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ANNUAL REPORT 1982

TATE & LYLE

TATE + LYLE

NOTICE OF MEETING

Notice is hereby given that the eightieth Annual General Meeting of Tate & Lyle Public Limited Company will be held at the Europa Hotel, Duke Street, Grosvenor Square, London W1, on Wednesday, the ninth day of March 1983, at eleven-thirty a.m. for the following purposes:

1 To receive the Company's financial statements for the period ended 25th September 1982 together with the reports of the directors and auditors thereon and to declare a final dividend on the ordinary stock of the Company.

2 To elect directors.

3 To re-appoint Touche Ross & Co. as auditors and to authorise the directors to fix their remuneration.

4 As special business to consider and if thought fit to pass the following resolution as a Special Resolution:— That

(A) The directors be and are hereby generally authorised in accordance with Section 14 of the Companies Act 1980 to exercise all the powers of the Company to allot relevant securities within the terms of the restrictions and provisions following, namely:—

(i) this authority shall (unless previously revoked or renewed) expire at the Annual General Meeting next following the date of the passing of this resolution;

(ii) this authority shall be limited to the allotment of relevant securities up to the aggregate nominal amount of £18,033,548.

(B) Equity securities allotted wholly for cash may pursuant to the authority given in (A) above only be allotted:—

(i) in connection with an offer of such securities by way of rights to the holders of ordinary stock on the register on a record date fixed by the directors in proportion (as nearly as may be) to such holders' then holdings of such stock but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements otherwise arising or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; or

(ii) (otherwise than under sub-paragraph (B) (i) above) up to the aggregate nominal amount of £3,750,000.

(C) The directors be and are hereby empowered to allot, pursuant to the said authority, equity securities as if Section 17(1) of the said Act did not apply to any such allotment provided that this power shall be limited to allotments of equity securities expressly authorised by or in accordance with the said authority.

(D) For the purposes of this resolution:—

(i) the said authority and the said power shall allow and enable the directors to make an offer or agreement before the expiry of that authority and power which would or might require relevant securities or (as the case may be) equity securities to be allotted after such expiry; and

(ii) words and expressions defined in or for the purposes of Part II of the Companies Act 1980 shall bear the same meaning herein.

Any member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed. Completion and return of the proxy will not preclude a member from attending and voting in person.

By order of the board
J E WRIGHT Secretary
Sugar Quay, Lower Thames Street, London EC3R 6DQ
2nd February 1983

Copies of directors' service contracts (other than contracts expiring or determinable within one year by the Company without payment of compensation) will be open for inspection at the registered office of the Company during usual business hours from 2nd February 1983 until the date of the Annual General Meeting, and will be available for inspection at the place of the Annual General Meeting, from 11.15 a.m. until the close of the Meeting.

CONTENTS

BOARD OF DIRECTORS

†J O Lyle *President*

*The Rt Hon Earl Jellicoe *Chairman*
†*R Haslam *Deputy Chairman*
*J Forbes *Vice Chairman*
*N M Shaw *Group Managing Director*
†*Sir Alex Alexander
*M J L Attfield
†Sir Richard Cave
R I Foden (died 4th January 1982)
†C Lyle (until 31st December 1982)
J C W Mitchell (appointed 3rd March 1982)
J C R Scott (appointed 3rd March 1982)
†C F Sedcole (appointed 3rd March 1982)
†H S Tate (non executive from 1st April 1982)
F Thomlinson

†Non executive
*Member of chairman's policy committee

Robert Haslam
Chairman designate

Robert Haslam, having graduated in mining engineering at Birmingham University, began his industrial career with the National Coal Board.

In 1947 he joined ICI, embarking on a career which was to span some thirty five years. The first fourteen years were spent with the Nobel Division, becoming a Director of this Division in 1959. Experience in the Company's Home Sales Organisation followed until in 1963 he joined the Plastics Division as Commercial Director. He became Deputy Chairman of this Division in 1966 prior to moving to ICI Fibres, of which Division he was appointed Chairman in 1971.

He joined the Main Board of ICI in 1974, one of his prime roles being Personnel Director. In 1980 he was appointed a Deputy Chairman of ICI initially resident in the USA.

He became a non executive Director of Tate & Lyle in October 1978 and was appointed Deputy Chairman in 1982.

He is also a Government Director of Cable & Wireless PLC, a member of the British Overseas Trade Board and Chairman of its North American Advisory Group.

Secretary: J E Wright FCIS

Registered office:
Sugar Quay,
Lower Thames Street,
LONDON EC3R 6DQ

Auditors:
Touche Ross & Co.

Consultant actuaries:
R Watson & Sons

Principal bankers:
Lloyds Bank Plc

Merchant bankers:
Kleinwort, Benson Limited
S G Warburg & Co Ltd

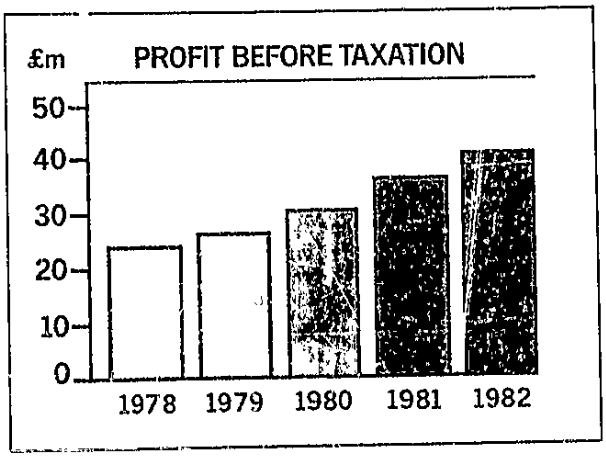
Solicitors:
Linklaters & Paines

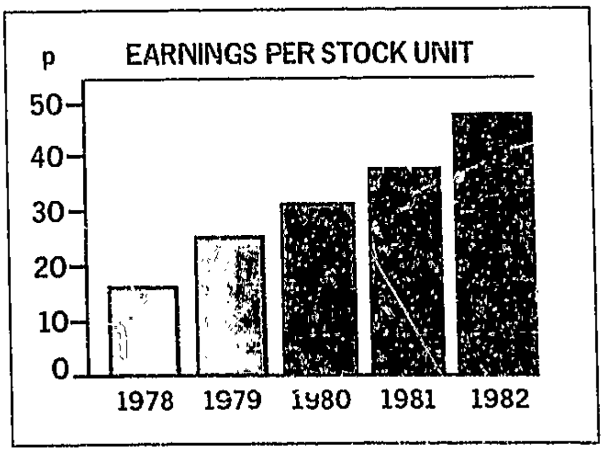
Stockbrokers:
W Greenwell & Company

Registrar and transfer office:
Lloyds Bank Plc,
Goring-by-Sea,
Worthing, West Sussex BN12 6DA

THE YEAR IN BRIEF (Historical cost basis)

	1982	1981
Turnover	£1,950m	£2,188m
Operating profit	£46.7m	£44.1m
Profit on ordinary activities before taxation	£40.1m	£36.3m
Profit on ordinary activities after taxation attributable to stockholders	£26.3m	£20.4m
Extraordinary profit (loss)	£(2.0)m	£2.6m
Earnings per £1 ordinary stock unit	48.0p	37.2p
Dividend payments per £1 ordinary stock unit	13.5p	11.5p
Dividend cover	3.6 times	3.2 times
Retained profit for the period	£16.8m	£16.6m
Total net assets	£258.1m	£241.9m
Called up share capital	£57.0m	£57.0m
Number of ordinary stockholders	28,836	31,661
Average number of employees	11,883	13,477





CHAIRMAN'S STATEMENT The Rt Hon Earl Jellicoe

I am very glad to be able to record in this, my last Report as Chairman, that the Group has had another successful year. Pre-tax profit has risen to £40.1 million compared with £36.3 million last year. Earnings per stock unit at 48.0 pence are 29% up on 1981 and, like pre-tax profits, have shown an increase in each of the last four years.

These results reflect the sound and healthy condition of our established core businesses. A far more satisfactory level of earnings has been achieved by our sugar refineries in the UK, Canada and the USA. In addition, our other operations have performed well.

It is especially worthy of note that these satisfactory results for the Group as a whole have been secured during a period of very difficult world trading conditions, and in a particularly depressed economic environment in Canada. Moreover, the Group's performance shows that our profits are not dramatically affected by a very low world sugar price and that the Group is not dependent on the inevitably rather volatile profit contribution from international trading.

These factors underline the higher quality of our earnings compared with four years ago.

UK and EEC

The rationalisation of recent years has brought the production of Tate & Lyle Refineries in the United Kingdom into a much better balance with demand and, after some years of decline, demand for sugar in the UK appears to have stabilised.

Our other UK businesses achieved satisfactory results, especially United Molasses.

The future of our sugar refining activities in the UK is essentially linked with the security and the continuity of supply of cane sugar from the African, Caribbean and Pacific (ACP) sugar producing countries. We regard these countries as our partners in the whole business of sugar and we shall continue to work closely with them to our future mutual benefit.

In this context the Sugar Protocol of the Convention of Lomé serves two important purposes. In the first place it effectively gives to UK sugar consumers the same guarantee of supply which they had under the Commonwealth Sugar Agreement, before Britain's entry into the European Economic Community. Secondly, it gives to cane sugar producers in the ACP countries a similar right of access to the EEC market and similar price protection to that given to Community beet sugar producers.

The value of the Protocol to ACP producers has been strikingly demonstrated this year when these producers, for many of whom sugar represents their major export, have been protected to the extent of their Lomé quotas from the low prices obtainable from the world market. The role of the Protocol in ensuring an alternative source of supply to the consumer is well understood by Trade Associations in this country. The Protocol is of indefinite duration and the interests of the ACP producers and of UK consumers and refiners are at one in ensuring its continuity.

Although the Sugar Protocol has assisted the ACP sugar producing countries, they have been adversely affected by the disastrously low world sugar prices. We shall continue to do all within our power to support the efforts which are being made to reduce the amount of surplus sugar placed each year on the world market, and we hope that our beet producing colleagues in the EEC will share this view.

I believe that a new and effective International Sugar Agreement could make a significant contribution to a more stable and mutually beneficial relationship between the industrialised countries of the North and the developing countries of the South.

North America

The Group has a substantial stake in the USA. Refined Sugars Inc., our refinery in New York State, has once again achieved very good results and has not been adversely affected by the reimposition of US Sugar Quotas. In general our other operations in the United States have continued to perform well.

The Group also has a significant interest in Canada through its 51% share of Redpath Industries. That company, with its own strong Board of Directors and management team, has been going through a difficult period but I am glad to report that there are now some real signs of improvement. However, Zymaize, the high technology high fructose corn syrup plant, owned jointly by Redpath and John Labatt Limited, is still having to meet the exceptionally low world sugar price.

Africa and South East Asia

The Group is much involved in agricultural development and processing, together with trading, especially in sugar, in many countries in Africa and South East Asia. Certain of these countries have been particularly adversely affected by the world recession and are consequently facing balance of payments and foreign exchange difficulties. We shall continue to seek opportunities for the future expansion of our activities in these regions subject to sensible control of our exposure to these special problems.

Finance and dividends

The overall financial position of the Group is now much stronger.

In my statement last year I said that "any subsequent increase in dividend will necessarily be dependent upon a continuing improvement in the Group's financial performance". In view of the improvement which has now been secured, your Board has decided to recommend an increase in the final dividend of 2p per unit of stock from 7.5p to 9.5p making 13.5p for the year as a whole. It was with great reluctance that your Board decided to reduce the dividend in 1978. I do not disguise my pleasure that we now feel able to recommend an increase to a higher level than prevailed before the cut was made and to note that, at the new level, the cover is entirely satisfactory.

Board changes

The past year has seen, and the coming months will also see, a number of changes in the composition of the Board.

In the Spring of 1983 our President, John Lyle, will be retiring after 38 years service with the Group, of which 31 years were spent as a member of the Board. John was Chairman from 1964 to 1978 and he has been President for the last five years. He has always made it his business to know a very large number of the Group's employees personally and his many friends throughout the world will join me in thanking him for his great contribution and in wishing him a long and happy retirement.

Colin Lyle retired at the end of 1982 after 28 years distinguished service on the Board in a number of important capacities. He carries our good wishes with him into his retirement.

Two senior executives have joined the Board – John Mitchell, the Managing Director of our North America Division and James Scott, Director Special Projects.

In March 1982 Saxon Tate relinquished his executive position as Vice Chairman. Saxon has served the Group long and well, as Director of the Liverpool Refinery, as Chief Executive of Redpath Industries, as Group Managing Director and latterly as Vice Chairman. I am delighted that he will remain on the Board as a non executive director and wish him well in his new and challenging role as Chief Executive of the Industrial Development Board of Northern Ireland.

In addition, the Board has been further strengthened by the appointment of Frazer Sedcole, Vice Chairman of Unilever plc, as a non executive director.

As has already been announced, I shall be retiring as Chairman in the Spring on my appointment to the Chairmanship of the British Overseas Trade Board. My five years as Chairman of Tate & Lyle have meant a great deal to me and I have accepted with much pleasure the Board's invitation to remain a non executive director and a member of the Policy Committee. I am equally pleased that our Deputy Chairman, Robert Haslam, who was until recently a Deputy Chairman of ICI and who has been a non executive director of Tate & Lyle since 1978, has accepted the Board's invitation to succeed me as Chairman.

Our people

The strength of any organisation resides almost entirely in the will and motivation of the people who work within it. Our improving results demonstrate the skill and dedication of our employees. We have made a deliberate effort to find and develop younger executives, and we have identified a number with excellent senior management potential.

Whilst fully aware of the need to maintain and improve productivity in order to remain competitive, the Group also recognises the stress caused in our society by a high level of unemployment, particularly amongst the young. We are accordingly pursuing with energy throughout the Group projects aimed to provide more work experience for young people in the communities in which we are most directly involved under the Youth Training Scheme of the Manpower Services Commission.

It would be wrong of me to conclude this part of my Statement without stating unequivocally that I am very conscious of the support which I have received during the period of my Chairmanship from my Board colleagues, from management and from our employees at all levels and in many parts of the world. This has been a period of considerable difficulty and challenge and we have had at times to take a number of hard and unpalatable decisions. I would like to thank all the people in Tate & Lyle with whom I have worked, including the Unions, for the help and cooperation which they have given.

Prospects

Following the sharp decline in the Group's performance in 1978 I drew attention, in my first report to shareholders as Chairman, to the drastic remedial action on which we had embarked across a wide front both in the United Kingdom and abroad, with a view to restoring the fortunes of this great Company.

I am now confident that the Group is securely based on solid foundations, with a stronger corporate and management structure and a smaller number of sound and profitable businesses which it well understands. This is shown by its financial strength and by the steady improvement in earnings. I am equally confident of the ability of the Group, under a very capable management team, to find and successfully exploit new growth opportunities.

Jellicoe, Chairman

19th January 1983

REVIEW OF OPERATIONS N M Shaw, Group Managing Director

The Group has continued to make good progress during the past year in meeting its primary objectives of improved profitability from its ongoing operations, reductions in overheads and strict review of problem areas. Management is functioning well and there is an increased awareness within each operation of the vital importance of cost control, value for money spent and finally, profit. During the year the Group's long term strategy was agreed by the Board and active work towards its implementation has begun.

In 1982 the Group made capital expenditures totalling £24.5 million. These expenditures were more than covered by the cash flow generated from profits and depreciation. No significant asset sales were made and year end borrowings were lower at £73 million than the previous year's £80 million.

