

Sunjuice Limited

**Directors' report and consolidated
financial statements**

Registered number 2088318

31 December 2003



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

Principal activities

The principal activities of the company are that of the production and distribution of freshly squeezed fruit and vegetable juices and fruit smoothies.

Business review

The results of the company and its subsidiaries for the year ended 31 December 2003 are set out in detail on page 5.

Sunjuice Limited had a satisfactory year of trading.

Sunjuice Ltd acquired the share capital of Regale Foods Ltd, a quality food distribution business operating mainly in the London area, on 4th November 2003. The only other subsidiary that traded during the year was Astrol Properties Limited which manages a property.

Post balance sheet event

On 1 January 2004, as part of a group restructuring exercise the entire issued share capital of 100,000 £1 ordinary shares in Sunjuice Limited was exchanged in a share for share exchange for 100,000 £1 ordinary shares in Serious Foods Limited, issued at par.

At this date, Sunjuice Limited's shareholdings in Frobishers Juices Limited, Astrol Properties Limited and Regale Foods Limited were transferred to Serious Foods Limited, the consideration being the carrying value of the shares in Sunjuice Limited.

Dividends paid

A dividend of £1,000,000 was paid during the year (2002: £1,000,000). No further dividend is proposed.

Directors and directors' interests

The directors who held office during the year were as follows:

P K Morris *
M Hall *
C H Johnston *
M R Lord *
A M Lord
J Hawkins
J Lomer - resigned 31st July 2003
* Jamaican

S N Hazledine was appointed as a director of the company on 4th February 2004.

No director has any interest, beneficial or otherwise, in the shares of related companies required to be disclosed under Section 324 of the Companies Act 1985.

Political and charitable contributions

The company made no political contributions during the year (2002: £Nil). Donations to UK charities amounted to £11,496 (2002: £1,005).

Directors' report *(continued)*

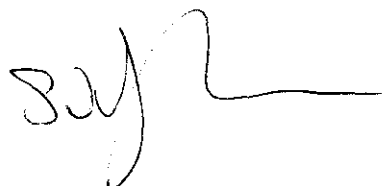
Employees

The company is an equal opportunity employer. It provides relevant information on matters of concern to employees through the Workers General Consultative Committee. The company encourages and assists, wherever practicable, the recruitment, training and career development of disabled people and the retention of those who become disabled during the course of their employment and who can be employed in a safe working environment.

Auditors

A resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



S N Hazledine
Director

Sun House
Llantrisant Business Park
Llantrisant
Mid Glamorgan
CF72 8LF

22 October

2004

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE
United Kingdom

Independent auditors' report to the members of Sunjuice Limited

We have audited the financial statements on pages 5 to 22.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditor, established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company and the group as at 31 December 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

*Chartered Accountants
Registered Auditor*

29th October 2004

Consolidated profit and loss account
for the year ended 31 December 2003

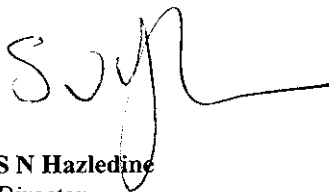
		Total			
		Continuing Operations	Acquisitions		
	Note	2003 £	2003 £	2003 £	2002 £
Turnover	2	43,285,310	964,925	44,250,235	37,562,527
Cost of sales		(32,311,091)	(741,767)	(33,052,858)	(26,629,210)
Gross profit		10,974,219	223,158	11,197,377	10,933,317
Distribution costs		(2,954,975)	(29,636)	(2,984,611)	(2,393,478)
Administrative expenses		(4,884,451)	(109,429)	(4,993,860)	(5,395,187)
Operating profit		3,134,813	84,093	3,218,906	3,144,652
Income from interest in associated undertaking				49,872	30,054
Other income				108,333	66,666
Interest receivable	6			19,363	620
Interest payable	7			(200,243)	(218,112)
Profit on ordinary activities before taxation	3-5			3,196,231	3,023,880
Tax on profit on ordinary activities	8			(991,785)	(909,293)
Profit on ordinary activities after taxation	9			2,204,446	2,114,587
Dividend	10			(1,000,000)	(1,000,000)
Retained profit for the financial year	19			1,204,446	1,114,587
Retained profit brought forward				6,918,329	5,803,742
Retained profit carried forward				8,122,775	6,918,329

The above results represent the total recognised gains and losses for both financial years.

