURRENT ASSETS | | | |
| Stocks | 14 | 83,433,056 | 76,077,943 |
| Debtors | 15 | 14,494,450 | 27,836,305 |
| Debtors on deferred terms | | 350,765 | 236,718 |
| Investments | 16 | 1,302,973 | 1,331,858 |
| Cash at bank and in hand | | <u>1,640,447</u> | <u>12,511,741</u> |
| | | 101,221,691 | 117,994,565 |
| CREDITORS - amounts falling due within one year | 17 | <u>216,646,264</u> | <u>(180,233,153)</u> |
| NET CURRENT LIABILITIES | | <u>(115,424,573)</u> | <u>(62,238,588)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 172,641,800 | 168,112,549 |
| CREDITORS - amounts falling due after more than one year | 18 | (38,185,652) | (31,681,178) |
| PROVISIONS FOR LIABILITIES AND CHARGES | 19 | (25,698,696) | (62,288) |
| ACCRUALS AND DEFERRED INCOME | 20 | (2,025,066) | (2,060,020) |
| | | <u>£106,732,386</u> | <u>£134,309,063</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 21 | 28,008,978 | 28,008,978 |
| Share premium account | | 260,496 | 260,496 |
| Profit and loss account | 22 | 78,462,912 | 106,039,589 |

24 August 1984

£106,732,386£134,309,063

ASSOCIATED DALLIES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE FIFTY-TWO WEEKS ENDED 28 APRIL 1984

| | 1984 | | 1983 | |
|--|--------|----------|--------|----------|
| | £'000 | £'000 | £'000 | £'000 |
| SOURCE OF FUNDS | | | | |
| FROM OPERATIONS | | | | |
| Profit before taxation | | 97,030 | | 72,654 |
| Adjustments for items not involving movement of funds: | | | | |
| Depreciation | | 16,809 | | 13,654 |
| Write down of vacant properties | | - | | 1,146 |
| Government grant credit | | (218) | | (224) |
| Total generated from operations | | 113,621 | | 87,230 |
| FROM OTHER SOURCES | | | | |
| Government grants received | | 183 | 9 | 9 |
| | | 113,804 | | 87,239 |
| FUNDS APPLIED | | | | |
| Dividends paid | 52,325 | | 37,651 | |
| Taxation paid | 29,632 | | 17,239 | |
| Net purchase of fixed assets | 69,818 | | 56,150 | |
| Intangible assets purchased | 206 | | 29 | |
| Investment purchased | 4,500 | | - | |
| | | 156,481 | | 111,069 |
| | | (42,677) | | (23,830) |
| INCREASE/(DECREASE) IN WORKING CAPITAL | | | | |
| Increase in stocks | | 7,355 | | 10,514 |
| Increase/(decrease) in debtors | | (13,342) | | (22,155) |
| Increase in debtors on deferred terms | | 114 | | 3 |
| (Decrease)/increase in investments | | (29) | | 5 |
| Increase in creditors excluding taxation and dividends | | (25,904) | | (34,823) |
| Movement in net liquid funds: | | | | |
| (Decrease)/increase in cash balances | | (10,871) | | 22,626 |
| | | (42,677) | | (23,830) |

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

1 ACCOUNTING POLICIES

(a) Basis of accounts

The accounts are prepared under the historical cost convention.

(b) Group accounts

Consolidated accounts have not been prepared because the company is a subsidiary of Associated Dairies Group PLC.

(c) Depreciation

Depreciation is provided to write off the cost or valuation of fixed assets, excluding freehold land, over their estimated useful lives as follows:

| | |
|--|----------------------|
| Freehold buildings and long leasehold property | 67 years |
| Short leasehold property | Over period of lease |
| Plant and equipment | 3-20 years |
| Motor vehicles | 4-10 years |

(d) Government grants

Government grants in respect of expenditure on fixed assets are credited to a separate account and credit is taken in the profit and loss account over the estimated average life of the relevant assets.

(e) Stocks

Stocks comprise goods held for resale and are valued at the lower of cost and net realisable value.

(f) Deferred taxation

Provision is made for deferred taxation, using the liability method, on short term timing differences and all other material timing differences which are not expected to continue in the future.

(g) Research and development

Expenditure on research and development is written off in the year in which it is incurred.

