

Company Registration No. 098093 (Scotland)

Aberdeen & Northern Eggs Limited
Directors' Report and Financial Statements
For The Year Ended 31 May 2009

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ABERDEEN & NORTHERN EGGS LIMITED

COMPANY INFORMATION

Directors	Mr Robert B Chapman Mrs Ethel Chapman Miss Jennifer A Chapman Mr Iain R Chapman
Secretary	Messrs Brown & McRae
Company number	098093
Registered office	Anderson House 9-11 Frithside Street Fraserburgh AB43 9AB
Auditors	Johnston Carmichael Bank House Seaforth Street Fraserburgh AB43 9BB
Bankers	Bank of Scotland Seaforth Street Fraserburgh AB43 9BB
Solicitors	Brown & McRae Anderson House 9-11 Frithside Street Fraserburgh AB43 9AB

ABERDEEN & NORTHERN EGGS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8 - 9
Notes to the financial statements	10 - 19

ABERDEEN & NORTHERN EGGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2009

The directors present their report and financial statements for the year ended 31 May 2009.

Principal activities and review of the business

The principal activity of the company continued to be that of the sale of eggs.

Results and dividends

The results for the year are set out on page 5.

I am delighted to report record profits of £1.3m before taxation for the year to 31 May 2009. Turnover rose another 18% to just under £10m and we continued to be cash generative. Company net assets also increased substantially to £3.22m. These financial statements are extremely positive and once again reflect an excellent year in a very competitive marketplace.

Gross margins are slightly down on last year but are still extremely strong. Much of this reflects the massive expansion undertaken in bird places in the last twelve months and we feel the benefits of this will come to fruition in the coming financial year.

Since 2002, approximately £2m has been invested in our packing centre and distribution fleet, increasing capacity by 88%. We are now realising the benefits of that investment and are using those profits to invest further in these facilities in the coming year. This investment will double our current capacity.

There will also be further investment in production. In order to comply with new legislation requirements for intensive systems, over £2.5m will be invested to expand our existing enriched colony production. The board is committed to these systems and feels confident that both of these investment programmes will yield benefits quickly and allow us to remain competitive.

Demand in the marketplace for free range egg has meant the company has changed its production profile considerably in recent years. In order to respond to this we formulated a business plan which encourages production partnerships with other farmers in Scotland. The system lends itself to smaller units and the response has been incredibly positive. There has also been a great deal of support available for farmers from the Scottish Government through the SRDP grant scheme. We continue to be committed to the RSPCA Freedom Food Scheme, the BEIC Lion Scheme and welcome the changes in range stocking density for free range birds. This will allow quicker growth in production.

The greatest threat facing the industry at this time is security of supply. We feel confident that both our own production and that of our partners is secure and that we will be able to grow over the coming years. Whilst the regulation changes pose challenges, they also represent opportunities and the company is in a very strong position to take advantage of these.

At the beginning of the last financial year a £1.8m investment was made in rearing facilities. We have seen the benefits of rearing our own birds immediately with better flock performance in all areas. The intention is to expand this in the coming years. Control over our own supply chain from day old chicks right through to distribution has given the company great flexibility to respond quickly to any challenges and ensure quality.

The board remains committed to expansion and sees many opportunities in the marketplace. Individual egg consumption is rising as the public respond to a cheap but healthy staple food.

I have now been a part of this company in its many forms for nearly 40 years and am happy that both of my children are now directors within the business. Along with my wife, we all take an active role in the day to day running of the business and I feel that much of our success can be attributed to both the family based nature of our board and our excellent management team. I would like to thank everyone involved in helping us to achieve record results and look forward to another successful year in 2009/10.

ABERDEEN & NORTHERN EGGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2009

Directors

The following directors have held office since 1 June 2008:

Mr Robert B Chapman
Mrs Ethel Chapman
Miss Jennifer A Chapman
Mr Iain R Chapman

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

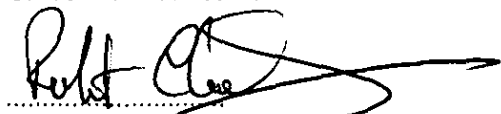
Statement of disclosure to auditors

The directors confirm that;

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr Robert B Chapman

Director

21/11/10

COMPANY REGISTRATION NO: 098093

ABERDEEN & NORTHERN EGGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ABERDEEN & NORTHERN EGGS LIMITED

We have audited the financial statements of Aberdeen & Northern Eggs Limited for the year ended 31 May 2009 set out on pages 5 to 19. 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 sections 495 and 496 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 set out on pages 1 - 2, 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 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 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 company's affairs as at 31 May 2009 and of its 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.