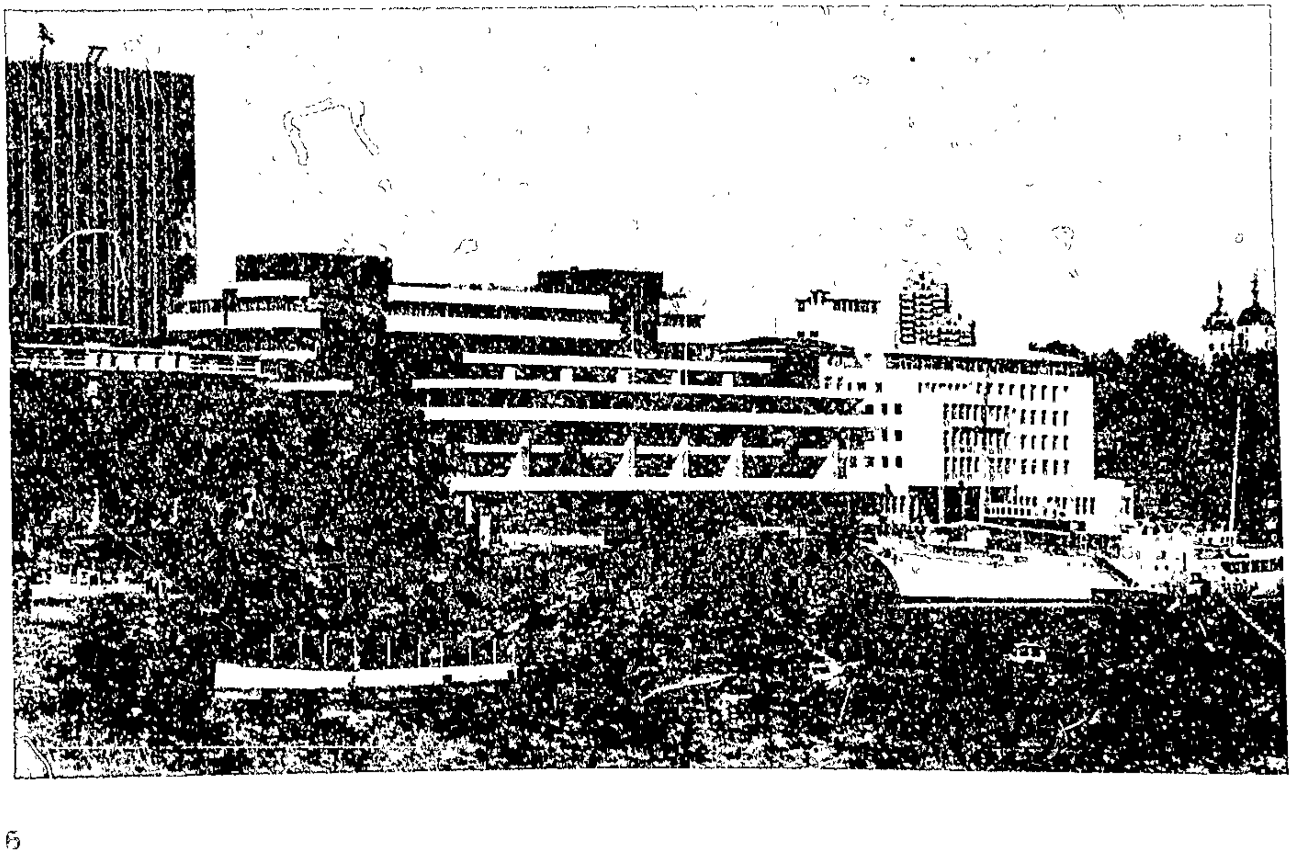
Fluctuations in exchange rates have a relatively minor impact on the Group, as exports do not play a significant part in its operations. However, the Group is affected by changes in the dollar/sterling rate on its profits from North America.

1982 has brought little relief in the worldwide economic recession. Although the Group has been affected in a number of areas, it is fortunate to be operating in mature businesses with significant market shares, and to have a demand for its main product which insulates it to a greater extent than is the case in many other industries.

The review demonstrates the limited effect that a very low world sugar price has on our business. Our refining activities, which are now all operating at reasonable levels of efficiency and profitability, have not been affected to any marked degree, although the low price has had a negative impact on two of our operations, Belize Sugar Industries, and Zymaize in Canada. Both of these businesses are running smoothly, largely as a result of good management, but they cannot operate profitably until there is a significant upward movement from the price levels we have seen in recent months.

It is the Group's firm belief that when a company performs well, managers who have decision making responsibility should share in its increased prosperity. With this in mind, bonus opportunities related to performance and the Executive Share Option Scheme form fundamental parts of the management remuneration package. It is also realised that when the company does less well there will be few, if any, increases in pay for management – inflation notwithstanding. Remuneration must be based on performance and, more importantly, on the ability to pay. Sharing the "ups and downs" of financial results focuses the mind on the real problems of running a business and, in the long term, breeds a management team that is efficient, growth oriented, with a strong sense of responsibility for the success of the Group. The creation of new long term jobs can only be accomplished by efficiently managed organisations.

The review highlights in more detail the progress made over the past year by individual operating units.



Agribusiness

Based on its knowledge and experience of the sugar industry, the Group provides an international service covering all aspects of agricultural development including consultancy, plant design and manufacture, process engineering and estate management. The Group tenders for major agribusiness contracts by combining these skills.

There are four principal operating divisions: Tate & Lyle Agribusiness, Tate & Lyle Process Technology (Protech) and British Charcoals & Macdonalds in the UK and Tate & Lyle Enterprises, in Miami, Florida.

The financial results achieved by Tate & Lyle Agribusiness were improved over last year, despite a difficult operating environment.

Progress has continued in our existing agricultural and technical consultancy activities with contracts in Burma, Cameroon, Sri Lanka, Tanzania, Trinidad and Zambia. New work is also in progress on a wide variety of projects in a number of other countries.

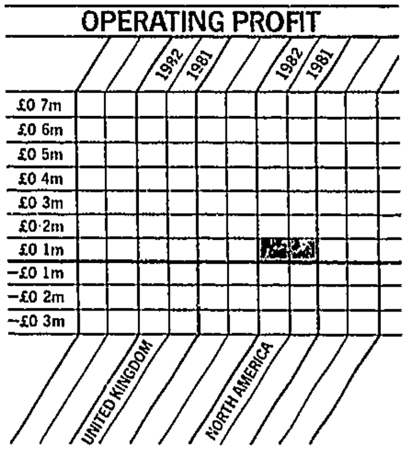
The management services section has continued to be involved with The Zambia Sugar Company and the Royal Swaziland Sugar Corporation and increased production at both these estates was achieved. The Tono-Vea contract obtained in Ghana last year was terminated due to the political and foreign exchange position in Ghana. The management services activity remains an important part of the division and a number of similar contracts are currently being pursued in various parts of the world.

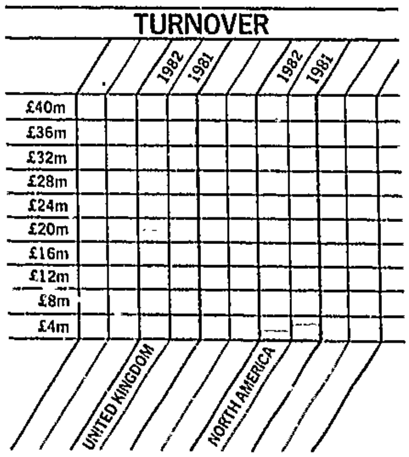
The potable alcohol distillery, designed and erected by Tate & Lyle at Bangyikhan, Thailand, was commissioned successfully on time early in 1982 and the plant is now in production.

Contracts have been obtained in Indonesia for the supply of agricultural and harvesting equipment for three new sugar projects, which are part of a larger

Opposite page. Sugar Quay, London Headquarters of Tate & Lyle PLC.

Below. Feeding fish at the fish farm established on the Nakambala sugar estate in Zambia. Up to 50 tons of 'Tilapia', a local fish, will be harvested each year.





programme for the establishment of 18 new sugar estates. Substantial sugar industry capital plant and spares contracts have been gained during the last year in Angola, Mozambique and the Sudan.

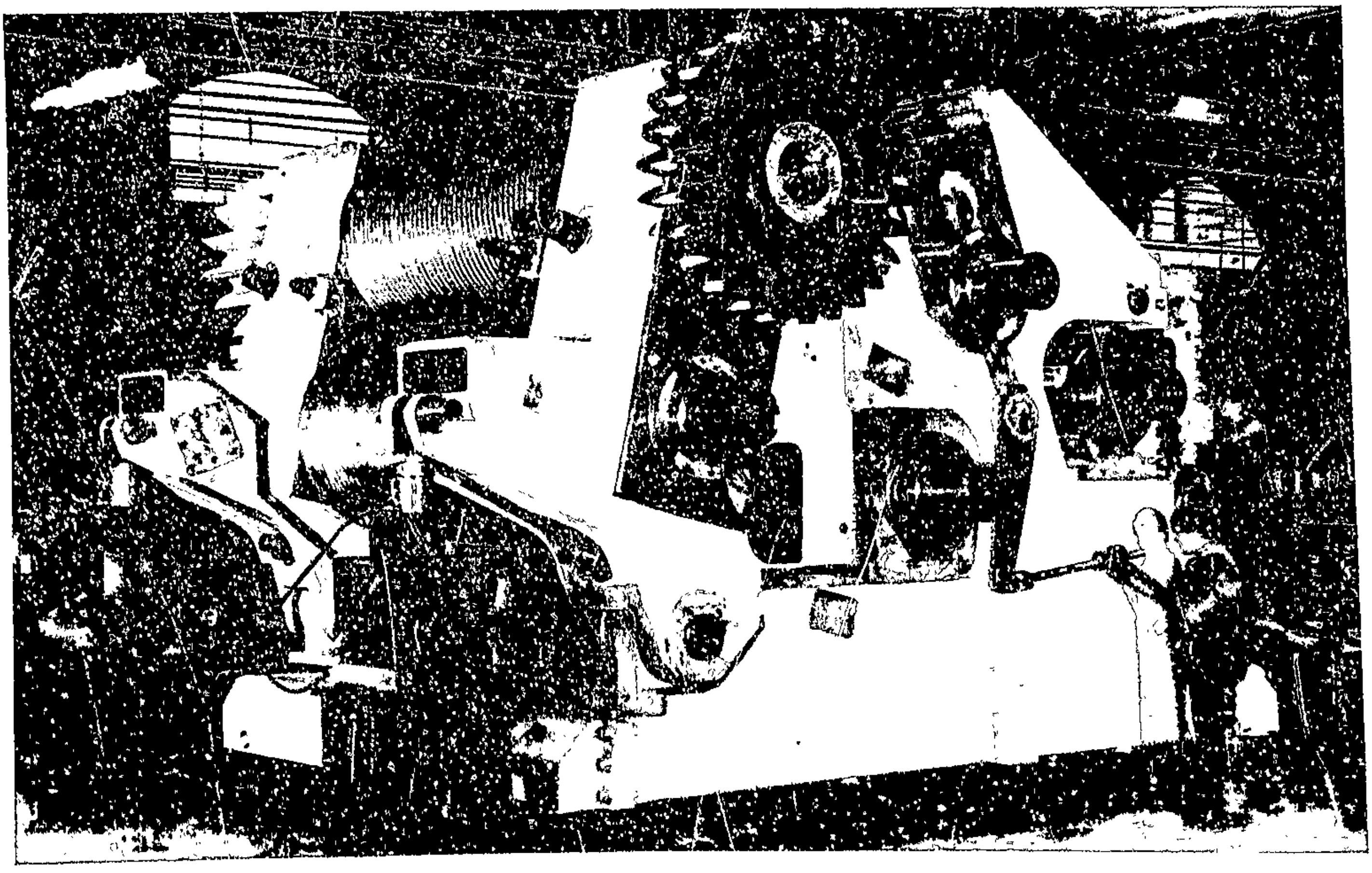
Protech, which supplies new high technology processes and speciality chemical products to the sweetener and food manufacturing industries, had another successful year with increased sales and profits. Contracts with customers in Brazil and Thailand include several installations of our 'Talodura' and 'Talofiltrate' processes, used in the manufacture of white sugar in raw cane factories.

Sales in the USA and South Africa of our 'Taloflote' process, for corn syrup treatment, have grown, while a new effluent treatment process has been installed in a steel works in Italy.

New applications for bone charcoal are being developed by British Charcoals & Macdonalds as their traditional market in sugar refining declines. Sales of modified bone charcoal for water treatment have been made for the first time. Initial sales of immobilised enzymes have been made to corn wet millers in the USA.

Right. Visual inspection of a printed circuit board for the Protech 'Talo' control system.

Below. A six roller de-watering mill under construction at Smith-Mirrlees factory, Glasgow.



Bulk liquid storage

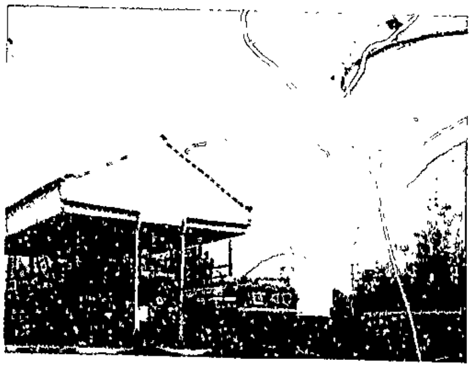
Unitank Storage Company is the UK's largest public liquid storage business. It provides facilities for the storage, handling, and distribution of refined petroleum products and chemicals. The total capacity of the ten UK installations is just over 1 million cubic metres.

Associates in the UK and USA operate a further 0.4 million cubic metres of tankage.

Unitank achieved a reasonable profit in a difficult market where oil and chemical companies continued to destock. Both our joint ventures at Teesside and Philadelphia maintained their profit levels. A further 17,000 cubic metres of storage capacity was commissioned at Seal Sands, Teesside, and a US $2 million expansion commenced in Philadelphia.

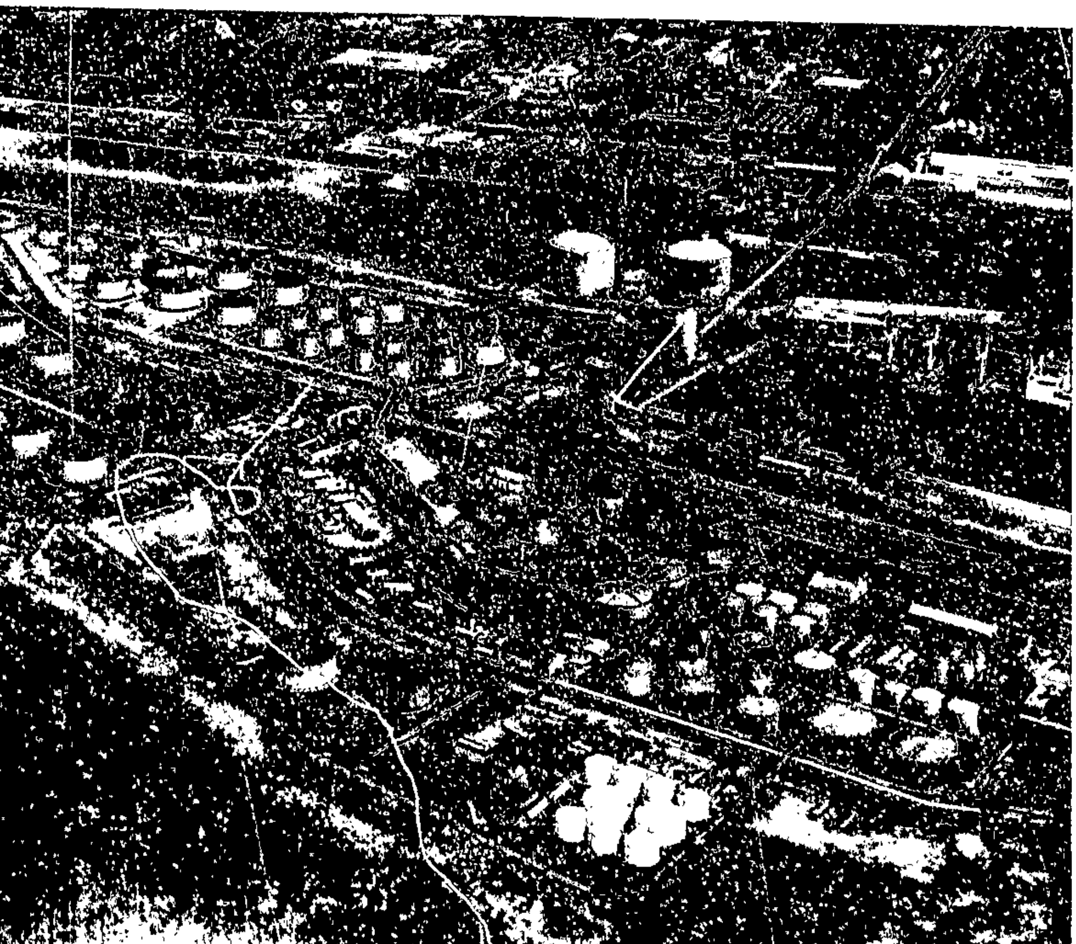
During the year the storage assets of UK Petroleum, a division of Burnett & Hallamshire, were acquired, which increased capacity at Avonmouth by 35,000 cubic metres and provided a new rail-fed 16,000 cubic metre facility at Bromsgrove in the Midlands.