(h) Pension benefits

Pension benefits are funded over the employees' period of service. The company's contributions were based on recent triennial actuarial valuations of the funds.

2 TURNOVER

Turnover comprises value of sales exclusive of VAT.

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

3 ANALYSIS OF TURNOVER AND PROFIT BETWEEN ACTIVITIES

| | Turnover | | Contributions to operating profit | |
|---------------------------|------------------|------------------|-----------------------------------|---------------|
| | 1984 £'000 | 1983 £'000 | 1984 £'000 | 1983 £'000 |
| Asda Stores | 1,542,979 | 1,318,233 | 81,917 | 58,440 |
| Associated Fresh Foods | <u>161,112</u> | <u>149,376</u> | <u>11,780</u> | <u>11,839</u> |
| | 1,704,091 | 1,467,609 | 93,697 | 70,279 |
| Less: Intra company sales | 76,028 | 56,742 | - | - |
| Company overheads | - | - | 1,186 | 1,533 |
| | <u>1,628,063</u> | <u>1,400,867</u> | <u>92,511</u> | <u>68,746</u> |

4 OPERATING PROFIT is arrived at after charging:

| | 1984 | 1983 |
|---|--------------------|--------------------|
| (a) Hire charges for plant and machinery | £ <u>1,610,712</u> | £ <u>1,454,936</u> |
| (b) Auditors remuneration | £ <u>62,000</u> | £ <u>57,000</u> |
| (c) Research and development | £ <u>611,132</u> | £ <u>353,528</u> |
| (d) Staff costs: | | |
| Wages and salaries | 104,693,292 | 88,403,770 |
| Social Security costs | 9,881,188 | 8,899,602 |
| Other pension costs | <u>2,080,714</u> | <u>1,221,659</u> |
| | £116,655,194 | £99,125,031 |
| (e) Write down of vacant properties awaiting disposal | £ - | £ <u>1,145,785</u> |

Information in respect of emoluments of employees, excluding pension contributions:

| | Number of employees | |
|-------------------|---------------------|------|
| | 1984 | 1983 |
| £30,001 - £35,000 | 3 | - |
| £35,001 - £40,000 | 3 | - |
| £40,001 - £45,000 | 3 | 6 |
| £45,001 - £50,000 | 1 | - |

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

5 EMOLUMENTS OF DIRECTORS

Nine (1983 - Nine) directors waived fees under Article 82 amounting to £4,750 (1983 - £4,750).

6 OTHER INCOME

| | 1984 £ | 1983 £ |
|--|-------------------|-------------------|
| Interest receivable from group companies | 5,436,593 | 5,099,025 |
| Sundry income | <u>140,815</u> | <u>37,650</u> |
| | <u>£5,577,408</u> | <u>£5,136,675</u> |

7 INTEREST PAYABLE AND SIMILAR CHARGES

| | 1984 £ | 1983 £ |
|-------------------------------------|-------------------|-------------------|
| Repayable within five years | | |
| Interest payable to group companies | 1,006,767 | 1,177,505 |
| Repayable after five years | | |
| Debenture and mortgage interest | <u>50,835</u> | <u>51,299</u> |
| | <u>£1,057,602</u> | <u>£1,228,804</u> |

8 TAXATION

The charge based on the profit for the period comprises:

| | 1984 £ | 1983 £ |
|---------------------------------------|--------------------|--------------------|
| UK corporation tax | 41,000,000 | 31,231,670 |
| Deferred taxation | <u>3,914,162</u> | <u>62,288</u> |
| | 44,914,162 | 31,293,958 |
| Adjustments relating to prior periods | <u>(1,000,000)</u> | <u>(104,247)</u> |
| | <u>£43,914,162</u> | <u>£31,189,711</u> |

UK corporation tax has been provided at 49.58% (1983 - 52%).

Deferred taxation has been provided at 35% (1983 - 52%).

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

8 TAXATION (continued)

The tax charge has been reduced by £2,012,000 (1983 : £3,939,000) in respect of stock relief.

The current year tax charge reflects the changes set out in Finance Act 1984. However, the comparative figures have not been amended and the charge for 1983 was reduced by £6,105,000 in respect of accelerated capital allowances, then considered to be deferred for the foreseeable future.

