

North West Silos Limited

Report and Financial Statements

31 July 2015



Directors

C J Heron
W N Larkin
T J O'Mahony
P J Kennedy

Secretary

G W Jordan

Auditors

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast BT2 7DT

Bankers

Bank of Ireland
4-8 High Street
Belfast BT1 2BA

Solicitors

Pinsent Masons Belfast LLP
Soloist
1 Lanyon Place
Belfast BT1 3LP

Registered Office

Clarendon House
23 Clarendon Road
Belfast BT1 3BG

Strategic report

The directors present their strategic report and the financial statements for the year ended 31 July 2015.

Principal activity and review of the business

The principal activity of the group continues to be that of soya bean processing and trading of proteins and cereals.

Subsequent to year end the directors have decided to mothball the trading activities of the company. As a consequence the principal activity of the company will transition to that of a holding company. The directors expect that the company has adequate financial resource to fund this transition and accordingly they have adopted the going concern basis of accounting.

Both the level of business and the year-end financial position were satisfactory. The directors believe the business is well positioned to maintain and improve its performance.

Principal risks and uncertainties

Financial risk management policy

The company's principal financial instruments comprise cash, trade debtors and creditors and certain other debtors and creditors. The main risks associated with these financial assets and liabilities are set out below.

Currency risk

The company used forward contracts to manage all foreign exchange exposures.

Credit risk

Credit risk is the risk that one party to a financial transaction will cause a financial loss for the other party by failing to discharge an obligation. Company policies are structured to mitigate such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

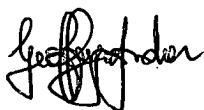
Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generation by its operations.

Market price risk

Due to the nature of its principal activity the company is exposed to movements in market prices of local and world markets of a number of agricultural commodities. The company seeks to mitigate this risk through the policy of entering into forward contracts for such raw materials.

By order of the Board



Secretary

Date 26/11/15

Registered No. NI14053

Directors' report

The directors present their report and financial statements for the year ended 31 July 2015.

Results and dividends

The group profit for the year after taxation amounted to £133,650 (2014 – profit of £138,065). The directors do not recommend a final dividend (2014 – £nil).

Directors

The directors who served the company during the year were as follows:

C J Heron
W N Larkin
T J O'Mahony
P J Kennedy

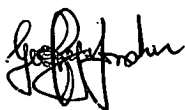
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



Secretary

Date 26/11/15

Directors' responsibility statement

The directors are responsible for preparing the Annual 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 group and the company 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of North West Silos Limited

We have audited the financial statements of North West Silos Limited for the year ended 31 July 2015 which comprise the Group Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Group and Company Balance Sheets, the Group Statement of Cash Flows and the related notes 1 to 21. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 July 2015 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of North West Silos 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, 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.

Ernst & Young LLP

Michael Kidd (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast

Date *2 December 2015*

Group profit and loss account

for the year ended 31 July 2015

	Notes	2015 £	2014 £
Turnover	2	35,120,861	40,759,347
Cost of sales		<u>(34,536,735)</u>	<u>(40,253,842)</u>
Gross Profit		584,126	505,505
Distribution costs		<u>(399,544)</u>	<u>(319,957)</u>
Administrative expenses		<u>(4,620)</u>	<u>(4,200)</u>
Profit on ordinary activities before interest and tax	3	179,962	181,348
Other finance cost	6	<u>(17,000)</u>	<u>(19,000)</u>
Interest receivable		<u>15,109</u>	<u>10,951</u>
Profit on ordinary activities before taxation		178,071	173,299
Tax	7	<u>(44,421)</u>	<u>(35,234)</u>
Profit for the financial year	15	<u>133,650</u>	<u>138,065</u>

All amounts relate to continuing activities.