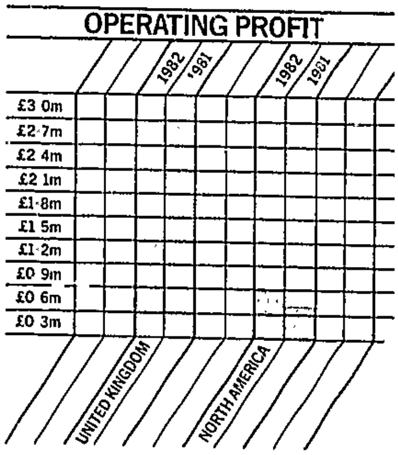
Work continues on construction of a new pipeline-fed terminal at Wymondham, Norfolk, a joint venture with Mobil Oil Company. The terminal is scheduled to be operational in the spring of 1984.

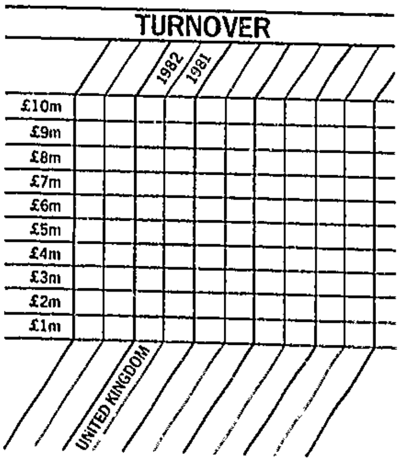


Left. The 16,000 cubic metre storage terminal at Bromsgrove.

Below. Avonmouth Dock. On the left, Unitank's 107,000 cubic metre terminal; on the extreme right is the 35,000 cubic metre storage facility acquired in 1982.







Cane sugar production and refining

Tate & Lyle Refineries supplies almost half of the sugar produced in the UK. Refineries in London and Greenock handle raw cane sugar imported from ACP countries under the EEC's Convention of Lomé.

The Group also operates refineries in Toronto, Canada (through Redpath Sugars) Yonkers, New York State (through Refined Sugars) and Bulawayo and Harare, Zimbabwe (through ZSR). In Belize, raw cane sugar is produced by Belize Sugar Industries.

United Kingdom

A much better balance between refining capacity and demand, combined with considerable reductions in costs, resulted in an improvement in profits. Capacity is now at a level which, combined with average UK beet sugar production, should generally equate to UK sugar demand.

Costs have been reduced by more efficient energy utilisation, high yields of white sugar in refining and reductions in manpower. The cost reduction programme will continue and be assisted by capital investment in modernising refining facilities.

Margins on sugar sales in the UK have been substantially squeezed under pressure from continental EEC sugar exports to the UK, and imperfections in the system of monetary compensation for differences between green and commercial currency rates. Tate & Lyle Refineries has been able to meet this competition as a result of rationalisation of capacity and the cost reduction programme.

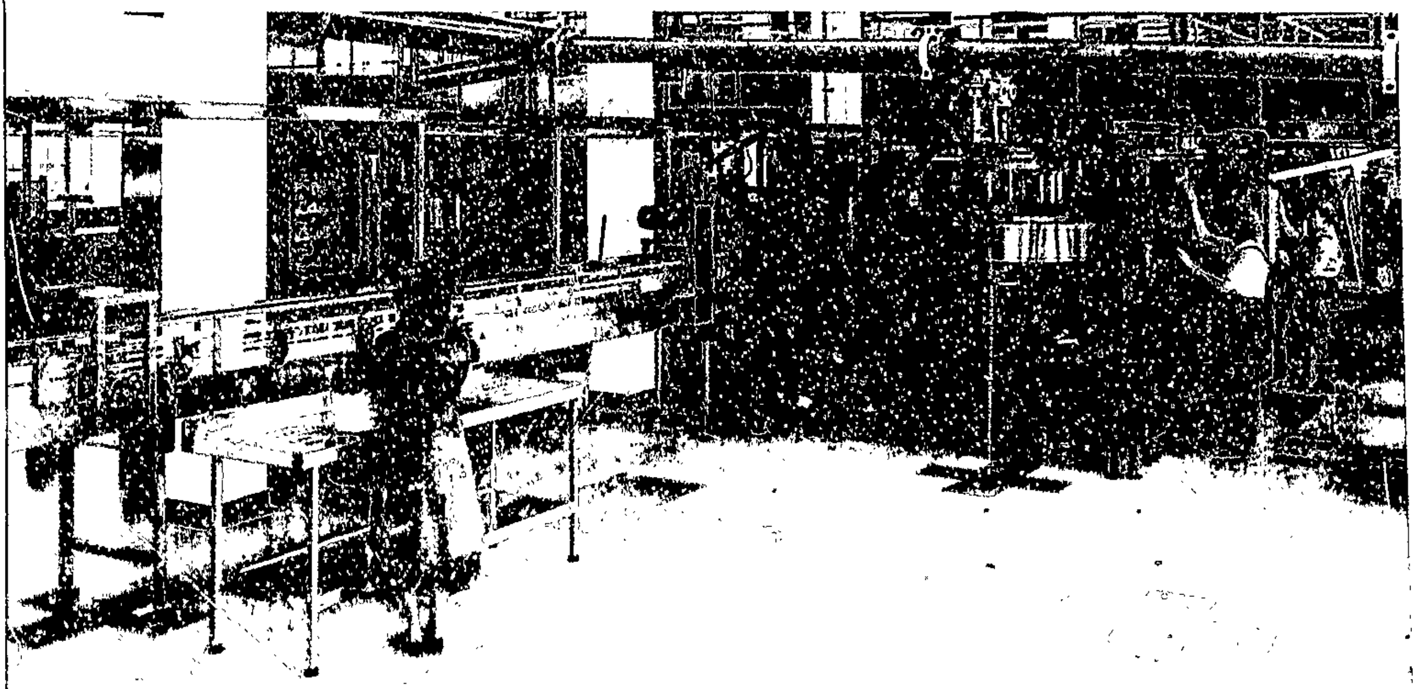
With the minor exception of a shortfall of about 20,000 tonnes from Trinidad all the ACP sugar suppliers to the EEC fulfilled their quotas in 1981/82. Some supplying countries have expanded their sugar production and would be well placed to take up additional Lomé quota in the event of further shortfalls. Zimbabwe has obtained a Lomé quota in 1982/83 for the first time. Tate & Lyle Refineries will buy this new quota of raw sugar.

Canada

Redpath Sugars' Toronto refinery, which is one of the most efficient in Canada, operated close to capacity throughout the year and earned satisfactory profits from both sugar refining and trading. These results were achieved against a background of a sugar refining industry in Eastern Canada which continues to operate in an oversupplied market despite the closure of Redpath's own Montreal refinery in January 1980 and of a competitor's refinery in October 1981.

Refining costs have been reduced significantly over the last two years and the operation is well placed to improve profits further in 1983.

Below. The new 2lb Golden Syrup filling line which was installed and commissioned at Plaistow Wharf during 1982.



USA

Refined Sugars is now the second largest industrial supplier of sugar in the North-eastern United States having achieved record sales of over 500,000 tons in 1982.

The impact of restrictive import quotas, introduced in May 1982 to support the price for domestically grown raw cane and beet against low world sugar prices, has been balanced by RSI's long term contacts with producing countries. Necessary supplies have been secured and no disruption in refining operations is anticipated.

Although competition in the Northeast remains intense, the closure during the past eighteen months of two competing refineries has eased the problem of excess capacity and RSI expects to operate at near capacity levels during the current year.

As mentioned last year, RSI's entry into the consumer market was carried through successfully with the introduction of 5lb packs of 'Country Cane'. In 1983 sales and distribution of both 'Country Cane' and private store brand labels will be expanded. Cost reduction efforts at the refinery are being maintained and RSI should continue to earn a satisfactory return.

Belize

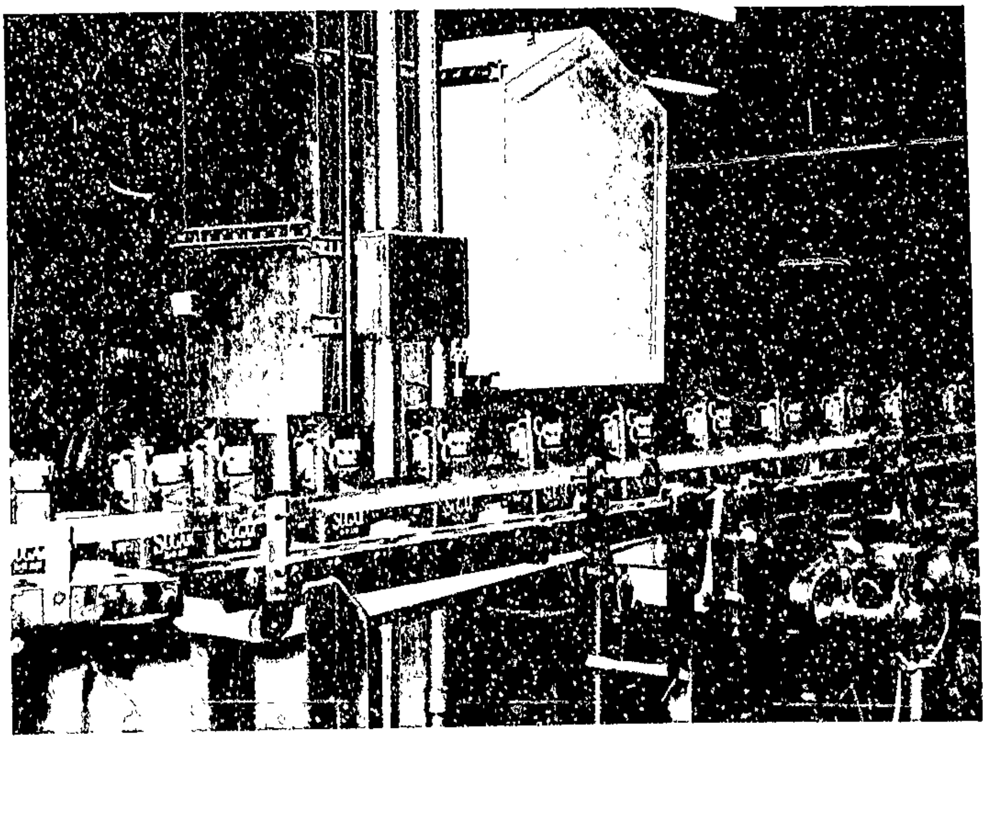
Good climatic conditions, coupled with the major progress in smut disease eradication in 1981, resulted in the second largest crop on record despite poor cane quality. However, the imposition of US quota restrictions in May 1982 made it necessary, for the first time since 1973, to export sugar to other than EEC and US markets at very depressed prices. As a result, although increases in local production costs were contained, a substantial loss was incurred.

Crop production in 1983 is expected to exceed that in 1982, although 35 per cent will have to be exported at depressed world prices.

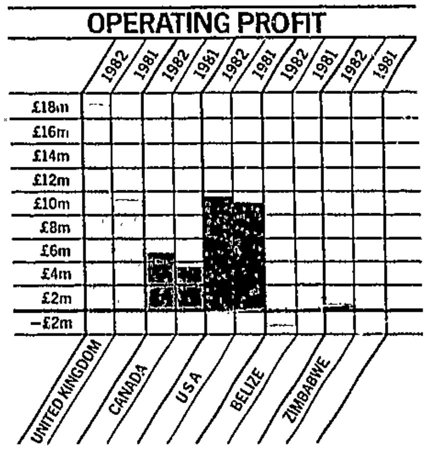
BSI has negotiated a loan of US $2 million with the Commonwealth Development Corporation to finance modifications at the Tower Hill factory. The work, planned to be completed in time for the commencement of the 1984 crop, is designed to increase production capacity at Tower Hill by approximately 6,000 tons.

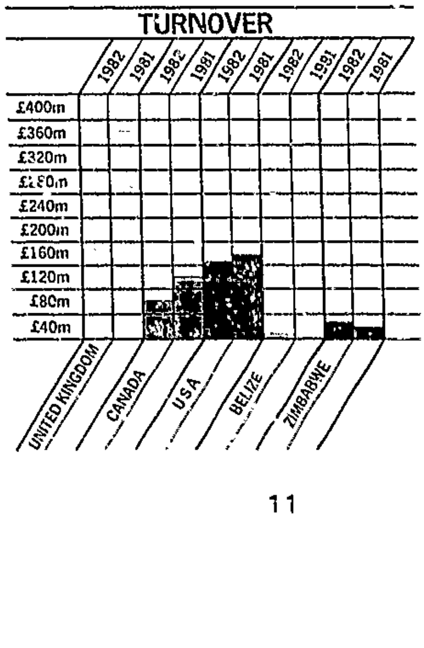
Zimbabwe

The price increase necessary to counteract inflation was granted by the Government in April 1982, enabling ZSR to trade profitably. Since independence the demand for refined sugar has increased significantly in Zimbabwe and as a result our refineries at Harare and Bulawayo are working at full capacity. ZSR should produce a reasonable profit in the coming year. The possibility of expanding one of the company's refineries is presently being studied.



Below. 5lb packs of 'Country Cane' sugar coming off the filling line at Refined Sugars.





Cereal sweeteners & starches

Glucose, high fructose syrups and other sweeteners and starches are produced in Canada by Zymaize (a joint venture between Redpath Industries and John Labatt) and in Europe by Tunnel Refineries in the UK and Amylum in Belgium (related companies in which the Group holds a one-third interest).

Canada

The profitability of high fructose corn syrup is primarily dependent upon the price of raw and refined sugar. With the world raw sugar price currently below the production costs of even the most efficient raw producer, Canada has been hit particularly hard, being the only country in the western world where the world price sets the domestic refined sugar price. To date, the Canadian Government has provided a subsidy on sugar beets used to produce sugar but not on corn or maize used to produce the same product.

The combination of low sugar price, heavy discounting in the Canadian market, plus the costs of establishing a valuable share in the corn sweetener market, has led to Zymaize incurring substantial losses in 1982.

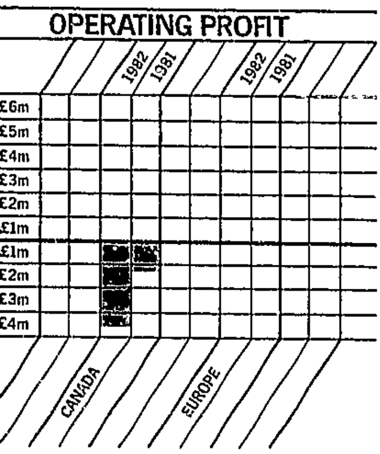
While modest improvement is expected in 1983, the business will not become profitable until HFCS prices have recovered to levels much higher than those foreseen for the remainder of the year or the Canadian Government recognises the value of this new high technology domestic industry.