Balance sheet
at 31 December 2003

	Note	Group		Company	
		2003 £	2002 £	2003 £	2002 £
Fixed assets					
Intangible assets	11	861,440	-	-	-
Tangible assets	12	9,319,376	8,723,996	8,585,765	8,324,661
Investments	13	343,678	338,425	2,279,044	559,914
		<u>10,524,494</u>	<u>9,062,421</u>	<u>10,864,809</u>	<u>8,884,575</u>
Current assets					
Stocks	14	2,278,302	1,802,880	2,210,872	1,802,880
Debtors	15	7,364,941	6,119,155	6,649,485	6,617,523
Cash at bank and in hand		1,186,603	672,844	928,091	671,787
		<u>10,829,846</u>	<u>8,594,879</u>	<u>9,788,448</u>	<u>9,092,190</u>
Creditors: amounts falling due within one year	16	<u>(8,989,159)</u>	<u>(6,638,708)</u>	<u>(8,081,135)</u>	<u>(6,629,883)</u>
Net current assets		<u>1,840,687</u>	<u>1,956,171</u>	<u>1,707,313</u>	<u>2,462,307</u>
Total assets less current liabilities		<u>12,365,181</u>	<u>11,018,592</u>	<u>12,572,122</u>	<u>11,346,882</u>
Creditors: amounts falling due after more than one year	17	<u>(2,308,723)</u>	<u>(2,472,263)</u>	<u>(2,123,723)</u>	<u>(2,287,263)</u>
Deferred taxation	18	<u>(783,683)</u>	<u>(478,000)</u>	<u>(776,000)</u>	<u>(478,000)</u>
Net assets		<u>9,272,775</u>	<u>8,068,329</u>	<u>9,672,399</u>	<u>8,581,619</u>
Capital and reserves					
Called up share capital	19	1,000,000	1,000,000	1,000,000	1,000,000
Capital redemption reserve		150,000	150,000	150,000	150,000
Profit and loss account		8,122,775	6,918,329	8,522,399	7,431,619
Shareholders' funds					
Equity		8,372,775	7,168,329	8,772,399	7,681,619
Non equity		900,000	900,000	900,000	900,000
	20	<u>9,272,775</u>	<u>8,068,329</u>	<u>9,672,399</u>	<u>8,581,619</u>

These financial statements were approved by the board of directors on 22 October 2004 and were signed on its behalf by:


S N Hazledine
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The company is not required to provide a cash flow statement in accordance with the exemptions provided in Financial Reporting Standard No 1 Cash Flow Statements on the grounds that it is a wholly owned subsidiary and the accounts of the holding company Jamaica Producers Group Limited are publicly available.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings made up to 31 December each year. Unless otherwise stated the acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings post 1 January 1998, representing the excess of the fair value of the consideration given and associated costs over the fair value of the identifiable net assets acquired, is capitalised within fixed assets and amortised on a straight line basis over its estimated useful economic life of 20 years. Provision is made for any impairment. Goodwill relating to acquisitions made prior to 1 January 1998, the date on which FRS 10 "Goodwill and intangible assets" was adopted, has, as a matter of accounting policy, been written off against reserves on acquisition. In accordance with the transitional rules of FRS 10 this treatment, which applied under the previous accounting standard, has continued to be applied.

When a subsequent disposal occurs any related goodwill previously written off to reserves is written back through the profit and loss account as part of the profit or loss on disposal.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold buildings	-	4%
Plant and machinery	-	10 - 20%
Laboratory equipment	-	20%
Motor vehicles	-	25%
Furniture and office equipment	-	20%

Notes (continued)

1 Accounting policies (continued)

Leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Finance leases of significant items of plant, machinery and vehicles have been capitalised in accordance with SSAP 21 and FRS 5.