9 EXTRAORDINARY ITEM

| | 1984 | 1983 |
|--|--------------------|------------|
| Provision for deferred tax as at the beginning of the period at a rate of 35% on accelerated capital allowances arising from the changes in the company taxation set out in the Finance Act 1984 | <u>£21,722,246</u> | <u>£ -</u> |

10 DIVIDENDS

| | 1984 £ | 1983 £ |
|--------------------|--------------------|--------------------|
| Ordinary - interim | 48,021,353 | 31,248,897 |
| - proposed final | <u>10,948,800</u> | <u>4,303,859</u> |
| | <u>£58,970,153</u> | <u>£35,552,756</u> |

The preference share dividends have been waived.

11 INTANGIBLE FIXED ASSETS

| | 1984 | 1983 |
|-------------|-------------------|-------------------|
| Milk rounds | <u>£1,324,477</u> | <u>£1,118,452</u> |

The cost of milk rounds is capitalised upon purchase.

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

12 TANGIBLE FIXED ASSETS

| | Freehold properties £ | Leasehold properties £ | Plant, machinery, equipment & vehicles £ | Total £ |
|--|-----------------------------|------------------------------|--|--------------------|
| Cost | | | | |
| At 1 May 1983 | 81,097,577 | 91,103,298 | 92,533,966 | 264,734,841 |
| Reclassifications | 36,871 | (11) | (36,860) | - |
| Additions during period | 20,371,935 | 21,502,802 | 22,978,134 | 64,852,871 |
| Transfers within the group | - | - | 442 | 442 |
| Cost of disposals | <u>(336,232)</u> | <u>(235,540)</u> | <u>(5,656,276)</u> | <u>(6,228,048)</u> |
| At 28 April 1984 | <u>101,170,151</u> | <u>112,370,549</u> | <u>109,819,406</u> | <u>323,360,106</u> |
| Depreciation | | | | |
| At 1 May 1983 | 3,476,512 | 4,653,167 | 41,314,502 | 49,444,182 |
| Charge for period | 1,050,049 | 1,793,118 | 13,966,188 | 16,809,355 |
| On transfers within the group | - | - | 208 | 208 |
| Relating to disposals | <u>-</u> | <u>(95,112)</u> | <u>(4,707,481)</u> | <u>(4,802,593)</u> |
| At 28 April 1984 | <u>4,526,562</u> | <u>6,351,173</u> | <u>50,573,417</u> | <u>61,451,152</u> |
| Net book amounts at 28 April 1984 | <u>96,643,589</u> | <u>106,019,376</u> | <u>59,245,989</u> | <u>261,908,954</u> |
| Payments under contracts not yet completed (1983 - £13,942,026) | | | | <u>20,332,867</u> |
| | | | | <u>282,241,821</u> |

The cost of freehold land included within freehold properties is
£27,780,628 (1983 : £21,198,000).

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

12 TANGIBLE FIXED ASSETS (continued)

The net book value of leasehold property comprises:

| | 1984 £ | 1983 £ |
|--|---------------------|--------------------|
| Leases with fifty years or more unexpired | 100,362,693 | 83,791,928 |
| Lease with less than fifty years unexpired | <u>5,656,683</u> | <u>2,658,203</u> |
| | <u>£106,019,376</u> | <u>£86,450,131</u> |

13 FIXED ASSET INVESTMENT - UNLISTED

| | 1984 | 1983 |
|-------------------------------------|-------------------|------------|
| Subsidiary company - shares at cost | <u>£4,500,075</u> | <u>£ -</u> |

(a) The subsidiary company which is wholly owned, is Pupilrose Limited, a company incorporated in England. It was acquired by Associated Dairies Limited on 12 September 1983. Pupilrose Limited is a property holding company.

(b) The directors regard the balance sheet amounts for the fixed asset investment to fairly represent replacement cost.

14 STOCKS

In the directors opinion the replacement cost of stocks does not materially exceed the balance sheet value.