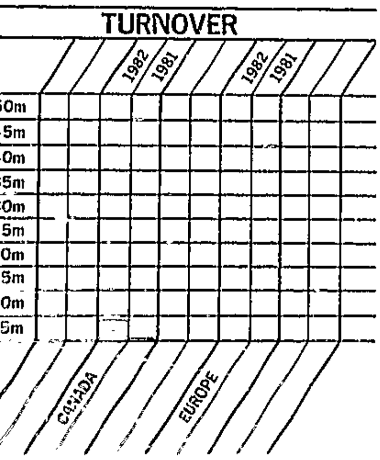
Europe

With further improvement in productivity, Tunnel Refineries earned increased profits, despite a small decline in the UK market for starch sweeteners as a result of recessionary conditions in the food and drink industry.

Amylum, in Belgium, reported improved results, though these are not yet at a satisfactory level. Emphasis on cost control has enabled it to meet competitive pressures.

Right. The Zymaize high fructose corn syrup plant at London, Ontario.





Commodity trading worldwide

Group companies trade in physical sugar for third parties and use the terminal market facilities in London, New York and Paris. The Group also trades in coffee.

Sugar

The sugar price remained in the £150/£180 range for the first six months of the calendar year and then declined to £95/£110 in July/September. The price is now at its lowest in real terms since the 1960's and substantially below the cost of production. Sugar consumption has been affected by the recession but the price was further depressed by considerably higher production resulting in a world surplus of some eight million tonnes.

Initial forecasts for 1982/83 indicate another surplus which will prolong the prospects of low prices, unless either there is a speedier end to the world recession than now foreseen or the International Sugar Organisation and the EEC can agree on remedial action.

The low price levels induced the USA to reintroduce the system of import quotas in May 1982 which had been abandoned in 1974, thus protecting their domestic industry from the world market but putting further pressure on world prices.

The continuing excess of imports over exports in the Nigerian economy resulted in the imposition of financial austerity measures in March 1982. The reduction in trade and the delay in remittances have adversely affected our profits.

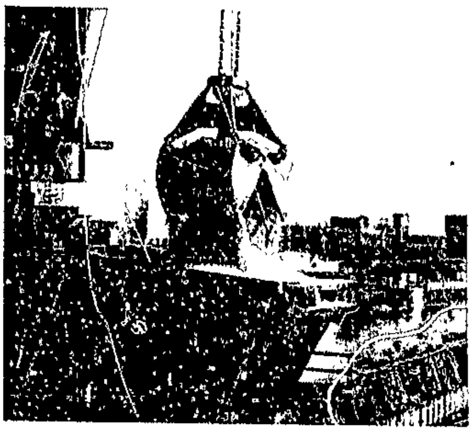
The continued decline in prices, although not as steep or as substantial as last year, limited opportunities for trading and also led to delays in shipment of higher-priced contracts resulting in substantial financing costs. In the light of problems of this nature, which are to be expected under difficult economic conditions, profits for the year were satisfactory.

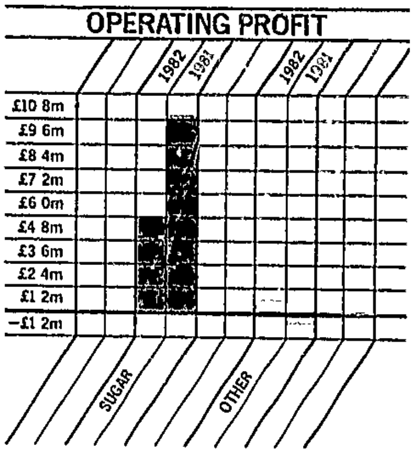
Coffee

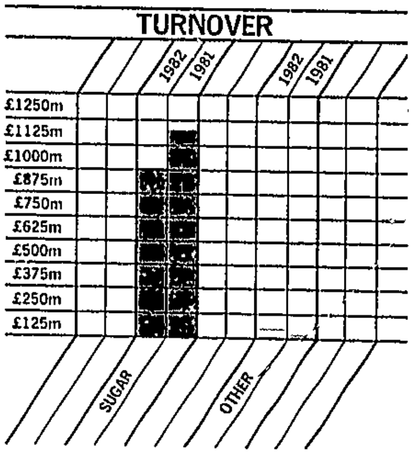
In spite of the statistical surplus in coffee the International Coffee Agreement succeeded in maintaining prices at levels comparably well above those of most other primary commodities.

Profit levels in our trading activities were satisfactory for the year.

Below. Raw cane sugar being unloaded at Thames Refinery.



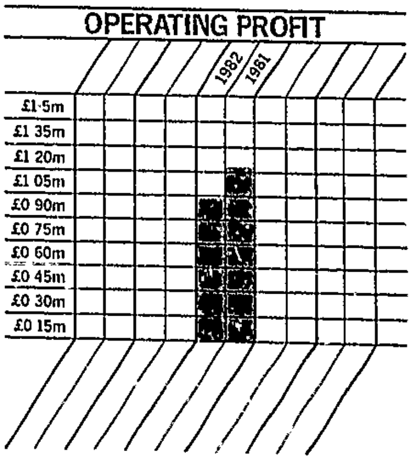




Insurance

Tate & Lyle Reinsurance and its subsidiary, Dorchester Company, underwrite an international portfolio of property, marine and casualty business, the majority of which is related to the Group's insurance risks. Athel Reinsurance Company reinsures third party risks in the London market.

Premium rates continue to be depressed due to over-capacity worldwide. The Group's insurance business, however, had another successful year and we have continued to strengthen the capital base of both Athel Reinsurance Company and Tate & Lyle Reinsurance.



Malting

Hugh Baird & Sons manufactures malted barley in maltings at Pencaitland, East Lothian and Witham, Essex for sale to customers in the brewing, distilling and food industries in the UK and overseas.

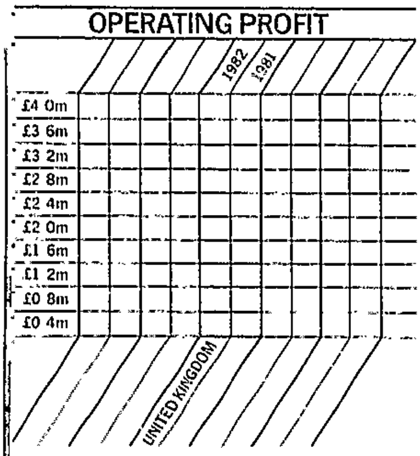
The year saw a further reduction in the main UK markets for malt used in the brewing and distilling industries. This reduction reflects the world trading recession and cannot be expected to change in the immediate future.

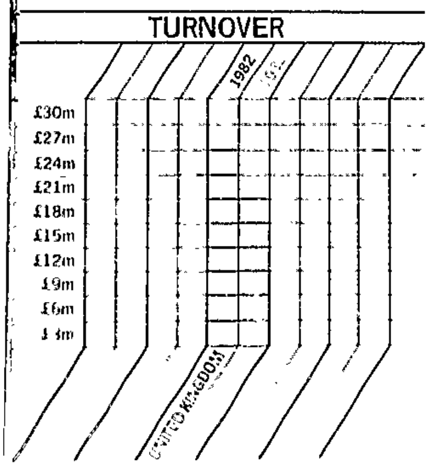
Fortunately British malt has a deservedly high reputation in export markets, so it was possible to make additional export sales which enabled Bairds to achieve near record production. This resulted in satisfactory profit levels despite the reduction in malt demand in the UK.

Bairds are now established as significant suppliers of malt to world markets and are earning a reputation for quality and reliability which gives confidence for the future.

Right. Checking a consignment of malt before exporting.

Below. Barley in Baird's bulk store at Witham, Essex.



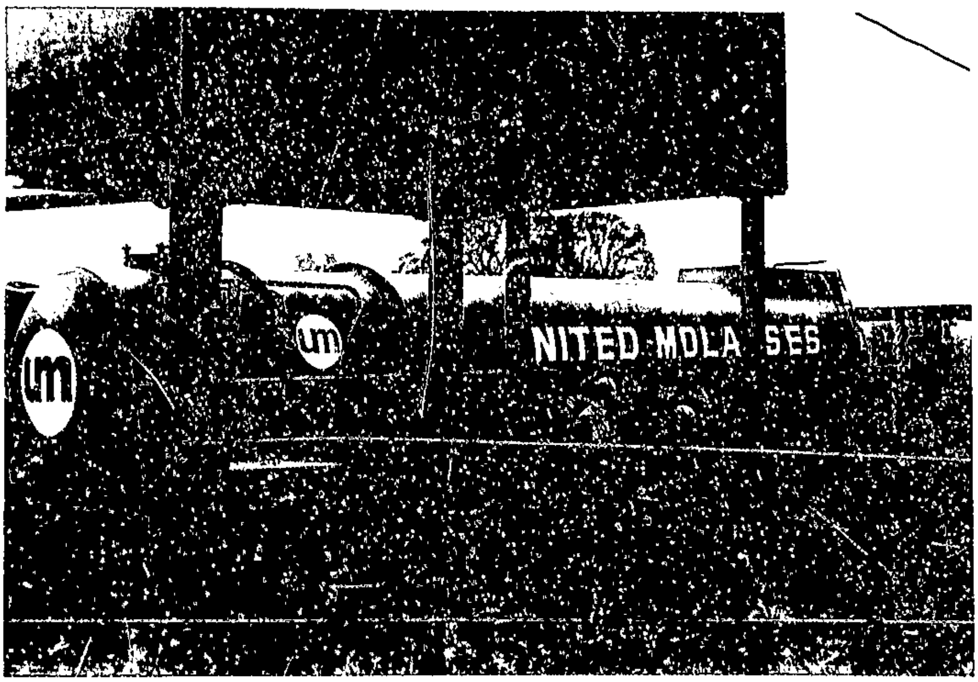


Molasses trading, storage and distribution

United Molasses and Pacific Molasses handle one-third of the world's internationally traded molasses through a network of over 20 companies. They are involved in the trading, distribution and export of indigenous beet and cane molasses, agricultural by-products and tallow. The molasses businesses also operate 0.4 million cubic metres of non-petroleum third party bulk liquid storage in USA, Canada, UK, Caribbean and Africa, and trade in fats and oils.

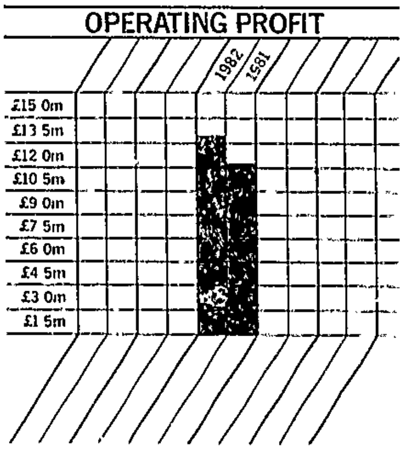
The continued oversupply of both beet and cane sugar has produced a surplus of molasses on the world market and forced down prices to their lowest level in real terms since the 1930's. In an increasing number of cane producing countries molasses now has an ex-factory value for export close to zero.

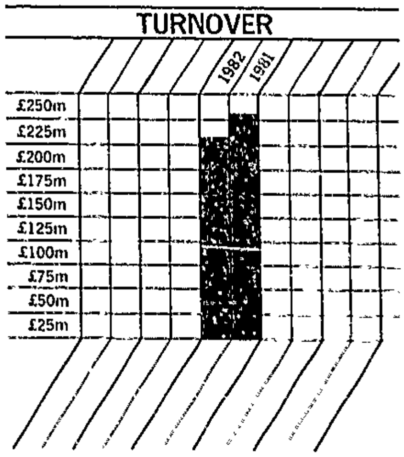
These low prices have contributed to an improvement in demand in the animal feed sector greater than anticipated last year. Industrial users, however, continue to operate at well below capacity. While the increased volume of sales produced better than expected profits in 1982, the outlook for 1983 is not so encouraging.



Left. Molasses and its related liquid by-products are fed to all types of livestock, particularly cattle and sheep. Mixed with other ingredients and fed on a 'free access' basis they provide valuable nutritional energy and protein.

Below. Over 1,400 UK farms receive regular deliveries of bulk liquid molasses into their own storage tanks.





Warehousing, packaging & distribution

Tate & Lyle Transport handles storage and distribution of refined sugar for the UK market, as well as providing a nationwide road transport and warehousing service for third party customers. Ridgways buys, blends and packs speciality, premium and other teas for sale in home and overseas markets. Unalco markets and distributes chemicals in the UK.

In Nigeria, Tate & Lyle's related company imports, produces and distributes cube and granulated sugar and plastic pipe and fittings.

Tate & Lyle Transport

The UK road haulage activities concerned with sugar, syrups and third party business had a generally good year. The bulk sugar and syrup fleets had been re-organised in 1981 to match sugar refining capacity, and these new arrangements were consolidated during the year at very satisfactory levels of equipment utilisation.

The general haulage service, marketed nationwide under the Silver Roadways name, was able to increase significantly its revenue and thus improve its market share at adequate profit levels. This market, however, remains dull with consequent pressure on margins.

Warehousing and distribution in the dry foods market again proved a volatile sector, with much re-organisation and change initiated by both manufacturers and retailers seeking economies in distribution costs.

Ridgways

Sales of tea in the UK have continued to achieve reasonable volumes and margins. With some expansion of export business Ridgways is expected to contribute increasing profits in the future.

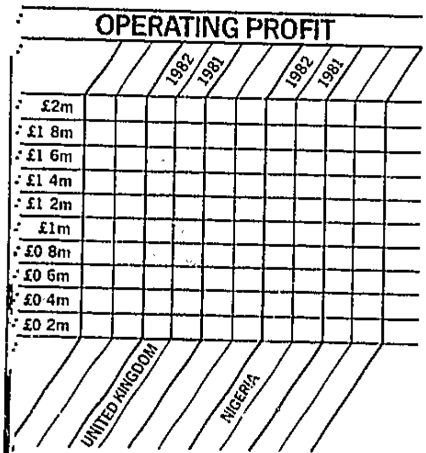
Unalco

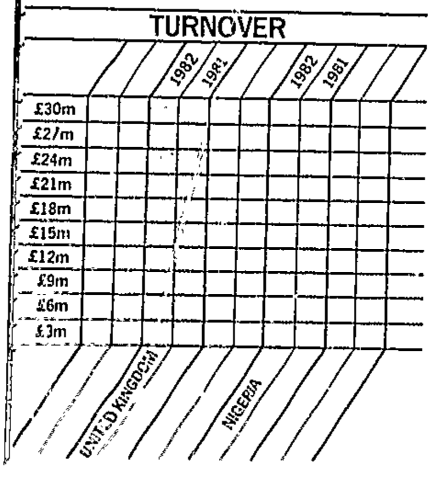
The depressed UK economy and the extremely competitive conditions within the chemical industry have inevitably had an impact on Unalco's business. Losses were incurred during the year. The operation was restructured in mid-year, with the creation of regional profit centres, in order to ensure as rapid a response as possible to changes in market conditions. Unalco has extended its activities by introducing a range of chemicals for use in the food and drinks manufacturing industries.