Group statement of total recognised gains and losses

for the year ended 31 July 2015

	Note	2015 £	2014 £
Profit for the financial year		133,650	138,065
Net actuarial loss recognised in respect of pension schemes	18	<u>(173,000)</u>	<u>(69,000)</u>
Deferred tax credit on net actuarial loss		<u>34,600</u>	<u>13,800</u>
Total recognised gain and losses for the year		<u>(4,750)</u>	<u>82,865</u>

Group balance sheet

at 31 July 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	9	–	23,976
Current assets			
Stocks	11	233,103	280,026
Debtors	12	2,108,206	2,255,832
Cash at bank and in hand		260,231	191,253
		2,601,540	2,727,111
Creditors: amounts falling due within one year	13	(461,448)	(730,245)
Net current assets		2,140,092	1,996,866
Total assets less current liabilities		2,140,092	2,020,842
Pensions	18	(379,998)	(255,998)
Net assets		1,760,094	1,764,844
Capital and reserves			
Called up share capital	14	980,002	980,002
Profit and loss account	15	780,092	784,842
Shareholders' funds	15	1,760,094	1,764,844

The financial statements were approved and authorised by the Board of Directors and were signed on its behalf by:



P J Kennedy
Director

26/11/15



T J O'Mahony
Director

Registered Number: NI14053

Company balance sheet

at 31 July 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	9	–	23,976
Investments	10	71,500	71,500
		<u>71,500</u>	<u>95,476</u>
Current assets			
Stocks	11	233,103	280,026
Debtors	12	1,238,503	1,078,784
Cash at bank and in hand		30,330	30,121
		<u>1,501,936</u>	<u>1,388,931</u>
Creditors: amounts falling due within one year	13	(146,132)	(128,182)
Net current assets		<u>1,355,804</u>	<u>1,260,749</u>
Net assets		<u>1,427,304</u>	<u>1,356,225</u>
Capital and reserves			
Called up share capital	14	980,002	980,002
Profit and loss account	15	447,302	376,223
Shareholders' funds	15	<u>1,427,304</u>	<u>1,356,225</u>

The financial statements were approved and authorised by the Board of Directors and were signed on its behalf by:



P J Kennedy
Director



T J O'Mahony
Director

26/11/15

Registered Number: NI14053

Group statement of cash flows

at 31 July 2015

	<i>Note</i>	<i>2015</i> £	<i>2014</i> £
Net cash inflow from operating activities	16(a)	483,173	33,276
Return on investments and servicing of finance			
Interest paid		(17,000)	(19,000)
Interest received		15,109	10,951
Net cash outflows from return on investments and servicing of finance		<u>(1,891)</u>	<u>(8,049)</u>
Taxation			
Corporation tax paid		(26,154)	(51,228)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		<u>(1,150)</u>	<u>(2,133)</u>
Net cash outflow before financing		<u>453,978</u>	<u>(28,134)</u>
Financing			
Loans to related undertakings		(385,000)	90,822
Increase in cash	16(b)	<u><u>68,978</u></u>	<u><u>62,688</u></u>

Notes to the financial statements

at 31 July 2015

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings, and in accordance with applicable accounting standards.

The company has net cash and a strong net asset position. As a result the directors continue to believe it appropriate to continue to adopt the going concern assumption.

Group financial statements

The group financial statements consolidate the financial statements of North West Silos Limited and all its subsidiary undertakings drawn up to 31 July 2015. No profit and loss account is presented for North West Silos Limited as permitted by section 408 of the Companies Act 2006.

Tangible fixed assets

The cost or valuation of tangible fixed assets are written off by equal annual instalments, over their expected useful life, as follows:

Plant and machinery	–	10 years
Furniture and equipment, fixtures and fittings	–	10 years
Office equipment	–	4 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Investment in subsidiaries is stated at cost. The carrying value is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value, except if matched hedging contracts for forward sales exist where the hedged value is used. The directors consider this policy is more appropriate for the true and fair view.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Notes to the financial statements

at 31 July 2015

1. Accounting policies (continued)

Pensions

A funded group defined benefit scheme is operated for certain of the group's employees. The cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each balance sheet date, with the surplus or deficit arising recognised on the balance sheet. Changes in the actuarial valuation, other than those arising from actuarial gains and losses, are recognised in the profit and loss account. Changes arising from actuarial gains and losses are recognised in the statement of total recognised gains and losses.