ABERDEEN & NORTHERN EGGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ABERDEEN & NORTHERN EGGS 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.

Johnston Carmichael

Andrew Smith (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael

8/2/10

Chartered Accountants
Statutory Auditor

Bank House
Seaforth Street
Fraserburgh
AB43 9BB

ABERDEEN & NORTHERN EGGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2009

	Notes	2009 £	2008 £
Turnover	2	9,237,482	7,836,406
Cost of sales		(7,535,480)	(6,305,112)
Gross profit		1,702,002	1,531,294
Administrative expenses		(548,703)	(361,378)
Other operating income		226,352	86,160
Operating profit	3	1,379,651	1,256,076
Other interest receivable and similar income		5,467	267
Interest payable and similar charges	4	(76,660)	(25,715)
Profit on ordinary activities before taxation		1,308,458	1,230,628
Tax on profit on ordinary activities	5	(347,837)	(340,919)
Profit for the year	17	960,621	889,709

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.


ABERDEEN & NORTHERN EGGS LIMITED

BALANCE SHEET

AS AT 31 MAY 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Intangible assets	7	33,000		164,000	
Tangible assets	8	3,595,823		3,496,637	
		3,628,823		3,660,637	
Current assets					
Stocks	9	217,678		198,001	
Debtors	10	1,828,157		1,412,772	
Cash at bank and in hand		392,756		167	
		2,438,591		1,610,940	
Creditors: amounts falling due within one year	11	(977,133)		(1,134,014)	
Net current assets		1,461,458		476,926	
Total assets less current liabilities		5,090,281		4,137,563	
Creditors: amounts falling due after more than one year	12	(1,572,915)		(1,525,287)	
Provisions for liabilities	13	(53,376)		(67,307)	
Accruals and deferred income	14	(250,504)		(262,104)	
		3,213,486		2,282,865	
Capital and reserves					
Called up share capital	16	50,000		50,000	
Profit and loss account	17	3,163,486		2,232,865	
Shareholders' funds	18	3,213,486		2,282,865	

Approved by the Board and authorised for issue on 21/1/10.


 Mr Robert B Chapman
 Director

ABERDEEN & NORTHERN EGGS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MAY 2009

	£	2009 £	£	2008 £
Net cash inflow from operating activities		1,351,382		375,149
Returns on investments and servicing of finance				
Interest received	5,467		267	
Interest paid	(76,660)		(25,715)	
Net cash outflow for returns on investments and servicing of finance		(71,193)		(25,448)
Taxation		(325,434)		(17,444)
Capital expenditure				
Payments to acquire tangible assets	(1,912,137)		(192,628)	
Receipts from sales of tangible assets	48,251		17,951	
Net cash outflow for capital expenditure		(1,863,886)		(174,677)
Equity dividends paid		(30,000)		(30,000)
Net cash (outflow)/inflow before management of liquid resources and financing		(939,131)		127,579
Financing				
New long term bank loan	1,591,800		-	
Repayment of long term bank loan	(39,766)		-	
Capital element of hire purchase contracts	(25,247)		(59,450)	
Net cash inflow from financing		1,526,787		(59,450)
Increase in cash in the year		587,656		68,130

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2009

1	Reconciliation of operating profit to net cash inflow from operating activities	2009	2008
		£	£
	Operating profit	1,379,651	1,256,076
	Depreciation of tangible assets	191,880	156,380
	Amortisation of intangible assets	131,000	41,000
	Profit on disposal of tangible assets	(14,172)	(3,481)
	Increase in stocks	(19,677)	(56,897)
	Increase in debtors	(415,385)	(495,339)
	Decrease in creditors within one year	109,685	(510,578)
	Movement on grant provision	(11,600)	(12,012)
	Net cash inflow from operating activities	1,351,382	375,149

2	Analysis of net debt	1 June 2008	Cash flow	Other non-cash changes	31 May 2009
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	167	392,589	-	392,756
	Bank overdrafts	(195,067)	195,067	-	-
		(194,900)	587,656	-	392,756
	Debt:				
	Finance leases	(84,866)	25,247	(4,808)	(64,427)
	Debts falling due within one year	-	(26,393)	-	(26,393)
	Debts falling due after one year	-	(1,525,641)	-	(1,525,641)
		(84,866)	(1,526,787)	(4,808)	(1,616,461)
	Net debt	(279,766)	(939,131)	(4,808)	(1,223,705)