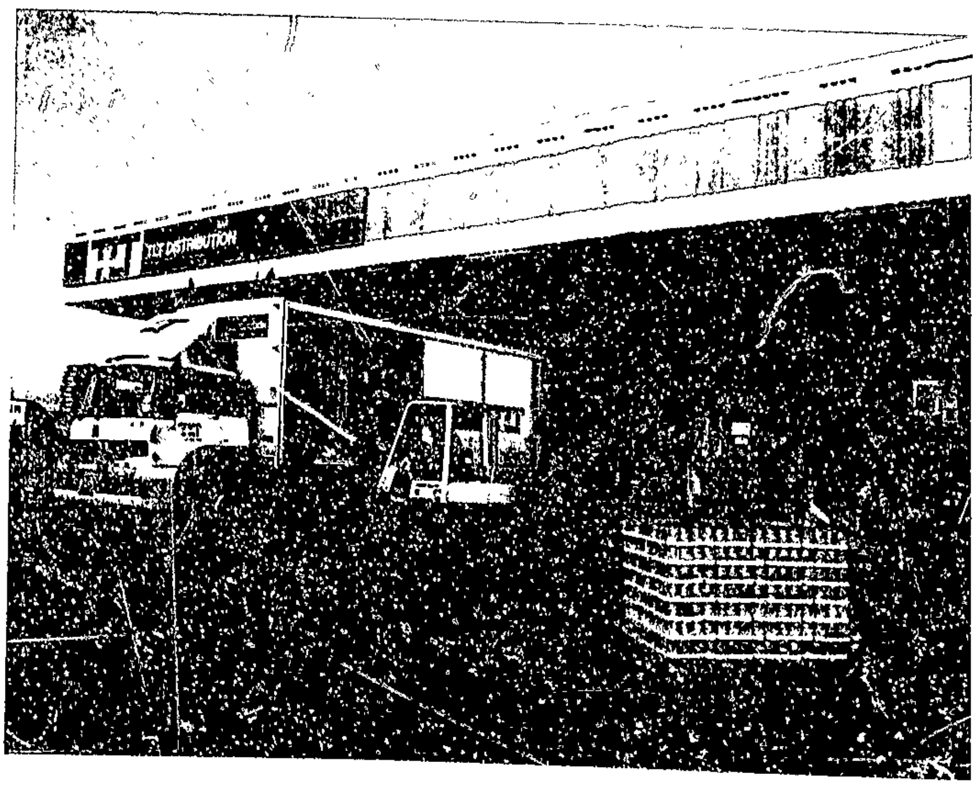
Nigeria

Trading conditions in Nigeria have become increasingly difficult since the Nigerian Government imposed import restrictions in March 1982. In the circumstances our related company, Tate & Lyle (Nigeria), had a reasonable year but unless the Nigerian economy improves the future will be uncertain.

Below. Part of the extensive range of dry grocery products handled for third parties by TLTD.







Other activities

At yards in Lowestoft and Great Yarmouth, Richards (Shipbuilders) build specialist vessels up to 100 metres in length and 6,000 displacement tonnes for home and foreign markets.

In Canada and the USA, subsidiaries or divisions of Redpath Industries design and manufacture plastic pipe for land drainage applications, plastic fittings for plumbing and sewerage, vinyl claddings for the home renovation industry and aluminium products for the automotive and appliance industries. Other divisions are engaged in manufacturing and printing flexible packaging materials.

Richards (Shipbuilders)

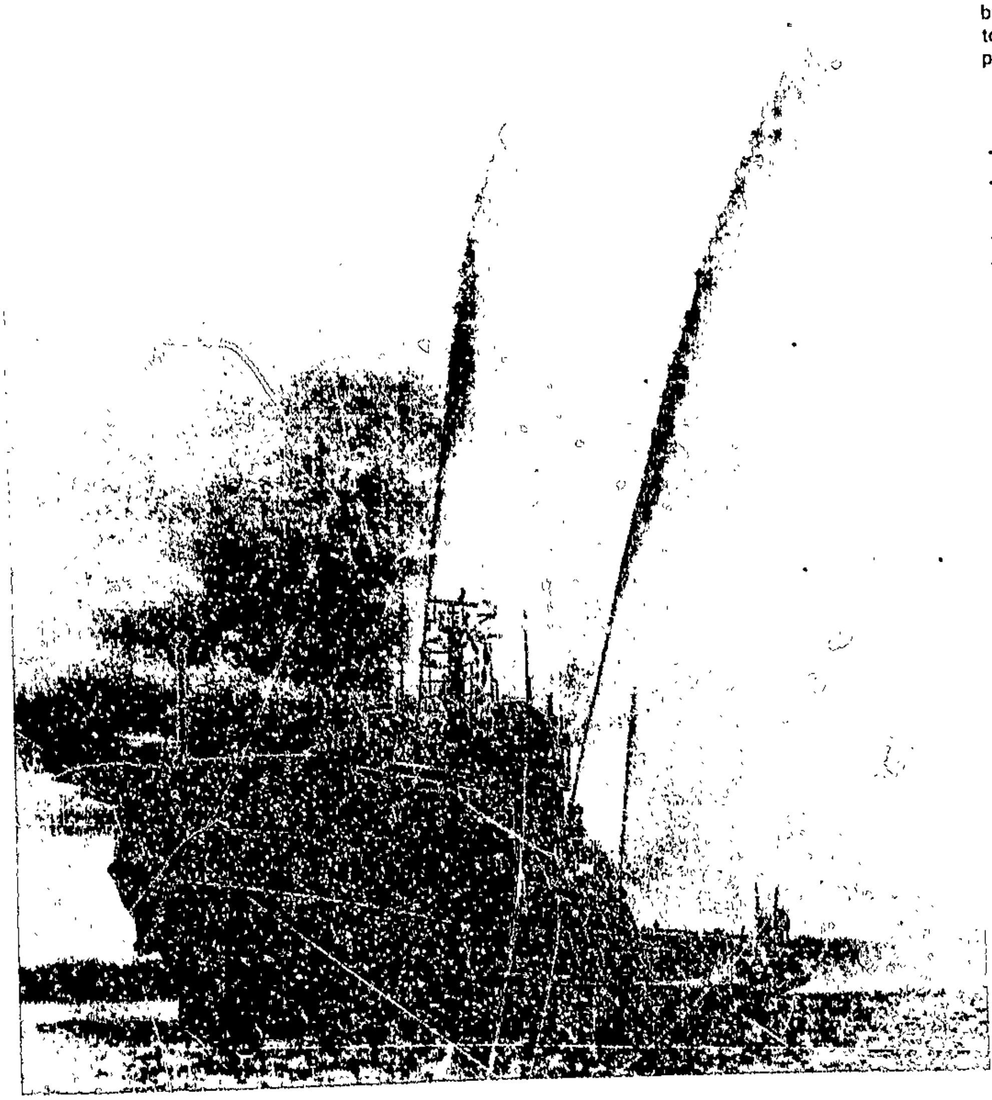
Our Shipyards in East Anglia returned a reasonable profit notwithstanding the difficult market conditions prevailing not only in the UK but throughout the world. Orders taken recently include a contract from the Ministry of Defence (Navy) for four minesweepers and a dry cargo vessel for UK ownership. These orders will ensure full employment for approximately two years ahead.

Construction and packaging materials

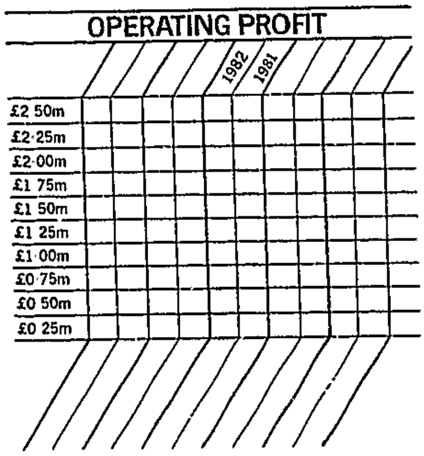
Excessively high interest rates in Canada and the sharp down-turn in the North American construction and automotive markets caused a sharp fall in volume in Redpath's construction materials division resulting in significant losses in 1982.

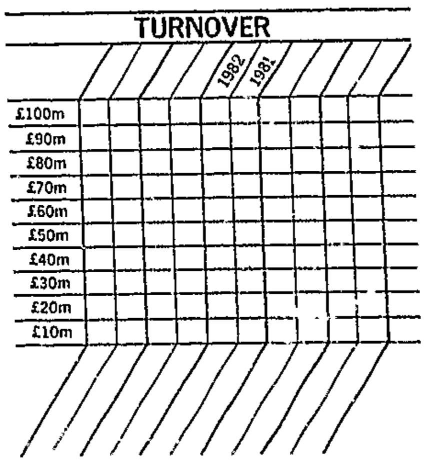
The effect of the general slackening of economic activity was also felt by Redpath's packaging division whose volume and margins were under pressure throughout the year. After significant expenditure on new product development the division incurred a small loss.

The outlook for both operations is somewhat better for 1983.



Left. Specialised safety and support vessel 'm.v. Seagair' built for BP Petroleum Developments by Richards (Shipbuilders). The four fire monitors together pump 80,000 litres of water per minute.





Research & development including speciality chemicals

Tate & Lyle maintains substantial research facilities on Reading University campus. Research is primarily directed towards new food products including those based on sucrose and glucose, and as a support for Group companies.

Research & development

The food manufacturing industry is as large a customer for our products as the housewife; its needs change continually as new processing technology is developed and consumer tastes change. Over the last five years, for instance, there has been the expansion of dry mixes, home bake goods, and prepared frozen desserts. These changes place new demands on the ingredients that we supply which have to give the final product texture, bulk, stability and sometimes, but not always, sweetness. To meet the market requirements for caloric and non-caloric food bulking agents, sweeteners and nutritionally balanced flavoursome food products, our food technologists are developing and evaluating a wide range of food ingredients.

Our process engineering staff are developing technology for refinery capital improvement plans and for other parts of the Group's operations. The development of the first of a group of new enzyme processes is nearing completion and initial sales have been made.

Over the last few years we have seen a series of new government measures introduced in the UK and EEC resulting in greater regulation of the products and processes with which we are concerned. We, of course, work closely with the government agencies to ensure safety and compliance with regulatory requirements. However, in our industry as in many others, the regulatory burden is steadily increasing, often delaying innovation and increasing its cost.

Tal Chemicals

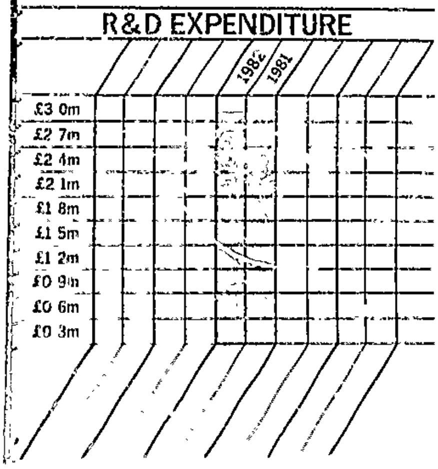
Tal Pro-long, which is a new product which retards the ripening of certain fruit, has been tested in various parts of the world. Work is being concentrated on product development, product application and technical support for sales.

Summary

The accomplishments of the past year have been achieved because of the strong support and direct efforts of all our employees.

N M Shaw, Group Managing Director
19th January 1983

Right. Immobilised enzyme plant at Group Research and Development. A controlled flow of starch syrup is passed through the column of immobilised enzymes and converted into glucose. This technique reduces significantly the plant size and cost of the saccharification process.



REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the 52 weeks ended 25th September 1982.

Principal activities of the Group during the period

There has been no major change during the period in the activities of the Group which are described in detail in the Review of Operations section of the Annual Report on pages 6 to 18. In summary, they comprise Agribusiness, Bulk liquid storage, Cane sugar production and refining, Cereal sweeteners and starches, Commodity trading, Insurance, Malting, Molasses trading, storage and distribution and General warehousing, packaging and distribution.

Research and development

Research and development is undertaken to reduce manufacturing costs and to add to our product range. Of current expenditure about two-thirds is committed to the development of a series of new sweeteners and other food products. Other research is aimed at the support of the refinery operations and the introduction of new products for the Agribusiness sector of the Group.

Changes in Group interests during the period

On 1st October 1981 the Group sold its molasses installation in Belfast to United Molasses (Ireland) Limited, a new company incorporated in Northern Ireland and in which the Group holds a 50% interest, the other 50% being held by Irish Sugar Company Limited.

The Group withdrew from its joint venture share in the Biospecialties operation at Knowsley, Merseyside, as from 30th October 1981. The net loss arising from this was reflected in the 1981 financial statements.

In November 1981, following the decision to cease the manufacture of irrigation equipment in the United Kingdom, the business of Farrow Irrigation was sold.

Tylin Management Systems Limited, the Group's computer bureau, has been sold together with its third party contracts business.

The Group's investment in European Sugars (France) S.A. which itself held 23.74% of the shares of Béghin-Say S.A., the French sugar refiner, was sold. The proceeds of sale amounted to £3.5 million and were used towards the purchase of a direct shareholding in Béghin-Say S.A. at a total cost of £6.5m. At 25th September 1982 the Group interest in that company amounted to 5.20% of the issued shares.

The Group acquired the whole of the issued share capitals of Lowes Oils Limited and Hallamoil Limited for a total cash consideration of £1 million. These two companies operated tank storage facilities at Avonmouth and Bromsgrove respectively. Their businesses have subsequently been amalgamated into the Unitank Storage Company operating unit of Tate & Lyle Industries Limited.

The Group made a small investment in Société des Stockages Calaisiens S.A. and now holds 50% of the issued shares. This company, based at Calais in France, constructed and is now operating a specialised warehouse for the storage of sugar.

Post balance sheet events

The Group was admitted as a member of the London International Financial Futures Exchange which began operations on 30th September 1982. As a clearing member, the Group will operate both for own business and on behalf of other corporate clients.

In November 1982, the manufacture of Tal Pro-long at Knowsley was suspended but the plant is being maintained in working order. The net loss arising from this decision has been reflected in these financial statements as an extraordinary item.

In January 1983 it was announced that the caramel business of Hay-Lambert in Uxbridge, Middlesex and the brewing sugar business of Valentin, Ord & Nagle at Bletchley, Buckinghamshire are to be closed. Provision has been made for all costs arising from these decisions.

Statutory structure

On 28th September 1981 a further step was taken in the simplification of the statutory structure of the Group within the United Kingdom. On that date the net assets and business undertakings of Tate & Lyle Trading and Developments Limited, of Tate & Lyle Agribusiness Limited, of Unitank Storage Company Limited and of Kentships Limited were transferred to Tate & Lyle Food & Distribution Limited, which company changed its name to Tate & Lyle Industries Limited. The relevant trading activities are now being carried out as operating units of Tate & Lyle Industries Limited.

Under Section 179 of the Canada Business Corporations Act by articles of amalgamation dated 1st October 1981, Redpath Industries Limited and certain of its Canadian subsidiaries were amalgamated effective that day.

The assets, liabilities and business undertakings of Tate & Lyle International Limited and of Tate & Lyle Trading Company Limited were transferred to Tate & Lyle Industries Limited with effect from 27th September 1982 and 9th November 1982 respectively. The reorganisation of the UK Group is now virtually complete.

Group profit and loss account and dividends

The Group profit and loss account appears on page 24. After payment of the preference dividend of £0.1 million, the profit for 1982 attributable to the ordinary stockholders, stated after charging extraordinary items of £2.0 million amounted to £24.2 million. Ordinary dividends amounting to £7.4 million have been or are proposed to be paid and the balance of £16.8 million has been retained in reserves.

The Directors recommend a final ordinary dividend of 9.5p (1981 7.5p) per unit of stock making for the 52 weeks a total of 13.5p (1981 11.5p).

Tangible fixed assets

The changes in tangible fixed assets over the period are detailed in Note 9 to the financial statements.

Donations

During the period the Group contributed £5,250 to the Conservative Party, £500 to the Tory Reform Group, £1,000 to the National Committee for Electoral Reform, and £112,000 to UK charitable bodies.

Directors

The names of the persons who have been Directors at any time during the period are listed on page 2.

Mr Colin Lyle retired from the Board on 31st December 1982.

The President, Mr J O Lyle, will be retiring in March 1983 and accordingly he will not be seeking re-election under Article 107 at the Annual General Meeting.

The directors retiring by rotation under Article 107 are Mr H S Tate, Sir Richard Cave and Mr F Thomlinson, who being eligible, offer themselves for re-election.