2. Turnover

Turnover, which is stated net of valued added tax, represents amounts invoiced for goods and services supplied by the Group.

Turnover is attributable to continuing activities of processing of soya beans and trading of proteins and cereals and geographical markets are confined to the British Isles.

3. Operating profit

This is stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration	4,620	4,200
Depreciation of fixed assets	7,667	22,706
Impairment of fixed assets	17,459	–

4. Directors' remuneration

The directors received no remuneration during the year (2014 – £nil).

5. Staff costs

	2015	2014
	£	£
Wages and salaries	5,176	4,643
Social security costs	656	535
Other pension costs	3,550	3,550
	9,382	8,728

The average monthly number of employees during the year was made up as follows:

	No.	No.
Administration	6	6

Staff numbers include company directors who received no remuneration during the year.

Notes to the financial statements

at 31 July 2015

6. Other finance cost

	2015 £	2014 £
Expected return on pension scheme assets	90,000	91,000
Interest on pension scheme liabilities	(107,000)	(110,000)
	<u>(17,000)</u>	<u>(19,000)</u>

7. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax on profit for the year	36,566	36,901
Adjustments in respect of previous periods	712	(1,814)
Total current tax (note 7(b))	<u>37,278</u>	<u>35,087</u>
Deferred tax:		
Origination and reversal of timing differences	7,143	147
Tax on profit on ordinary activities	<u>44,421</u>	<u>35,234</u>

(b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.37% (2014 – 21.17%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>178,071</u>	<u>173,299</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.37 % (2014 – 21.17%)	36,273	36,693
Effects of:		
Accelerated capital allowances	3,817	3,407
Adjustment in respect of previous periods	712	(1,814)
Short term timing difference	(3,524)	(3,199)
Current tax for the year (note 7(a))	<u>37,278</u>	<u>35,087</u>

Notes to the financial statements

at 31 July 2015

7. Tax (continued)

(c) Deferred tax

The balance recognised at the year-end is as follows:

	2015 £	2014 £
Included in debtors (note 12)	26,179	29,722
Included in pension scheme (note 18)	95,000	64,000
	<u>121,179</u>	<u>93,722</u>

Group

	£
At 1 August 2014	93,722
Deferred tax in group profit and loss account	(7,143)
Amount credited to STRGL	34,600
At 31 July 2015	<u>121,179</u>

8. Profit attributable to members of the parent undertaking

The profit dealt with in the financial statements of the parent undertaking was £71,079 (2014 – profit of £67,987).

9. Tangible fixed assets

Group and company	Furniture and equipment £	Plant and machinery £	Fixtures and fittings £	Total £
Cost:				
At 1 August 2014	16,237	1,304,328	4,253	1,324,818
Additions	–	1,150	–	1,150
At 31 July 2015	<u>16,237</u>	<u>1,305,478</u>	<u>4,253</u>	<u>1,325,968</u>
Depreciation:				
At 1 August 2014	16,237	1,280,651	3,954	1,300,842
Charge for the year	–	7,511	156	7,667
Impairment	–	17,316	143	17,459
At 31 July 2015	<u>16,237</u>	<u>1,305,478</u>	<u>4,253</u>	<u>1,325,968</u>
Net book value:				
At 31 July 2015	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At 1 August 2014	<u>–</u>	<u>23,677</u>	<u>299</u>	<u>23,976</u>

Notes to the financial statements

at 31 July 2015

10. Investments

<i>Company</i>	<i>Subsidiary undertakings</i> £
Cost	490,100
Amounts written off	(418,600)
Net book value:	
At 1 August 2014 and 31 July 2015	<u>71,500</u>

The investment in subsidiary undertakings comprises the following:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
McCaughey, Russell & Baird Limited	Northern Ireland	Ordinary Shares Deferred Shares	100% 100%	Trading of proteins and cereals
D T Russell & Baird (Ireland) Limited	Northern Ireland	Ordinary Shares	100%	Dormant