Pension costs

The company operates a defined benefit pension scheme. The assets of the scheme are held separately from those of the company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the company.

The company has taken advantage of the transitional arrangements included in FRS 17: Retirement Benefits, in relation to the defined benefit scheme (note 21).

The company also operate a defined contribution pension scheme. The company pays contributions into the scheme based on a percentage of the employee's pensionable pay. Contributions are charged to the profit and loss account in the period in which they are incurred.

Research and development expenditure

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

Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made where necessary for obsolete, slow moving and defective stocks.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

Government grants

Government grants based on projects including both capital expenditure and job creation are accounted for on receipt. They are credited to a deferred income account and are released over the effective period of the project for which they were granted, which is normally three years. Government grants given purely for revenue expenditure are credited as they are received against the expenditure to which they relate.

2 Analysis of turnover

The analysis by geographical area of the group's turnover is set out below:

	2003 £	2002 £
United Kingdom	43,719,968	37,104,442
Rest of Europe	530,267	458,085
	<hr/> 44,250,235	<hr/> 37,562,527
	<hr/>	<hr/>

3 Profit on ordinary activities before taxation

	2003 £	2002 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting)</i>		
Auditors' remuneration		
- audit	27,000	26,500
- other services	22,650	19,855
Depreciation for year		
- owned	1,028,144	984,974
- leased	76,263	83,756
Profit on disposal of fixed assets	-	(11,628)
Release of government grants	(108,333)	(66,667)
	<hr/>	<hr/>

Notes (continued)

4 Directors emoluments

	2003 £	2002 £
Directors' emoluments	335,327	396,731
Company contributions to pension scheme	20,792	22,314
	<u>356,119</u>	<u>419,045</u>

The emoluments of the highest paid director were £159,712 (2002: £109,741) and contributions of £9,495 (2002: £8,440) were made to a pension scheme on his behalf.

Retirement benefits are accruing to the following number of directors under:

	Number of directors 2003 £	2002 £
Pension schemes	3	4
	<u>3</u>	<u>4</u>

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees 2003	2002
Directors	4	6
Production	281	250
Selling and distribution	40	37
Administration	20	22
	<u>345</u>	<u>315</u>

The aggregate payroll costs of these persons were as follows:

	2003 £	2002 £
Wages and salaries	5,875,725	5,049,879
Social security costs	539,722	318,577
Other pension costs (see note 21)	382,791	301,821
	<u>6,798,238</u>	<u>5,670,277</u>

Notes (continued)

6 Interest receivable and similar income

	2003 £	2002 £
Bank interest receivable	19,363	620

7 Interest payable

	2003 £	2002 £
On bank loans and overdraft wholly repayable within five years	177,498	80,634
Charges payable in respect of finance leases	22,745	38,199
Other interest	-	99,279
	<u>200,243</u>	<u>218,112</u>

8 Taxation

The charge for taxation comprises:

	2003 £	2002 £
Current tax		
Corporation tax at 30% (2002: 30%)	839,827	916,574
Share of associated undertaking's taxation	9,595	6,101
Adjustment in respect of previous years	(158,356)	(12,382)
	<u>691,066</u>	<u>910,293</u>
Deferred tax		
Origination and reversal of timing differences	138,719	(12,000)
Adjustment in respect of previous years	162,000	11,000
	<u>991,785</u>	<u>909,293</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 30%. The differences are explained below.

Notes (continued)

8 Taxation (continued)

Factors affecting the tax charge for the year:

	2003 £	2002 £
Profit on ordinary activities before tax	3,196,231	3,023,880
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002: 30%)	958,869	907,164
Expenses not allowed for tax purposes	38,747	23,646
Capital allowances in excess of depreciation	(106,219)	(217,015)
Movement in provisions and other timing differences	(32,500)	229,027
Utilisation of tax losses	-	(20,279)
Effective rate of tax	(9,475)	132
Adjustments in respect of previous years	(158,356)	(12,382)
Current tax	691,066	910,293

9 Profit for the financial year

The company is exempt under s230(4) Companies Act 1985 from the requirement to present its own profit and loss account. The profit dealt with in the financial statements of the company was £1,090,780 (2002: £1,027,277).