REPORT OF THE DIRECTORS continued

Directors – continued

Mr F Thomlinson is employed under a service contract as Managing Director of the UK Division. This service contract will expire on 5th November 1983, unless extended by mutual agreement. Mr H S Tate and Sir Richard Cave, as non executive directors, do not have service contracts with the Company.

Mr J C W Mitchell, Mr J C R Scott and Mr C F Sedcole were all appointed as directors of the Company on 3rd March 1982. They accordingly retire under Article 113 and, being eligible, offer themselves for re-election.

Mr J C W Mitchell is employed under a service contract as Managing Director of the North America Division. This service contract will expire on 16th April 1985, unless extended by mutual agreement.

Mr J C R Scott is employed under a service contract as Special Projects Director. This service contract will expire on 20th April 1984, unless extended by mutual agreement.

Mr C F Sedcole is a non executive director and does not have a service contract with the Company.

Directors' interests in shares

Particulars of Directors' interests as required by the Companies Act 1967 are as follows:

	Tate & Lyle PLC		
	Ordinary Stock Units		Executive Share Option Scheme
	25 Sept 1982 £	26 Sept 1981 £	25 Sept 1982 £
Personal interests			
Sir Alex Alexander	100	100	—
M J L Attfield	103	103	40,000
Sir Richard Cave	100	100	—
J Forbes	1,000	1,000	—
R Haslam	100	100	—
The Earl Jellicoe	940	940	—
C Lyle	32,985	32,985	—
J O Lyle	2,720	2,720	—
J C W Mitchell	200	—*	30,000
J C R Scott	100	100*	—
C F Sedcole	100	—*	—
N M Shaw	3,100	3,100	45,870
H S Tate	14,900	14,900	—
F Thomlinson	100	100	—
Trustee interests			
C Lyle	19,685	22,885	
J O Lyle	10,585	10,585	
	6½% (now 4.55% plus tax credit) cumulative preference stock		
Trustee interests			
J O Lyle	4,153	4,153	
H S Tate	1,040	1,040	

In addition, directors held shares of no par value of Redpath Industries Limited as follows:

C Lyle	120	120
J C W Mitchell	100	100*
N M Shaw	16,220	16,220
H S Tate	2	2

*holding at date of appointment

Notes:
1. The options under the Executive Share Option scheme were granted on 25th January 1982.
2. No director had any interest in other shares of Group companies.
3. The requirement of the Companies Act 1967, that Directors who have a joint interest shall be deemed each to have that interest, results in certain holdings above being duplicated. The extent of such duplication is that £10,585 ordinary stock in Tate & Lyle PLC is duplicated under trustee interests.
4. In the period from 25th September 1982 to 5th January 1983, 2,500 ordinary stock units of Tate & Lyle PLC in which Mr C Lyle held an interest as trustee were sold. There were no other changes in directors' interests in shares in this period.

Other interests in shares

The Directors have not been advised and have no reasonable cause to believe that there are any individual interests, or group of interests held by persons acting together, which exceed 5% of the Company's issued capital.

The Company has not acquired or disposed of any of its own shares during the period.

The close company provisions of the Income and Corporation Taxes Act 1970 do not apply to the Company and there has been no change in this respect since 25th September 1982.

Share option schemes

The Savings-Related Share Option Scheme was adopted at the Extraordinary General Meeting held on 24th September 1981, and was subsequently approved by the Board of Inland Revenue under the provisions of the Finance Act 1980. The Scheme enables eligible employees to acquire options to subscribe for Tate & Lyle PLC £1 ordinary shares in conjunction with an approved save-as-you-earn contract. The first options were granted on 19th February 1982.

The Executive Share Option Scheme was adopted at the Extraordinary General Meeting held on 24th September 1981. The Scheme enables eligible senior executives (including full-time directors) to acquire options to subscribe for Tate & Lyle PLC £1 ordinary shares in accordance with its rules. Initial options were granted on 25th January 1982.

Details of options granted and outstanding under both Schemes are shown in Note 17 on page 35.

The total number of options held by directors who are participants in the Schemes are noted additionally on page 20.

Employment policies

Equal opportunity policy

Tate & Lyle is committed to the development of effective policies which will promote equality of employment opportunity regardless of sex, marital status, religion, colour, race, ethnic or national origin, or disability. The aim of such policies, which cover recruitment, pay and other conditions of employment, allocation of work, training, career development and promotion opportunities, is to ensure that all employees have the opportunity to develop as fully as possible in accordance with their individual abilities and the needs of the Group.

Employment of disabled persons

The Group has made and will continue to make every effort to retain and assist any individuals disabled in the course of their employment and to help with their rehabilitation.

Contacts have been maintained with Disablement Resettlement Officers and other organisations specifically involved in finding jobs and work experience for the disabled.

South Africa

In accordance with the White Paper (Command 7233) the Department of Trade has been provided with information on the wages and conditions of employment of our subsidiary in South Africa. The number of black Africans employed was 22. A summary of this information is available upon written application to the Secretary.

Auditors

The Auditors, Touche Ross & Co., have expressed their willingness to continue to act, and a resolution for their re-appointment will be submitted to the Annual General Meeting.

Jellicoe, Chairman
19th January 1983

ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of the holding company and its subsidiaries. The principal subsidiaries are listed on page 48. The results of subsidiaries or businesses sold or acquired during the period are included up to or from the respective dates of sale or acquisition.

The columns headed 1982 relate to the results for the 52 weeks ended 25th September 1982 and the balance sheet at that date. The columns headed 1981 relate to the results for the period 1st October 1980 to 26th September 1981 and the balance sheet at the latter date.

The financial statements are prepared under the historical cost convention with the exceptions that:

certain tangible fixed assets have been included on a revalued basis as set out in note 9 on page 30;

certain stock has been valued using the principles of base stock accounting which are not in accordance with the Statement of Standard Accounting Practice No. 9.

The consolidated financial statements are prepared in compliance with Sections 149A and 152A of and Schedule 8A to the Companies Act 1948.

Goodwill arising on the consolidation of subsidiaries and on the acquisition of related companies is written off in the year of acquisition.

Turnover

Turnover represents the amount receivable by the Group in the ordinary course of business, net of value added and other sales taxes, for goods sold and services provided outside the Group and includes the value of contracts for the sale of commodities on terminal markets, except where such contracts are directly associated with the hedging of physical purchases.

Trading in commodities

Molasses trading

Stocks of blackstrap molasses up to a fixed maximum tonnage are valued at a base price. Such base stock is the amount currently regarded as the normal operating quantity necessary for trading and distribution. The maintenance of this tonnage is necessary for the continuance of the business and it is not normally available for disposal. The consistent use of the base stock method ensures that fluctuations in prices are eliminated from stock values. The base price of molasses is denominated in US$. Values are amended from time to time to give effect to changes in price levels which are regarded as permanent.

Any excess of the stock of blackstrap molasses over the base tonnage is valued at the lower of cost or net realisable value. Beet molasses and other molasses related stocks are also valued on this basis.

In certain cases contracts are entered into whereby the purchase price is determined by reference to market movements over periods which are not co-terminous with the accounting period. Accounting principles are applied consistently in calculating such purchase prices by including an estimate of future market movements.

Sugar trading

United Kingdom domestic

Raw sugar is imported into the United Kingdom mainly from countries in Africa, the Caribbean and the Pacific (the A.C.P. countries) and purchase prices are determined by the European Economic Community. Sugar stocks held for the UK domestic market are valued at the lower of direct cost plus attributable overheads or net realisable value.

United Kingdom export

Sugar stocks held for the export market are valued at the lower of direct cost plus attributable overheads or net realisable value and provision is made for any net loss anticipated on forward positions.

Canada

Owing to the difficulties of transportation experienced on the import of raw sugar into Canada during certain times of the year, it is considered necessary to maintain a base stock of raw sugar. This tonnage of raw sugar is the amount regarded as the normal operating quantity necessary for continuous refining processes and is not normally available for disposal. In order to ensure a constant supply of raw sugar, purchases and sales are made extending over a period of some months. The base stock tonnage therefore includes net forward commitments including transactions in the sugar terminal market.

The base stock tonnage is initially valued at the price ruling when the base is established, but some values are amended from time to time to give effect to changes in price levels which are regarded as permanent.

Inventory in excess of the base stock quantity is hedged on commodity markets and is not at significant market risk. Gains and losses resulting from trading activities relative to maintaining the hedged position are taken into the profit and loss account at the time the hedging transactions occur. Such inventory is valued at the lower of cost or net realisable value. The value of in-process and finished goods includes attributable overheads.

USA

Sugar stocks consist of the physical quantity on hand including net forward commitments and transactions in the sugar terminal market. Stocks covered by forward sales commitments are valued at the initial cost at which commitments were hedged. Unhedged sugar stocks are stated at the lower of cost or net realisable value. Gains and losses resulting from trading activities relative to maintaining the hedged position are taken into the profit and loss account at the time the hedging transactions occur. The value of in-process and finished goods includes attributable overheads.

International

Profits and losses on international trading in sugar are incorporated in the financial statements at the time of realisation. Provision is made for any net loss anticipated on forward positions.

Other commodity trading

Profits and losses arising on trading in other commodities are incorporated in the financial statements at the time of realisation. Provision is made for any net loss anticipated on forward positions.

Insurance business

The reinsurance underwriting results:

in respect of business written by overseas subsidiaries are determined annually and;

in respect of business written by the United Kingdom subsidiary are determined on a three year accounting basis.

Investment income arising on insurance funds is included in operating profit.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling on the last day of the financial period.

Differences on exchange arising from the translation of long term overseas borrowings and of the opening balance sheets of overseas subsidiary companies at year-end rates are taken direct to reserves. All other profits and losses on exchange are credited or charged to operating profit.

Depreciation of tangible fixed assets

Depreciation is based on the cost, or in certain cases revaluation, less capital grants and the estimated effective lives of the assets concerned. The methods and rates used are dependent on the type of operation and the local conditions.

In the majority of cases depreciation is applied on a straight line basis using the following asset lives:

Freehold land: no depreciation
Freehold buildings: 20 to 50 years
Leasehold property: the period of the lease
Bulk liquid and molasses storage installations: 20 to 60 years
Other plant and machinery including ships and motor vehicles: 3 to 20 years.

Commissioning costs are written off in the period when the expenditure is incurred.

Tangible fixed assets which are being acquired under finance leases are capitalised and depreciated in accordance with the Group's normal depreciation policy. Imputed interest is written off to the profit and loss account on the 'sum of the digits' method based on the period of the lease.

Valuations of stocks and contract work in progress

Stocks other than those stocks of sugar and molasses to which reference is made under 'Trading in commodities', are valued at direct cost plus attributable overheads, or net realisable value if lower. Long term contract work in progress is shown at cost plus attributable profits less foreseeable losses and is stated after deduction of progress payments received and receivable.

Related companies

The Group's share of the profits or losses in the companies in which the Group owns at least 20% of the equity and in which in the opinion of the directors it also exercises a significant influence in the management is included in the profit and loss account.

Investments in related companies are shown at cost less amounts written off, including goodwill on acquisition, adjusted for the Group's share of post acquisition reserves. The principal related companies are shown on page 49.

Joint venture

This is accounted for by consolidation of the Group's share of assets, liabilities, revenues and expenses.

Research and development

All expenditure on research and development is charged against profit in the period when the expenditure is incurred.

Pensions

The Group makes contributions to various pension funds. Where such funds are self-administered, the level of contributions is determined in conjunction with the independent actuaries concerned in the UK or Overseas.

Grants

Investment and regional development grants are deducted from the cost of the assets concerned. Interest relief grants are deducted from net interest payable on a cash received basis.

Deferred taxation

Deferred taxation on capital allowances for UK subsidiaries has not been provided as it is estimated that the tax allowances in the foreseeable future will exceed depreciation and thus no liability will arise.

No provision is made for deferred taxation on stock relief save to the extent that clawbacks are expected to arise.

Deferred taxation is accounted for on the 'liability' method in respect of the following timing differences:

a) The excess of book value over the tax written down value of fixed assets in overseas companies eligible for tax relief.
b) Expenditure which is not allowable for taxation purposes until future years.
c) Income which is not taxable until future years.
d) The excess of the tax value of base stock over book value.
e) Losses and provisions anticipated to be utilised in the foreseeable future.

Current cost accounting

Current cost financial statements prepared in accordance with the Statement of Standard Accounting Practice No. 16 are set out on pages 42 to 45.

GROUP PROFIT AND LOSS ACCOUNT

	Note	1982 £ million	1981 £ million
Turnover		1,950.0	2,188.3
Operating profit	1	46.7	44.1
Share of profits less losses of related companies	3	6.8	2.4
Other interest receivable and similar income		13.0	17.0
Interest payable and similar charges	4	(26.4)	(27.2)
Profit on ordinary activities before taxation		40.1	36.3
Taxation on profit on ordinary activities	5	13.7	13.2
Profit on ordinary activities after taxation		26.4	23.1
Profit attributable to minority interests		0.1	2.7
Profit on ordinary activities after taxation attributable to the stockholders of Tate & Lyle PLC		26.3	20.4
Extraordinary profit (loss) after taxation	6	(2.0)	2.6
Profit for the period		24.3	23.0
Dividends paid and proposed	7	7.5	6.4
Retained profit for the period		16.8	16.6
Earnings per £1 ordinary stock unit (basic)	8	48.0p	37.2p
Earnings per £1 ordinary stock unit (fully diluted)	8	46.3p	36.7p

Statement of total Group reserves	£ million	£ million
At beginning of the period	158.9	128.6
Differences on exchange	0.2	11.8
Adjustment on changes in the Group	0.1	(0.3)
Surplus arising on revaluation of a base stock holding of molasses, net of taxation	—	2.2
Retained profit for the period	16.8	16.6
At end of the period	176.0	158.9

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Source of funds	1982	1982 £ million	1981	1981 £ million
Profit on ordinary activities before taxation		40.1		36.3
Adjustment for items not involving the movement of funds:				
Depreciation and other amounts written off tangible fixed assets (note 9)	16.2		15.8	
Retained in related companies	(6.2)		(2.2)	
Other non cash items	(1.2)	8.8	(2.3)	11.3
Funds generated from operations		48.9		47.6
Funds from other sources:				
Proceeds from sale of fixed assets	2.1		5.3	
Movement of funds arising from extraordinary items:				
Tangible fixed asset disposals	—		14.2	
Other	(2.2)		5.0	
Exchange and other reserve movements	0.4	0.3	(1.8)	22.7
		49.2		70.3
Application of funds				
Purchase of tangible fixed assets (note 9)	24.5		28.4	
Purchase of fixed asset investments	5.6		2.0	
Taxation paid less recovered	—		16.0	
Net additions to working capital excluding taxation and items affecting total Group borrowings (note 23)	4.3		21.7	
Dividends paid—parent company	6.4		5.8	
—minority interests in subsidiary companies	1.3	42.1	1.9	75.8
Decrease (Increase) in total Group borrowings, net of cash (note 24)		7.1		(5.5)
Being:				
Increase in long and medium term borrowings	(0.9)		(1.3)	
Increase in net liquid funds — 1981 reduction	8.0	7.1	(4.2)	(5.5)

The effect on the above figures of acquisitions and disposals of subsidiaries during the period is not considered material by the directors.