11. Stocks

	<i>Group and Company</i>	
	<i>2015</i>	<i>2014</i>
	£	£
Raw materials	173,891	147,656
Finished Goods	59,212	132,370
	<u>233,103</u>	<u>280,026</u>

12. Debtors

	<i>Group</i>		<i>Company</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	£	£	£	£
Trade debtors	890,424	1,378,582	49,980	228,027
Other debtors	10,600	4,102	7,520	3,790
Amounts owed by related undertakings	1,162,203	833,250	1,162,203	833,250
Prepayments and accrued income	18,800	10,176	18,800	10,176
Deferred tax asset	26,179	29,722	–	3,541
	<u>2,108,206</u>	<u>2,255,832</u>	<u>1,238,503</u>	<u>1,078,784</u>

Notes to the financial statements

at 31 July 2015

13. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	22,541	12,907	2,579	12,907
Amounts owed to related undertakings	348,736	637,851	59,736	36,683
Current corporation tax	24,047	5,779	17,693	4,884
Accruals and deferred income	66,124	73,708	66,124	73,708
	<u>461,448</u>	<u>730,245</u>	<u>146,132</u>	<u>128,182</u>

14. Issued share capital

	<i>2015</i>		<i>2014</i>	
<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>£</i>	<i>No.</i>	<i>£</i>
"A" Ordinary shares of £1 each	490,001	490,001	490,001	490,001
"B" Ordinary shares of £1 each	490,001	490,001	490,001	490,001
		<u>980,002</u>		<u>980,002</u>

15. Reconciliation of shareholders' funds and movements on reserves

<i>Group</i>	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share-holders' funds</i>
	<i>£</i>	<i>£</i>	<i>£</i>
At 1 August 2013	980,002	701,977	1,681,979
Profit for the year	—	138,065	138,065
Actuarial loss recognised in respect of pension scheme	—	(69,000)	(69,000)
Deferred tax credit on actuarial loss	—	13,800	13,800
At 1 August 2014	980,002	784,842	1,764,844
Profit for the year	—	133,650	133,650
Actuarial loss recognised in respect of pension scheme	—	(173,000)	(173,000)
Deferred tax credit on net actuarial loss	—	34,600	34,600
At 31 July 2015	<u>980,002</u>	<u>780,092</u>	<u>1,760,094</u>

Notes to the financial statements

at 31 July 2015

15. Reconciliation of shareholders' funds and movements on reserves (continued)

<i>Company</i>	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	£	£	£
At 1 August 2013	980,002	308,236	1,288,238
Profit for the year	–	67,987	67,987
At 1 August 2014	980,002	376,223	1,356,225
Profit for the year	–	71,079	71,079
At 31 July 2015	980,002	447,302	1,427,304

16. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	<i>2015</i>	<i>2014</i>
	£	£
Operating profit	179,962	181,348
Depreciation	7,667	22,706
Impairment	17,459	–
Decrease in debtors	473,866	304,702
Decrease in stocks	46,923	175,592
Decrease in creditors	(224,704)	(635,072)
Pension movement	(18,000)	(16,000)
Net cash inflow from operating activities	483,173	33,276

(b) Analysis of net funds

	<i>At 1 August 2014</i>	<i>Cash flows</i>	<i>At 31 July 2015</i>
	£	£	£
Cash at bank and in hand	191,253	68,978	260,231
Loans due within one year	2,601,000	385,000	2,986,000
	2,792,253	453,978	3,246,231

17. Capital commitments

There are no capital commitments at the year-end (2014 – £nil).

Notes to the financial statements

at 31 July 2015

18. Pensions

The group's principal pension scheme is a defined benefit scheme, which is funded by the payment of contributions to a separately administered trust fund. Contributions to the scheme are determined with the advice of independent qualified actuaries on the basis of regular actuarial valuations using the projected unit method.