15 DEBTORS

| | 1984 £ | 1983 £ |
|---|--------------------|--------------------|
| Due within one year | | |
| Trade debtors | 8,315,829 | 8,631,612 |
| Amount owed by holding company | - | 15,253,054 |
| Amounts owed by fellow subsidiary companies | 1,323,427 | 517,059 |
| Other debtors | 2,896,663 | 2,220,527 |
| Prepayments and accrued income | <u>1,958,531</u> | <u>1,214,053</u> |
| | <u>£14,494,450</u> | <u>£27,836,305</u> |

16 INVESTMENTS

Investments include vacant properties awaiting disposal written down to net realisable value of £1,230,173 (1983 : £1,264,258).

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

17 CREDITORS - amounts falling due within one year

| | 1984 £ | 1983 £ |
|---|---------------------|---------------------|
| Trade creditors | 119,644,812 | 119,316,635 |
| Amounts owed to holding company | 21,465,349 | - |
| Amounts owed to fellow subsidiary companies | 660,062 | 683,718 |
| Taxation | 34,704,574 | 30,855,026 |
| Social security | 3,393,703 | 3,937,978 |
| Other creditors | 19,852,647 | 16,900,003 |
| Accruals | 5,976,317 | 4,235,934 |
| Proposed dividend | 10,948,800 | 4,303,859 |
| | <u>£216,646,264</u> | <u>£180,233,153</u> |

18 CREDITORS - amounts falling due after more than one year

| | 1984 £ | 1983 £ |
|--|--------------------|--------------------|
| Taxation, payable 1 January 1986 | 37,642,800 | 31,124,461 |
| Loans repayable 1995 to 2022 (interest rates 9½% to 10½%) | 368,750 | 373,250 |
| 7½% Debenture Stock 1988/93 | <u>174,102</u> | <u>183,467</u> |
| | <u>£38,185,652</u> | <u>£31,681,178</u> |

19 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

| | 1984 £ | 1983 £ |
|--|--------------------|--------------------|
| Potential liability for deferred taxation: | | |
| Capital allowances | 27,668,823 | 34,982,853 |
| Capital gains | 1,417,000 | 1,417,000 |
| Short term timing differences | <u>(6,845)</u> | <u>-</u> |
| | <u>£29,078,978</u> | <u>£36,399,853</u> |

Provision retained

| | 1984 £ | 1983 £ |
|-------------------------------|---------------------|-----------------|
| Capital allowances | 25,705,541 | - |
| Short-term timing differences | <u>(6,845)</u> | <u>62,288</u> |
| | <u>£ 25,698,696</u> | <u>£ 62,288</u> |

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

20 ACCRUALS AND DEFERRED INCOME

| | 1984 | 1983 |
|-------------------|-------------------|-------------------|
| Government grants | <u>£2,025,026</u> | <u>£2,060,020</u> |

21 CALLED-UP SHARE CAPITAL

| | Authorised 1984 and 1983 £ | Allotted, issued and fully paid 1984 and 1983 £ |
|--|----------------------------------|---|
| 3.85% cumulative preference shares of £1 each | 500,000 | 499,623 |
| Ordinary shares of 25p each fully paid | <u>28,500,000</u> | <u>27,509,355</u> |
| | <u>£29,000,000</u> | <u>£28,008,978</u> |

22 PROFIT AND LOSS ACCOUNT

| | £ |
|------------------------|---------------------|
| At 1 May 1983 | 106,039,589 |
| Deficit for the period | <u>27,576,677</u> |
| At 28 April 1984 | <u>£ 78,462,912</u> |

23 CAPITAL COMMITMENTS

The directors have authorised future capital expenditure which, without taking account of government grants, amounts to:

| | 1984 £ | 1983 £ |
|----------------|-------------------|-------------------|
| Contracted | 19,982,317 | 18,698,000 |
| Not contracted | <u>70,749,935</u> | <u>46,352,000</u> |

ASSOCIATED DAIRIES LIMITED

NOTES ON THE ACCOUNTS - 28 APRIL 1984

24 EMPLOYEES

The average number of employees in each week was 29,032 (1983 : 26,451) and is broken down into the following categories:

| | 1984 | 1983 |
|------------------------|---------------|---------------|
| Asda Stores | 26,054 | 23,807 |
| Associated Fresh Foods | <u>2,978</u> | <u>2,644</u> |
| | <u>29,032</u> | <u>26,451</u> |

25 HOLDING COMPANY

The holding company is Associated Dairies Group PLC, a company incorporated in England.