NOTES TO THE FINANCIAL STATEMENTS

1 Operating profit

	1982 £ million	1981 £ million
The following have been credited in arriving at operating profit:		
Change in stocks	11.1	1.1
Own work capitalised	0.8	0.5
Profit on redemption of debentures	0.1	0.2
Profit on sale of tangible fixed assets	—	0.4
Profit on sale of investments	1.2	1.3
Interest relating to insurance activities	0.8	0.8
Income from other fixed asset investments:		
listed	0.7	0.4
unlisted	0.7	0.5
Other operating income	10.3	11.5
	25.7	16.7
The following have been charged in arriving at operating profit:		
Raw materials and consumables	1,644.7	1,904.5
Other external charges	0.4	0.4
Staff costs (note 2)	111.7	110.7
Depreciation and other amounts written off tangible fixed assets	16.2	15.8
Commissioning costs on Zymaize joint venture	—	1.1
Hire of plant and machinery	2.7	2.2
Auditors' fees and expenses	0.9	0.8
Amounts written off fixed asset investments (net)	—	0.1
Other operating charges	152.4	125.3
	1,929.0	2,160.9

2 Staff costs

	1982 £ million	1981 £ million
Staff costs comprise:		
wages and salaries	95.5	93.3
social security costs	7.0	7.2
other pension costs	9.2	10.2
	111.7	110.7

	1982	1982 £ thousand	1981	1981 £ thousand
Emoluments of directors of Tate & Lyle PLC were:				
Fees (for 1982 one director waived his fee of £5,000: 1981 – one director waived £500)	59		6	
Salaries and pension fund contributions	581		534	
		640		540
Compensation on termination of contract		90		79
		730		619

The remuneration, including performance-related bonuses but excluding pension fund contributions, of the individual directors and of other employees whose emoluments exceeded £30,000 and whose duties were discharged wholly or mainly in the UK was as follows:

	1982	1981
Chairman	78	60
Highest paid director	103	72
Directors:	Number	Number
Up to £5,000	2	3
£5,001 to £10,000	4	2
£10,001 to £15,000	1	—
£15,001 to £20,000	—	1
£20,001 to £25,000	1	—
£30,001 to £35,000	1	—
£40,001 to £45,000	—	1
£50,001 to £55,000	—	3
£55,001 to £60,000	2	2
£65,001 to £70,000	1	—
£70,001 to £75,000	—	1
£75,001 to £80,000	1	—
£100,001 to £105,000	1	—
Other employees:		
£30,001 to £35,000	11	10
£35,001 to £40,000	4	3
£40,001 to £45,000	3	1
£45,001 to £50,000	1	—

NOTES TO THE FINANCIAL STATEMENTS continued

Transactions with directors

Pursuant to the resolutions approved by the Company in General Meeting on 24th September 1981, N M Shaw was granted an option until 31st August 1984, to purchase at the cost of £200,000 the Company's leasehold interest in a property in Sydney Place, London SW7. The option duly granted on 25th September 1981, subsisted throughout the financial period. The Company is advised by its chartered surveyors that as at 25th September 1982, the option continues to have no value.

The following loan made available in Canada to N M Shaw by Redpath Industries Limited has subsisted during the financial period ended 25th September 1982:

Stock Options Loan (available under Canadian practice within the terms of employment of senior staff at Redpath) for shares in Redpath Industries Limited:

Ten Year Loan finally expiring in September 1985 (no interest payable)	
Sum outstanding at 27.9.1981 (and maximum during the period)	Can.$88,138
Sum outstanding at 25.9.1982	Can.$82,738

Except for the above there are no substantial contracts or transactions with directors and others requiring disclosure under Sections 54 - 60 of the Companies Act 1980.

	1982 £ million	1981 £ million
3 Share of profits less losses of related companies		
Listed investments	1.6	0.6
Unlisted investments	5.2	1.8
	6.8	2.4
4 Interest payable and similar charges		
Bank loans and overdrafts, and other loans wholly repayable within five years	16.2	16.5
Debenture stocks and other loans not wholly repayable within five years	10.2	10.7
	26.4	27.2
5 Taxation on profit on ordinary activities		
On profit of the Company and subsidiaries for the period:		
UK corporation tax at 52% (1981 52%)	1.5	(0.3)
Double taxation relief	(1.1)	(1.6)
	0.4	(1.9)
Deferred taxation:		
UK	2.4	4.6
Overseas	(0.4)	13.4
Overseas taxation	6.1	(6.7)
Advance corporation tax	3.2	2.7
	11.7	12.1
On Group share of profits of related companies:		
UK	1.3	—
Overseas	1.3	0.3
	2.6	0.3
Adjustments to previous years.		
UK corporation tax	—	(2.0)
Deferred taxation	—	(0.3)
Overseas taxation	(0.1)	(0.1)
Advance corporation tax	(0.5)	3.2
	(0.6)	0.8
	13.7	13.2

The taxation charge of £13.7 million has been reduced by £1.2 million in respect of tax losses brought forward from previous years and £2.7 million in respect of stock relief.

6 Extraordinary profit (loss) after taxation

	1982 £ million	1981 £ million
Income		
Write-back of provision for closure of some of the Group's sugar refining and starch interests and other rationalisation costs	0.8	5.9
Profit on final disposal of the Group's shipping interests	—	7.9
	0.8	13.8
Charges		
Provision for rationalisation of Tal Chemicals	(2.3)	—
Loss on withdrawal from an overseas venture	(0.7)	—
Loss on disposal of Biospecialties business	—	(4.1)
Extraordinary profit (loss)	(2.2)	9.7
Taxation thereon	0.2	(7.1)
	(2.0)	2.6

7 Dividends paid and proposed

	1982	1981
Preference	0.1	0.1
Ordinary	7.4	6.3
	7.5	6.4

The total ordinary dividend is 13.5p made up as follows:

Interim dividend paid 30th July 1982	4.0p
Final dividend proposed payable 5th April 1983	9.5p

8 Earnings per £1 ordinary stock unit

The basic earnings per £1 stock unit are calculated by dividing profit on ordinary activities after taxation less minority interests and preference dividend, but before extraordinary items, £26,200,000 (1981 £20,300,000), by the weighted average of stock in issue during the period, £54,569,146 (1981 £54,564,950). The fully diluted earnings are arrived at by adjusting the above figures on the basis of the following assumptions:

(a) that the issued ordinary stock had been increased to £56,160,238 by conversion of the remaining 13% convertible loan stock and that the attributable earnings were increased by £271,810 being the interest on the convertible stock less relief for corporation tax at 52%;

(b) that as regards the 1982 earnings calculation the outstanding options over £1,475,199 ordinary stock had been exercised and that the funds so generated would give rise to net earnings of £209,429.

NOTES TO THE FINANCIAL STATEMENTS continued

9 Tangible fixed assets

Group	TOTAL	PROPERTY AND PLANT					BASE STOCK
		Land & buildings Freehold	Land & buildings Leasehold	Bulk liquid and molasses storage installations	Plant and machinery	Payments on account and assets in course of construction	
Gross book value	£ million	£ million	£ million	£ million	£ million	£ million	£ million
At 27th September 1981	276.5	61.3	2.8	42.6	151.4	2.7	15.7
Differences on exchange	3.6	0.4	0.6	0.2	1.8	0.1	0.5
Changes in Group	0.3	—	—	1.0	(0.7)	—	—
Additions	23.5	0.6	0.1	1.3	12.0	9.5	—
Reclassifications	—	2.0	0.4	(1.7)	3.2	(3.9)	—
Disposals	(6.3)	(1.0)	(0.2)	—	(5.1)	—	—
At 25th September 1982	297.6	63.3	3.7	43.4	162.6	8.4	16.2
Depreciation							
At 27th September 1981	93.1	12.0	1.9	16.2	63.0	—	—
Differences on exchange	1.4	0.1	0.7	—	0.6	—	—
Changes in Group	(0.6)	—	—	—	(0.6)	—	—
Charge for the period	16.2	2.5	—	1.4	12.3	—	—
Reclassifications	—	0.2	0.2	(0.4)	—	—	—
Disposals	(4.8)	(9.6)	(0.1)	—	(4.1)	—	—
At 25th September 1982	105.3	14.2	2.7	17.2	71.2	—	—
Net book value							
At 25th September 1982	192.3	49.1	1.0	26.2	91.4	8.4	16.2
At 26th September 1981	183.4	49.3	0.9	26.4	88.4	2.7	15.7

Analysis of gross book values at 25th September 1982:

	Freehold	Leasehold	Bulk liquid and molasses storage installations	Plant and machinery
Cost	31.6	2.8	32.0	133.6
1962 valuation	1.2	—	—	—
1968 valuation	0.2	0.2	—	—
1973 valuation	0.2	—	—	—
1976 valuation	0.7	—	11.2	—
1977 valuation	29.4	0.7	0.2	29.0
	63.3	3.7	43.4	162.6

	FREEHOLD			LEASEHOLD		
Analysis of land and buildings	Total £ million	Land £ million	Buildings £ million	Total £ million	Long £ million	Short £ million
Gross book value	63.3	8.7	54.6	3.7	2.0	1.7
Depreciation	14.2	—	14.2	2.7	1.6	1.1
Net book value at 25th September 1982	49.1	8.7	40.4	1.0	0.4	0.6
Net book value at 26th September 1981	49.3	7.4	41.9	0.9	0.4	0.5

Capital gains tax not exceeding £3.5 million would arise if the tangible fixed assets revalued in years up to 1977 were to be sold at their book values.

9 Tangible fixed assets (continued)

Included within tangible assets are the following capitalised values and related accumulated depreciation at 25th September 1982 of assets acquired under financing leases:

	Total £ million	Bulk liquid and molasses storage installations £ million	Plant and machinery £ million	Payments on account and assets in course of construction £ million
Capitalised value	12.0	0.1	10.6	1.3
Depreciation	3.1	0.1	3.0	—
Net book value at 25th September 1982	8.9	—	7.6	1.3

The gross values of payments on account and assets in course of construction are the historical cost of those assets. However, certain of the land and buildings, bulk liquid and molasses storage installations and of the plant and machinery are included at a valuation. The following is a statement of the historical cost, or value ascribed in the earliest available record on or after acquisition, and related depreciation of those classes of assets:

	Land & buildings £million	Bulk liquid and molasses storage installations £ million	Plant & machinery £ million
Cost (or earliest ascribed value)	45.3	37.6	156.7
Depreciation	12.4	14.9	70.4
Net value at 25th September 1982	32.9	22.7	86.3

	1982 £ million	1981 £ million
Base stock consists of:		
Raw sugar for refining in Canada at £107.32 per tonne	5.6	5.6
Molasses in various countries at base prices expressed in US$	10.6	10.1
	16.2	15.7

Tate & Lyle PLC at 25th September 1982:

	Total £ million	Freehold land £ million	Freehold buildings £ million	Long leasehold land & buildings £ million	Plant and machinery £ million
Gross book value					
At cost	2.0	—	—	0.2	1.8
At valuation in 1973	0.2	0.1	0.1	—	—
	2.2	0.1	0.1	0.2	1.8
Depreciation	0.8	—	—	—	0.8
Net book value					
At 25th September 1982	1.4	0.1	0.1	0.2	1.0
At 26th September 1981	1.3	0.1	0.1	0.2	0.9

Expenditure in the period amounted to £0.4 million and depreciation charged was £0.3 million. The historical cost of the assets shown at valuation was also £0.2 million.

NOTES TO THE FINANCIAL STATEMENTS continued

10 Fixed asset investments

	1982 £ million	1981 £ million
Group		
Related companies at cost less acquisition goodwill written off plus share of post-acquisition reserves:		
listed – quoted value £1.2 million (1981: £1.2 million)	3.4	2.5
unlisted	17.0	14.9
	20.4	17.4
Other fixed asset investments:		
Listed on overseas exchanges at cost quoted value £6.1 million (1981: £1.2 million)	7.7	0.8
Unlisted – at cost less amounts written off Directors' valuation £8.9 million (1981: £10.3 million)	8.9	10.3
Total	37.0	28.5

Unlisted investments include £3.4 million (1981: £2.4 million) being cost, less amortisation, of interests in oil and gas properties held by the Canadian subsidiary, Redpath Industries Limited.

The book value of fixed asset investments has increased from £28.5 million to £37.0 million over the period. This increase of £8.5 million arises from:—

Retained profits of related companies	3.6
Acquisitions less disposals	6.3
Differences on exchange	(1.4)
	8.5

	1982 £ million	1981 £ million
Tate & Lyle PLC		
Shares in Group companies at cost less amounts written off	61.4	112.1
Loans to Group companies	115.8	76.3
Shares in related company at cost	6.1	6.1
less acquisition goodwill written off	4.8	4.8
Net book value	1.3	1.3
Unlisted investments at cost less amounts written off	—	1.7
Total	178.5	191.4

Certain shares in wholly owned subsidiaries of the Company were transferred during the period to Group subsidiaries in consideration for long term loans.

11 Stocks

	1982 Group £ million	1981 Group £ million	1982 Tate & Lyle PLC £ million	1981 Tate & Lyle PLC £ million
Raw materials, consumables and in-process stocks	105.6	84.8	—	—
Contract work in progress	0.3	0.2	—	—
Finished goods and goods held for resale	27.5	37.3	—	—
Payments on account	(0.1)	(0.2)	—	—
	133.3	122.1	—	—
Current replacement cost exceeded the historical cost of stocks by	0.9	1.0	—	—

Contract work in progress is stated after deduction of progress payments received and receivable of £2.6 million (1981: £31.1 million).

	1982 Group £ million	1981 Group £ million	1982 Tate & Lyle PLC £ million	1981 Tate & Lyle PLC £ million
12 Debtors				
Trade debtors	132.4	140.6	0.9	—
Amounts owed by Group companies	—	—	50.9	65.6
Amounts owed by related companies	4.5	0.9	—	—
Overseas taxation	1.6	10.9	—	—
UK taxation	—	—	5.1	8.2
Other debtors	4.4	4.6	0.1	1.0
Prepayments and accrued income	6.2	7.0	0.8	1.1
Assets in course of disposal	0.5	4.9	—	—
	149.6	168.9	57.8	75.9

Group debtors include amounts falling due after more than one year of £1.5 million (1981: £1.4 million).

13 Current asset investments				
Listed investments overseas-quoted value £3.0 million	2.9	—	—	—
Loans, short term deposits and fixed interest securities including nil (1981: £0.7 million) held by trustees in respect of insurance funds	49.5	74.0	26.1	48.3
	52.4	74.0	26.1	48.3

14 Creditors—amounts falling due within one year				
Current portion of long term creditors (note 15):				
debentures and other loans	0.4	0.3	0.1	0.1
bank loans and overdrafts	6.4	18.2	4.4	15.0
amounts owed to Group companies	—	—	28.3	36.6
lease finance	1.3	0.9	—	—
Other bank loans and overdrafts:				
secured	1.8	2.6	—	—
unsecured	18.3	43.6	5.8	28.7
Payments received on account	2.5	5.6	—	—
Trade creditors	115.8	113.8	2.0	4.5
Bills of exchange	2.9	3.8	—	—
Amounts owed to related companies	—	0.2	—	—
Short term loans:				
secured	14.2	8.2	—	—
unsecured	2.7	4.3	2.5	2.6
Overseas taxation	3.1	1.6	—	—
UK taxation	6.5	8.1	7.0	4.2
Social security	0.3	0.6	0.3	0.3
Accruals and deferred income	12.9	15.4	1.4	2.2
Other creditors	6.2	2.2	0.2	0.2
Proposed dividends:				
outside shareholders of subsidiary companies	0.3	0.3	—	—
holders of Tate & Lyle PLC stock	5.2	4.1	5.2	4.1
	200.8	233.8	57.2	98.5

NOTES TO THE FINANCIAL STATEMENTS continued

15 Creditors—amounts falling due after more than one year

	1982 Group £ million	1981 Group £ million	1982 Tate & Lyle PLC £ million	1981 Tate & Lyle PLC £ million
Debentures and other loans				
5½% debenture stock 1980/85 (a)	2.7	3.0	2.7	3.0
6¾% unsecured loan stock 1985/90	1.1	1.1	1.1	1.1
7¼% debenture stock 1989/94 (b)	2.9	2.9	2.9	2.9
7½% unsecured loan stock 2003/2008	1.3	1.3	1.3	1.3
9% debentures 1989 (US$24,279,000)	14.2	13.6	—	—
10¼% unsecured loan stock 2003/2008	0.5	0.5	0.5	0.5
13% convertible unsecured loan stock 1994/99 (c)	4.4	4.4	4.4	4.4
Variable secured loan 1986 (US$2,000,000)	1.2	1.1	—	—
Other secured loans	1.0	0.5	—	—
Other unsecured loans	0.2	0.2	—	—
	29.5	28.6	12.9	13.2
less portion due within one year (note 14)	0.4	0.3	0.1	0.1
	29.1	28.3	12.8	13.1
Bank loans and overdrafts				
Variable secured 1986 (US$6,000,000)	3.5	3.8	—	—
Variable secured 1991 (Can$32,872,000)	15.6	12.4	—	—
Variable unsecured 1982	—	1.7	—	—
Variable unsecured 1984	4.2	7.0	4.2	7.0
Variable unsecured 1976/84	0.1	0.1	—	—
Variable unsecured 1977/85	0.2	0.3	—	—
Variable unsecured 1980/86	6.0	7.5	6.0	7.5
Variable unsecured 1967/87	0.6	0.6	—	—
Variable unsecured 1985/88	30.0	30.0	30.0	30.0
Variable secured other	0.2	0.2	—	—
Variable unsecured other	0.2	11.1	0.2	10.7
	60.6	74.7	40.4	55.2
less portion due within one year (note 14)	6.4	18.2	4.4	15.0
	54.2	56.5	36.0	40.2
Amounts owed to Group companies	—	—	46.0	71.4
less portion due within one year (note 14)	—	—	28.3	36.6
	—	—	17.7	34.8
Lease finance	8.3	5.5	—	—
less portion due within one year (note 14)	1.3	0.9	—	—
	7.0	4.6	—	—
	90.3	89.4	66.5	88.1
Analysis of repayment dates				
One to two years	7.1	8.6	3.1	4.4
Two to five years	32.9	30.8	20.8	21.3
Over five years	50.3	50.0	42.6	62.4
	90.3	89.4	66.5	88.1

(a) Redeemable at par at the Company's option up to 30th November 1985.