10 Dividends

A dividend of £1,000,000 (2002: £1,000,000) in respect of the year ended 31 December 2003 was paid during the year.

11 Intangible assets

	Goodwill £
The Group	
Cost	
At beginning of year	-
Additions	868,679
At end of year	868,679
Amortisation	
At beginning of year	-
Charge for year	7,239
At end of year	7,239
Net book value	
At 31 December 2003	861,440
At 31 December 2002	-

Notes (continued)

12 Tangible fixed assets

The Group	Freehold land and buildings	Plant and machinery	Motor vehicles	Furniture and equipment	Assets in the course of construction	Total
	£	£	£	£	£	£
Cost						
At beginning of year	3,444,519	9,313,806	481,375	712,475	597,019	14,549,194
Additions	421,139	1,091,355	117,360	69,933		1,699,787
Disposals	-	-	-	-	-	-
Transfer from assets in the course of construction	-	597,019	-	-	(597,019)	-
At end of year	3,865,658	11,002,180	598,735	782,408	-	16,248,981
Depreciation						
At beginning of year	1,027,216	4,018,819	275,192	503,971	-	5,825,198
Charge for year	138,563	788,266	95,762	81,816	-	1,104,407
On disposals	-	-	-	-	-	-
At end of year	1,165,779	4,807,085	370,954	585,787	-	6,929,605
Net book value						
At 31 December 2003	2,699,879	6,195,095	227,781	196,621	-	9,319,376
At 31 December 2002	2,417,303	5,294,987	206,183	208,504	597,019	8,723,996

Freehold land and buildings includes land with a value of £287,500 (2002: £87,500) which is not depreciated.

Included in the total net book value of plant and machinery is £483,104 (2002: £536,782) in respect of assets held under finance leases. Depreciation for the year on these assets was £53,678 (2002: £46,852).

Included in the total net book value of motor vehicles is £22,567 (2002: £49,579) in respect of assets held under finance leases. Depreciation for the year on these assets was £22,585 (2002: £47,111).

Notes (continued)

12 Tangible fixed assets (continued)

Company	Freehold land and buildings	Plant and machinery	Motor vehicles	Furniture and equipment	Assets in the course of construction	Total
	£	£	£	£	£	£
Cost						
At beginning of year	2,828,056	9,121,072	481,375	712,475	597,019	13,739,997
Additions	71,139	1,091,355	113,610	69,933	-	1,346,037
Disposals	-	-	-	-	-	-
Transfer from assets in the course of construction	-	597,019	-	-	(597,019)	-
At end of year	2,899,195	10,809,446	594,985	782,408	-	15,086,034
Depreciation						
At beginning of year	810,086	3,826,087	275,192	503,971	-	5,415,336
Charge for year	119,089	788,266	95,762	81,816	-	1,084,933
On disposals	-	-	-	-	-	-
At end of year	929,175	4,614,353	370,954	585,787	-	6,500,269
Net book value						
At 31 December 2003	1,970,020	6,195,093	224,031	196,621	-	8,585,765
At 31 December 2002	2,017,970	5,294,985	206,183	208,504	597,019	8,324,661

Included in the total net book value of plant and machinery is £483,104 (2002: £536,782) in respect of assets held under finance leases. Depreciation for the year on these assets was £53,678 (2002: £46,852).

Included in the total net book value of motor vehicles is £22,567 (2002: £49,579) in respect of assets held under finance leases. Depreciation for the year on these assets was £22,585 (2002: £47,111).

Notes (continued)

13 Investments

	2003 £	2002 £
Group		
Investment in associated undertaking	343,678	338,425
	<hr/>	<hr/>
Company		
Investment in subsidiary and associated undertakings	2,279,044	559,914
	<hr/>	<hr/>

At 31 December 2003, the company had the following subsidiary and associated undertakings, all incorporated in Great Britain and registered in England and Wales.