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE CASH FLOW STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

3	Reconciliation of net cash flow to movement in net debt	2009 £	2008 £
	Increase in cash in the year	587,656	68,130
	Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(1,526,787)	59,450
	Change in net debt resulting from cash flows	(939,131)	127,580
	New finance lease	(4,808)	(89,175)
	Movement in net debt in the year	(943,939)	38,405
	Opening net debt	(279,766)	(318,171)
	Closing net debt	<u>(1,223,705)</u>	<u>(279,766)</u>

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Goodwill is stated at cost less provision for diminution in value.

1.4 Single Farm Payment

The Single Farm Payment is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	- nil and 4% straight line
Plant and machinery	- 20 % reducing balance
Fixtures, fittings & equipment	- 20% reducing balance and 25% straight line
Motor vehicles	- 20% reducing balance

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2009

1 Accounting policies

(continued)

1.10 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2009 £	2008 £
Operating profit is stated after charging:		
Amortisation of intangible assets	131,000	41,000
Depreciation of tangible assets	191,880	156,380
Auditors' remuneration	14,300	8,500
and after crediting:		
Government grants	11,600	11,600
Profit on disposal of tangible assets	(14,172)	(3,481)
	<u>76,660</u>	<u>25,715</u>

4 Interest payable

	2009 £	2008 £
On bank loans and overdrafts	70,829	21,845
Hire purchase interest	5,831	3,870
	<u>76,660</u>	<u>25,715</u>

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

5	Taxation	2009 £	2008 £
	Domestic current year tax		
	U.K. corporation tax	361,768	340,189
	Adjustment for prior years	-	(14,770)
	Current tax charge	361,768	325,419
	Deferred tax		
	Deferred tax credit current year	(13,931)	15,500
		<u>347,837</u>	<u>340,919</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,308,458</u>	<u>1,230,628</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 29.67%)	<u>366,368</u>	<u>365,127</u>
	Effects of:		
	Non deductible expenses	1,475	18
	Depreciation in excess of capital allowances	(2,650)	32,205
	Adjustments to previous periods	-	(14,770)
	Other tax adjustments	(3,425)	(57,161)
		<u>(4,600)</u>	<u>(39,708)</u>
	Current tax charge	<u>361,768</u>	<u>325,419</u>
6	Dividends	2009 £	2008 £
	Ordinary interim paid	<u>30,000</u>	<u>30,000</u>

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

7 Intangible fixed assets

	Single Farm Payment	Goodwill	Total
	£	£	£
Cost			
At 1 June 2008 & at 31 May 2009	55,000	150,000	205,000
Amortisation			
At 1 June 2008	11,000	30,000	41,000
Charge for the year	11,000	30,000	41,000
Impairment	-	90,000	90,000
At 31 May 2009	22,000	150,000	172,000
Net book value			
At 31 May 2009	33,000	-	33,000
At 31 May 2008	44,000	120,000	164,000

Goodwill has been fully amortised as the directors have decided to no longer continue trading in the related business.

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2009

8 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 June 2008	2,945,796	973,928	24,029	284,168	4,227,921
Additions	139,946	64,108	1,139	119,952	325,145
Disposals	(25,000)	(2,045)	(757)	(82,618)	(110,420)
At 31 May 2009	3,060,742	1,035,991	24,411	321,502	4,442,646
Depreciation					
At 1 June 2008	112,519	416,668	14,252	187,845	731,284
On disposals	-	(1,912)	(568)	(73,861)	(76,341)
Charge for the year	44,529	114,513	2,933	29,905	191,880
At 31 May 2009	157,048	529,269	16,617	143,889	846,823
Net book value					
At 31 May 2009	2,903,694	506,722	7,794	177,613	3,595,823
At 31 May 2008	2,833,277	557,260	9,777	96,323	3,496,637

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

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 31 May 2009	75,893	-	75,893
At 31 May 2008	90,981	26,585	117,566
Depreciation charge for the year			
At 31 May 2009	18,973	-	18,973
At 31 May 2008	9,163	6,055	15,218

The value of land not depreciated is £1,837,173 (2008 - £1,882,173).