The most recent actuarial valuation was carried out at 1 April 2013 and updated to 31 July 2015 using the major assumptions as set out below:

	2015	2014
Rate of increase in pensions in payment	2.30%	2.30%
Discount rate	4.20%	4.50%
Inflation assumption (CPI)	2.40%	2.60%

The assets in the scheme and the expected rate of return were:

	2015 <i>Expected long term rate of return</i> %	Net assets £000	2014 <i>Expected long term rate of return</i> %	Net assets £000
Equities	3.70%	474	6.00%	524
Bonds	3.70%	1,584	3.50%	1,469
Property	3.70%	115	6.00%	104
Cash	3.70%	174	0.5%	163
Total market value of assets		2,347		2,260
Present value of scheme liabilities		(2,822)		(2,580)
Deficit in the scheme		(475)		(320)
Related deferred tax asset		95		64
Net pension liability		(380)		(256)

Analysis of total other finance costs on pension scheme

	2015 £	2014 £
Expected return on pension scheme assets	90,000	91,000
Interest on pension liabilities	(107,000)	(110,000)
Total other finance expense	(17,000)	(19,000)

Total recognised in the profit and loss account

	2015 £	2014 £
Total recognised in the profit and loss account	(17,000)	(19,000)

Notes to the financial statements

at 31 July 2015

18. Pensions (continued)

Analysis of the amount recognised in the statement of total recognised gains and losses

	2015	2014
	£	£
Loss recognised in respect of the change in benefit obligations	(196,000)	(58,000)
Gain/(loss) recognised in respect of the change in plan assets	23,000	(11,000)
Actuarial loss recognised in the statement of total recognised gains and losses	<u>(173,000)</u>	<u>(69,000)</u>

Changes in the present value of defined benefit obligations are analysed as follows:

	2015	2014
	£000	£000
At 1 August	2,580	2,458
Interest cost	107	110
Benefits paid	(61)	(46)
Actuarial loss	196	58
At 31 July	<u>2,822</u>	<u>2,580</u>

Changes in the fair value of plan assets are analysed as follows:

	2015	2014
	£000	£000
At 1 August	2,260	2,191
Expected return on plan assets	90	91
Employer contributions	35	35
Benefits paid	(61)	(46)
Actuarial gain/(loss)	23	(11)
At 31 July	<u>2,347</u>	<u>2,260</u>

Notes to the financial statements

at 31 July 2015

18. Pensions (continued)

Five year history

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Benefit obligation at end of year	2,822	2,580	2,458	2,446	2,133
Fair value of plan assets at end of year	2,347	2,260	2,191	2,061	1,977
Surplus/(deficit)	(475)	(320)	(267)	(385)	(156)
Difference between expected and actual return on pension scheme assets:					
– amount (£000)	23	(11)	62	4	(24)
– % of scheme assets	0%	0%	3%	0%	(1%)
Experience gains and losses arising on scheme liabilities:					
– amount (£000)	14	–	(24)	(23)	–
– % of scheme liabilities	0%	0%	(1%)	(1%)	0%

19. Contingent liabilities

The company is a participant in a banking arrangement along with other group and associated companies. The company has issued a cross company guarantee and indemnity in favour of Bank of Ireland pursuant to which each company that is a member of this banking arrangement guarantees, on a joint and several basis, the payment and performance by each other company of its obligations to the bank.

20. Related party transactions

During the year the group entered into transactions with the following related parties:

W & R Barnett Trading Limited
R & H Hall Trading Limited
West Twin Silos Limited
Precision Liquids Limited
Precision Analysis Ltd
Bio Search (NI) Ltd
John Thompson & Sons Limited

A summary of the transactions is as follows:

	2015 £	2014 £
Purchases of materials	32,179,075	38,379,755
Purchases of services	239,232	232,244
Sales	<u>2,704,845</u>	<u>2,123,575</u>
Amounts owed by related undertakings	<u>813,266</u>	<u>195,399</u>

Notes to the financial statements

at 31 July 2015

20. Related party transactions (continued)

In addition the company has taken advantage of the exemption of FRS 8 from disclosing transactions with related parties that are part of the North West Silos Limited group.

21. Ultimate parent undertaking and controlling party

The ultimate parent undertaking of the group is W & R Barnett Limited, a company incorporated in Northern Ireland.