Subsidiary and associated undertakings	Principal activity	Class and percentage of Shares held
Simply Citrus Limited	Dormant	100% - Ordinary
Sunsations Limited	Dormant	100% - Ordinary
Astrol Properties Limited	Property management	100% - Ordinary
Regale Foods Limited	Food distribution	100% - Ordinary
 Frobishers Juices Limited	 Marketing and distribution company	 47½% - Ordinary

During the year the Group made the following investment:

On 4 November 2003 the Company acquired a 100% shareholding in Regale Foods Limited, a company incorporated in Great Britain, for initial consideration of £800,000 (excluding stamp duty, fees and other charges). Additional consideration estimated at £868,046 (excluding stamp duty) may be payable in 2004 and 2005 depending on certain performance milestones being achieved. The main activity of Regale Foods Limited is food distribution.

The fair value adjustment on acquisition was made in respect of the revaluation of property acquired, from book value to third party independent valuation.

Book value of net assets acquired:	£
Fixed assets	296,531
Stock	91,248
Debtors	859,164
Cash	380,121
Creditors	(834,572)
	<hr/>
	792,492
Fair value adjustments	57,219
	<hr/>
Fair value of assets acquired	849,711
	<hr/>
Satisfied by the following consideration:	
Cash consideration	846,004
Deferred cash consideration	872,386
	<hr/>
	1,718,390
	<hr/>
Goodwill	868,679
	<hr/>

The profit of Regale Foods Limited from 1 September 2003 to date of acquisition was £68,635 (year to 31 August 2003: £196,501).

Notes (continued)

14 Stocks

	Group		Company	
	2003 £	2002 £	2003 £	2002 £
Raw materials and consumables	2,278,302	1,802,880	2,210,872	1,802,880

15 Debtors: amounts falling due within one year

	Group		Company	
	2003 £	2002 £	2003 £	2002 £
Trade debtors	6,699,189	5,680,745	5,922,709	5,680,745
Amounts owed by subsidiary undertakings	-	-	122,048	498,368
Amounts owed by associated undertaking	204,377	120,955	192,091	120,955
Prepayments and accrued income	461,375	311,312	412,637	311,312
Dividend receivable	-	6,143	-	6,143
	7,364,941	6,119,155	6,649,485	6,617,523

Amounts owed by subsidiary undertakings include loans of £Nil (2002: £400,000) which have no fixed repayment date.

16 Creditors: amounts falling due within one year

	Group		Company	
	2003 £	2002 £	2003 £	2002 £
Secured loan (see note 16)	550,566	263,061	550,566	263,061
Obligations under finance leases	210,620	211,504	210,620	211,504
Trade creditors	4,664,224	2,775,776	3,885,142	2,775,776
Amounts owed to related companies	287,738	309,076	287,738	309,076
Corporation tax	253,469	425,206	129,884	425,206
Other taxes and social security	1,065,287	1,254,737	1,059,928	1,254,737
Other creditors and accruals	1,848,922	1,332,681	1,848,924	1,323,856
Deferred income	108,333	66,667	108,333	66,667
	8,989,159	6,638,708	8,081,135	6,629,883

Notes (continued)

17 Creditors: amounts falling due after more than one year

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Secured loan	2,107,056	1,901,848	2,107,056	1,901,848
Obligations under finance leases	-	218,749	-	218,749
Loans from related companies	185,000	185,000	-	-
Deferred income	16,667	166,666	16,667	166,666
	<u>2,308,723</u>	<u>2,472,263</u>	<u>2,123,723</u>	<u>2,287,263</u>

The secured loan (group and company) of £2,657,622 (£550,566 due within one year) is repayable by quarterly instalments over a 5 year period starting 10 June 2003. The loan is secured against the company's freehold properties and by a fixed and floating charge on the assets of the business.