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2009

9	Stocks	2009 £	2008 £
	Raw materials and consumables	105,315	123,951
	Finished goods and goods for resale	112,363	74,050
		<u>217,678</u>	<u>198,001</u>
10	Debtors	2009 £	2008 £
	Trade debtors	1,488,449	1,310,687
	Other debtors	339,708	99,585
	Prepayments and accrued income	-	2,500
		<u>1,828,157</u>	<u>1,412,772</u>
11	Creditors: amounts falling due within one year	2009 £	2008 £
	Bank loans and overdrafts	26,393	195,067
	Net obligations under hire purchase contracts	17,153	24,671
	Trade creditors	524,317	402,269
	Corporation tax	361,768	325,434
	Other taxes and social security costs	18,764	14,691
	Directors' current accounts	-	18,000
	Other creditors	11,238	137,696
	Accruals and deferred income	17,500	16,186
		<u>977,133</u>	<u>1,134,014</u>

The bank loans and overdraft are secured by standard securities over the land and freehold properties and the net obligations under hire purchase contracts are secured over the related assets.

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

12 Creditors: amounts falling due after more than one year	2009 £	2008 £
Bank loans	1,525,641	-
Other loans	-	1,465,092
Net obligations under hire purchase contracts	47,274	60,195
	<u>1,572,915</u>	<u>1,525,287</u>
Analysis of loans		
Not wholly repayable within five years by instalments:		
Bank Loan	1,552,034	-
Other Loans	-	1,591,800
Wholly repayable within five years	-	(126,708)
	<u>1,552,034</u>	<u>1,465,092</u>
Included in current liabilities	(26,393)	-
	<u>1,525,641</u>	<u>1,465,092</u>
Instalments not due within five years	<u>1,447,574</u>	<u>958,260</u>
Loan maturity analysis		
In more than one year but not more than two years	104,460	126,708
In more than two years but not more than five years	313,380	380,124
In more than five years	<u>1,447,574</u>	<u>958,260</u>
The bank loan is secured by standard securities over the land and freehold properties.		
Net obligations under hire purchase contracts		
Repayable within one year	17,153	24,671
Repayable between one and five years	47,274	60,195
	<u>64,427</u>	<u>84,866</u>
Included in liabilities falling due within one year	(17,153)	(24,671)
	<u>47,274</u>	<u>60,195</u>

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 June 2008	67,307
Profit and loss account	(13,931)
Balance at 31 May 2009	<u>53,376</u>

The deferred tax liability is made up as follows:

	2009 £	2008 £
Accelerated capital allowances	<u>53,376</u>	<u>67,307</u>

14 Accruals and deferred income

	Government grants £
Balance at 1 June 2008	262,104
Amortisation in the year	(11,600)
Balance at 31 May 2009	<u>250,504</u>

15 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution 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.

	2009 £	2008 £
Contributions payable by the company for the year	<u>11,503</u>	<u>11,678</u>

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

16 Share capital	2009	2008
	£	£
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000
17 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 June 2008		2,232,865
Profit for the year		960,621
Dividends paid		(30,000)
Balance at 31 May 2009		3,163,486
18 Reconciliation of movements in shareholders' funds	2009	2008
	£	£
Profit for the financial year	960,621	889,709
Dividends	(30,000)	(30,000)
Net addition to shareholders' funds	930,621	859,709
Opening shareholders' funds	2,282,865	1,423,156
Closing shareholders' funds	3,213,486	2,282,865
19 Directors' emoluments	2009	2008
	£	£
Emoluments for qualifying services	4,000	-

ABERDEEN & NORTHERN EGGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2009

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2009 Number	2008 Number
Directors and management	5	3
Office staff	3	3
Drivers	4	4
Labourers	34	30
	<u>46</u>	<u>40</u>

Employment costs

	2009 £	2008 £
Wages and salaries	676,003	605,942
Social security costs	54,125	48,153
Other pension costs	11,503	11,678
	<u>741,631</u>	<u>665,773</u>

21 Control

The company is controlled by the directors' who owns 100% of the company's issued share capital.

22 Related party transactions

During the year the company traded with R & E Chapman, a partnership in which all the directors are partners. During the year purchases of £3,078,659 (2008 - £2,786,173) were made from R & E Chapman, rent was received of £59,799 (2008 - £13,790) and a management charge of £120,000 (2008 - £50,000) was levied on the partnership.

At the year end the balance due to R & E Chapman was £312,817 (2008 - £50,057). All trading was done on normal commercial terms.

The directors operate a current account with the company. The balance due to the directors at the year end was £nil (2008 - £18,000).