18 Deferred taxation

The movement on deferred taxation in the year is as follows:

	Group	Company
	£	£
At beginning of year	478,000	478,000
On acquisition	4,964	-
Charge for year	300,719	298,000
	<u>783,683</u>	<u>776,000</u>

The deferred taxation liability which has been fully provided can be analysed as follows:

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Accelerated capital allowances	746,683	711,000	813,000	711,000
Short term timing differences	(37,000)	(233,000)	(37,000)	(233,000)
	<u>783,683</u>	<u>478,000</u>	<u>776,000</u>	<u>478,000</u>

Notes (continued)

19 Called up share capital

	2003 £	2002 £
<i>Authorised, allotted and called up and fully paid:</i>		
50,000 "A" Ordinary shares of £1 each	50,000	50,000
50,000 "B" Ordinary shares of £1 each	50,000	50,000
900,000 redeemable preference shares of £1 each	900,000	900,000
	<hr/> 1,000,000 <hr/>	<hr/> 1,000,000 <hr/>

On 30 November 2001 the authorised share capital of the company was increased from £100,000 to £1,000,000 by the creation of a further 900,000 £1 redeemable preference shares. On 30 November 2001 these shares were issued at par and the consideration met by means of a capitalisation of reserves.

Each 'A' ordinary share and 'B' ordinary share entitles the holder to one vote at general meetings of the company.

The preference shares are redeemable at par at any time by the company but not earlier than May 2007. On a winding up, they would be entitled to a repayment of the paid up amount on the shares and any arrears on the fixed cumulative dividend whether such dividend had been declared earned. The preference shares do not entitle the holders to attend or vote at any general meetings of the company.

20 Movements in shareholders' funds

	Group		Company	
	2003 £	2002 £	2003 £	2002 £
Profit for the financial year	2,204,446	2,114,587	2,090,780	2,027,277
Dividends	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Issue of redeemable preference shares	-	-	-	-
Capitalisation of reserves	-	-	-	-
	<hr/> 1,204,446 <hr/>	<hr/> 1,114,587 <hr/>	<hr/> 1,090,780 <hr/>	<hr/> 1,027,277 <hr/>
Opening equity shareholders' funds	8,068,329	6,953,742	8,581,619	7,554,342
Closing equity shareholders' funds	<hr/> 9,272,775 <hr/>	<hr/> 8,068,329 <hr/>	<hr/> 9,672,399 <hr/>	<hr/> 8,581,619 <hr/>

21 Commitments and contingent liabilities

(i). Capital commitments contracted at the end of the financial year for which no provision has been made were £Nil (2002: £Nil) for the company and group.

(ii). At 31 December 2003 the company had net commitments of £1,399,406 (2002 : £Nil) in respect of forward exchange contracts entered into in the normal course of business.

Notes (continued)

22 Pension scheme

(i) SSAP 24 disclosures

The company participates in a pension scheme for eligible employees, based on final pensionable earnings. The assets of the scheme are held separately, being invested with the insurance company which manages the funds. Contributions to the scheme, determined by the company's actuary on the basis of triennial valuations using the attained age method, are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The most recent actuarial valuation was at 1 January 2003 and showed that the value of the scheme's assets was £1,839,000 representing 76% of the benefits that had accrued to members. In arriving at these valuations it was assumed that the investment returns would be 6% per annum and salary increases would average 4.5% per annum.

The total pension cost for the defined benefits scheme for the year was £314,025 (2002: £301,821). The contribution rate payable by the company was 10.55% of pensionable salaries.

(ii) Additional FRS 17 disclosures

The total pension cost for the defined contribution scheme for the year was £68,766. The liability at the end of year in respect of unpaid contributions was £9,476.

As noted in the accounting policies on page 8, the company has implemented the transitional arrangements included in FRS 17 Retirement Benefits, in relation to the defined benefits scheme.

The last full actuarial valuation was carried out at 1 January 2003. An up-date of the funding position was performed by a qualified independent actuary at 31 December 2003. The major assumptions used by the actuary were:

	2003 %	2002 %
Rate of increase in salaries	4.5	4.0
Rate of increase in pensions in payment (pre 6 April 1997)	3.0	2.4
Rate of increase in pensions in payment (post 6 April 1997)		
Discount rate	5.3	5.4
Inflation assumption	3.0	2.4

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The assets in the scheme are held in a with profits deposit administration policy with Legal & General Assurance Society Limited. The value of the fund at 31 December 2003 was £2,160,000 (2002: £1,402,000) and the expected long term rate of return is 6 % (2002: 6%).

Notes (continued)

22 Pension scheme (continued)

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	Value at 31 December 2003 £000	Value at 31 December 2002 £000
Total market value of assets	2,215	1,648
Present value of scheme liabilities	(3,102)	(2,094)
Deficit in the scheme	(887)	(446)
Related deferred tax at 30%	266	134
Net pension liability	(621)	(312)

If the above amounts had been recognised in the financial statements, the group's reserves at 31 December 2003 would be as follows:

	2003 £000	2002 £000
Reserves excluding pension liability	8,123	6,918
Pension liability	(621)	(312)
Reserves including pension liability	7,502	6,606

Movement in deficit during the year:

	2003 £000	2002 £000
Deficit in scheme at beginning of year	(446)	(158)
Service cost	(254)	(236)
Contributions paid	219	239
Other finance income	(31)	(16)
Actuarial loss	(375)	(275)
Deficit in scheme at end of year	(887)	(446)

Analysis of pension costs charged in arriving at operating profit:

	2003 £000	2002 £000
Current service cost	254	236
Past service cost	-	-
	254	236

Analysis of amounts included in other finance income:

Notes (continued)

22 Pension scheme (continued)

	2003 £000	2002 £000
Expected return on pension scheme assets	101	91
Interest on pension scheme liabilities	(123)	(107)
Loss on settlement of liabilities	(9)	-
	<u>(31)</u>	<u>(16)</u>
Analysis of amount recognised in statement of total recognised gains and losses:		
	2003 £000	2002 £000
Actual return less expected return on scheme assets	131	(127)
Experience gains arising on scheme liabilities	33	9
Changes in financial assumptions	(539)	(157)
Changes in demographic assumptions	-	-
	<u>(375)</u>	<u>(275)</u>
History of experience gains and losses		
	2003	2002
Gain on plan assets		
% of plan assets at end of year	<u>6.1%</u>	<u>7.7%</u>
Experience gain on plan liabilities		
% of plan liabilities at end of year	<u>1.1%</u>	<u>0.4%</u>
Total actuarial loss recognised in the statement of total recognised gains and losses		
% of plan liabilities at end of year	<u>17.7%</u>	<u>7.5%</u>

23 Ultimate parent undertaking

Jamaica Producers Group Limited, a company incorporated in Jamaica, is the ultimate parent undertaking of Sunjuice Limited.

Notes (continued)

24 Related party transactions

The company has taken advantage of the exemption given under Financial Reporting Standard 8 from the requirement to disclose transactions with Jamaica Producers Group Limited on the basis that the company is a wholly owed subsidiary and the accounts of the holding company are publicly available.

During the year the company entered into the following material transactions with related parties which are not covered by the above exemption:

Party	Relationship	Transaction	2003 Value	Balance at 31 December 2003 (due to)/from related party	2002 Value	Balance at 31 December 2002 (due to)/from related party
			£	£	£	£
Frobishers Juices Limited	Sunjuice Limited owns 47 1/2 % of £1 ordinary shares	Sales	1,494,594	-	769,622	-
		Purchases	-	-	37,855	-
		Services charge	58,338	192,091	51,140	308,212

25 Post balance sheet event

On 1 January 2004, as part of a group restructuring exercise the entire issued share capital of 100,000 £1 ordinary shares in Sunjuice Limited was exchanged in a share for share exchange for 100,000 £1 ordinary shares in Serious Foods Limited, issued at par.

At this date, Sunjuice Limited's shareholdings in Frobishers Juices Limited, Astrol Properties Limited and Regale Foods Limited were transferred to Serious Foods Limited, the consideration being the carrying value of the shares in Sunjuice Limited.