(b) Redeemable at par at the Company's option from 30th September 1989 to 30th September 1994.

(c) Convertible into ordinary stock at the rate of £3.00 loan stock to £1 ordinary stock on 15th April 1983 to 1989 inclusive, or redeemable at par at the Company's option between 30th April 1994 and 30th April 1999.

16 Provisions for liabilities and charges

	Pensions and similar obligations £million	Deferred taxation £million	Insurance funds £million	Other £million	Total £million
Group					
At 27th September 1981	6.9	10.2	1.4	10.6	29.1
Differences on exchange	—	0.3	—	—	0.3
Utilised in period	(2.2)	—	—	(5.5)	(7.7)
Charged to profit & loss account	—	2.0	0.7	4.0	6.7
At 25th September 1982	4.7	12.5	2.1	9.1	28.4
Tate & Lyle PLC					
At 27th September 1981	0.6	—	—	0.3	0.9
Utilised in period	(0.2)	—	—	(0.1)	(0.3)
Credited to profit & loss account	—	—	—	(0.2)	(0.2)
At 25th September 1982	0.4	—	—	—	0.4

Analysis of deferred taxation	1982 Group £million	1981 Group £ million	1982 Tate & Lyle PLC £million	1981 Tate & Lyle PLC £ million
The following amounts have been dealt with in the financial statements:				
Assets				
Base stock adjustment	1.9	4.3	—	—
Liabilities				
Overseas – Capital allowances and other	(14.4)	(14.5)	—	—
	(12.5)	(10.2)	—	—

If full credit had been taken for future reliefs and full provision made for potential deferred liabilities, the amounts of deferred taxation would have been:

	1982 Group £million	1981 Group £ million	1982 Tate & Lyle PLC £million	1981 Tate & Lyle PLC £ million
Assets				
Base stock adjustment	1.9	4.3	—	—
UK losses carried forward and timing differences including those relating to closure costs	13.3	17.8	0.7	1.0
Advance Corporation Tax recoverable	9.1	6.4	9.1	6.4
Liabilities				
UK – Capital allowances	(29.0)	(32.5)	(0.4)	—
Overseas – Capital allowances and other	(14.4)	(14.5)	—	—

17 Called up share capital

	1982 £ million	1981 £ million
Authorised share capital of Tate & Lyle PLC	75.0	75.0
Issued and converted into stock:		
6½% (now 4.55% plus tax credit) cumulative preference stock units of £1 each	2.4	2.4
Ordinary stock units of £1 each	54.6	54.6
	57.0	57.0

At 25th September 1982, the following options had been granted and were still outstanding under the Company's share option schemes.

	Number of shares	Number of options	Subscription price	Date(s) normally exercisable
Savings-Related Share Option Scheme	269,329	385	197p	April 1987
Executive Share Option Scheme	1,205,870	81	218p	Jan. 1985/ Jan. 1989

NOTES TO THE FINANCIAL STATEMENTS continued

18 Revaluation reserve

The revaluation reserve arises as a consequence of carrying certain tangible fixed assets in the balance sheet at valuation. The movement on the reserve is analysed below:

	Group £ million	Tate & Lyle PLC £ million
At 27th September 1981	28.5	—
Differences on exchange	(0.2)	—
Transfer to Profit & Loss Account (see note 20)	(2.7)	—
At 25th September 1982	25.6	—

19 Other reserves: non-distributable

	Group £ million	Tate & Lyle PLC £ million
At 27th September 1981	4.5	0.3
Differences on exchange	0.5	—
Other	0.3	—
At 25th September 1982	5.3	0.3
These reserves comprise:		
Statutory reserves of overseas subsidiaries	0.7	—
Other	4.6	0.3
	5.3	0.3

20 Profit and loss account

	Tate & Lyle PLC £ million	Subsidiary companies £ million	Related companies £ million	Total £ million
At 27th September 1981	57.3	46.5	6.7	110.5
Differences on exchange	0.1	(0.1)	(0.1)	(0.1)
Adjustment on changes in the Group	—	0.1	—	0.1
Transfer from revaluation reserve (see below)	—	2.7	—	2.7
Other	—	(0.3)	—	(0.3)
Retained profit for the period	9.6	3.6	3.6	16.8
At 25th September 1982	67.0	52.5	10.2	129.7

Note: The amount of depreciation provided in the period on the book value of tangible fixed assets which represents revaluation surpluses has been transferred from revaluation reserve to profit and loss account. This is in accordance with section 39(5) of the Companies Act 1980.

21 Bank loans and overdrafts

	Group £ million	Tate & Lyle PLC £ million
The aggregate amount of bank loans and overdrafts falling due within one year (note 14) and later (note 15) is	80.7	46.2

22 Financial commitments

(a) Pensions

As reported in the 1981 Annual Report an actuarial valuation of the UK Group's Pension Scheme was carried out as at 31st March 1981. The actuaries subsequently confirmed on 27th May 1982 that as far as they were aware the Scheme continues to be in a satisfactory financial state and accordingly they recommend that in order to meet the future service liabilities, the Companies' contributions should be maintained at the current rates of 21% of pensionable pay for members with an accrual rate of 1/60th and 18% for those with an accrual rate of 1/70th.

In 1978, UK Group Companies transferred to the Scheme the liability for the payment of certain ex-gratia pensions and in return agreed to pay £2.6 million per annum until October 1985. The present value of the outstanding instalments is assessed at £6.7 million for which full provision was made in 1978. The next valuation is due to be made as at 31st March 1983 when the Companies' contributions will again be reviewed.

The Group is reviewing certain of its Companies' pension arrangements throughout the world and valuations being undertaken will be reported in the 1983 financial statements.

	1982 Group £ million	1981 Group £ million	**1982 Tate & Lyle PLC £ million**	1981 Tate & Lyle PLC £ million
(b) Contracts for capital expenditure:				
Expenditure contracted for but not provided for in the financial statements is estimated at	**3.0**	4.7	**—**	0.1
Expenditure authorised by the directors but not contracted for is estimated at	**23.2**	12.0	**0.1**	0.2
	26.2	16.7	**0.1**	0.3
Capital grants estimated to be receivable on this expenditure	**0.3**	0.3	**—**	—
(c) Contingent liabilities				
There are contingent liabilities in respect of				
(i) Guarantees of:				
Loans and overdrafts of subsidiary companies (of which £8.5 million has been advanced — 1981 £11.6 million)	**—**	—	**29.8**	34.3
Loans and overdrafts of other companies (of which £1.0 million has been advanced — 1981 £1.1 million)	**1.0**	1.1	**1.0**	1.1
(ii) Guarantees under a scheme for the purchase of houses by employees	**—**	0.1	**—**	0.1
(iii) Other trade guarantees	**2.7**	8.0	**2.0**	4.5

In addition, other trade guarantees had been given in the normal course of business by the Group and by Tate & Lyle PLC at both 26th September 1981 and 25th September 1982. These are excluded from the figures given above and are in respect of Customs and Excise and Intervention Board for Agricultural Produce bonds, ECGD recourse agreements, letters of credit and tender and performance bonds.

(d) Contracts for sugar trading

A significant part of sugar trading is concerned with priced contracts extending beyond one year. As a matter of policy, exposure to price variation is restricted by hedging on the terminal market or matching physical contracts while keeping the net tonnage at risk within prescribed limits. However, additional exposure may arise through timing differences and through ancillary risks principally relating to freight rates and the premium for white sugar over raw.

NOTES TO THE FINANCIAL STATEMENTS continued

23 Working capital excluding taxation and items affecting total Group borrowings

	1982 £million	1981 £million
Stocks (note 11)	133.3	122.1
Trade debtors (note 12)	132.4	140.6
Amounts owed by related companies (note 12)	4.5	0.9
Other debtors (note 12)	4.4	4.6
Prepayments and accrued income (note 12)	6.2	7.0
Assets in course of disposal (note 12)	0.5	4.9
Payments received on account (note 14)	(2.5)	(5.6)
Trade creditors (note 14)	(115.8)	(113.8)
Amounts owed to related companies (note 14)	—	(0.2)
Social security (note 14)	(0.3)	(0.6)
Accruals and deferred income (note 14)	(12.9)	(15.4)
Other creditors (note 14)	(6.2)	(2.2)
Provisions for liabilities and charges (note 16)	(15.9)	(18.9)
	127.7	123.4
	123.4	
Increase in the period	4.3	

24 Total Group borrowings, net of cash

	1982 £million	1981 £million
Amounts falling due after more than one year (note 15)	90.3	89.4
Net liquid funds:		
Amounts falling due within one year (note 14)		
Debenture and other loans	0.4	0.3
Bank loans and overdrafts	26.5	64.4
Lease finance	1.3	0.9
Bills of exchange	2.9	3.8
Short term loans		
secured	14.2	8.2
unsecured	2.7	4.3
	138.3	171.3
Current asset investments (note 13)	(52.4)	(74.0)
Cash at banks and in hand	(13.0)	(17.3)
	72.9	80.0
	80.0	
Decrease in the period	7.1	

STATEMENT OF VALUE ADDED

			1982 £ million			1981 £ million
Turnover			1,950.0			2,188.3
Less bought-in materials and services			1,778.9			2,021.3
			171.1			167.0
Add share of related companies' results		6.8			2.4	
Investment revenue and miscellaneous income and extraordinary items		1.5	8.3		6.2	8.6
Value added			179.4			175.6
Applied in the following way:	%			%		
Employees						
Wages, pensions, etc.	62		111.7	63		110.7
Providers of capital						
Interest on loans	8	13.4		6	10.2	
Dividends to stockholders	4	7.5		4	6.4	
Share of minority interests	—	0.1	21.0	1	2.7	19.3
Governments						
Taxes on profits	8		13.7	8		13.2
Investment for growth						
Depreciation	9	16.2		9	15.8	
Retained profit	9	16.8	33.0	9	16.6	32.4
	100		179.4	100		175.6

ANALYSIS OF TURNOVER AND OPERATING PROFIT

By class of business	1982 Turnover £ million	1982 Operating profit £ million	1981 Turnover £ million	1981 Operating profit £ million
Agribusiness				
United Kingdom	18.4	0.5	35.3	(0.3)
North America	1.7	0.1	2.7	0.1
	20.1	0.6	38.0	(0.2)
Bulk liquid storage				
United Kingdom	8.7	1.7	8.8	2.6
North America	—	0.6	—	0.4
	8.7	2.3	8.8	3.0
Cane sugar production and refining				
United Kingdom	396.7	17.6	350.1	9.4
Canada (Note b)	74.4	4.7	106.9	3.7
USA (Note b)	125.7	9.5	133.3	9.1
Belize	10.0	(1.5)	15.8	2.3
Zimbabwe	28.7	0.3	26.7	0.0
	635.5	30.6	632.8	24.5
Cereal sweeteners and starches				
Canada	3.8	(3.6)	0.4	(1.3)
Europe	47.7	4.0	43.5	0.7
	51.5	0.4	43.9	(0.6)
Commodity trading worldwide				
Sugar	904.1	4.8	1,105.5	9.7
Other	55.1	0.5	41.5	(0.1)
	959.2	5.3	1,147.0	9.6
Insurance	—	0.9	—	1.1
Malting				
United Kingdom	24.9	3.3	18.4	2.0
Molasses trading, storage and distribution				
Worldwide	219.1	12.9	246.9	10.6
Warehousing, packaging and distribution				
United Kingdom	29.1	1.5	27.4	1.6
Nigeria	24.1	1.6	27.7	0.6
	53.2	3.1	55.1	2.2
Other activities				
Shipping—United Kingdom	—	0.3	0.1	0.2
Starch—United Kingdom (Gartons)	—	—	10.0	—
Other	58.9	0.3	63.3	2.3
	58.9	0.6	73.4	2.5
(Note a)	2,031.1	60.0	2,264.3	54.7
Research and development		(2.8)		(2.4)
Speciality chemicals		(1.3)		(4.4)
Central expenses (Note c)		(2.4)		(1.4)
		(6.5)		(8.2)
		53.5		46.5
Deduct:				
Attributable share of turnover and results of related companies	(81.1)	(6.8)	(76.0)	(2.4)
Group turnover and operating profit	1,950.0	46.7	2,188.3	44.1

Notes

(a) For a full assessment of results over sectors the attributable share of the operating results and external turnover of related companies has been included.

(b) Operating profit reported by the Group's Canadian and USA sugar refining businesses includes the sugar trading profits arising from the supply of raw sugar to the refineries, as this treatment is considered appropriate for operations in these countries.

(c) Central expenses are stated net of profits of £1.2 million (1981 £1.2 million) arising from the Group's treasury operations.

ANALYSIS OF: TOTAL ASSETS LESS CURRENT LIABILITIES AVERAGE NUMBER OF EMPLOYEES

	Fixed assets £ million	Current assets £ million	Creditors falling due within one year £ million	Total 1982 £ million	Total 1981 £ million	Average weekly number of employees 1982 Number	1981 Number
Agribusiness	2.6	8.3	(7.4)	3.5	6.5	467	589
Bulk liquid storage	22.5	2.0	(2.2)	22.3	19.7	183	177
Cane sugar production and refining	94.8	118.4	(64.5)	148.7	157.4	7,190	8,118
Cereal sweeteners and starches	34.2	1.9	(2.3)	33.8	28.5	64	42
Commodity trading worldwide	0.2	94.5	(45.1)	49.6	38.2	92	109
Insurance	0.5	14.5	(0.9)	14.1	9.5	9	4
Malting	7.9	18.5	(8.5)	17.9	14.9	148	146
Molasses trading, storage and distribution	32.7	35.9	(23.5)	45.1	39.1	867	894
Warehousing, packaging and distribution	9.8	8.2	(6.0)	12.0	10.9	952	1,090
Other activities	14.8	17.4	(17.6)	14.6	21.9	1,494	1,807
Total operating assets	220.0	319.6	(178.0)	361.6	346.6		
Speciality chemicals Research and development	0.4	1.1	(0.7)	0.8	7.3	186	243
Central	8.9	27.6	(22.1)	14.4	6.5	231	258
	229.3	348.3	(200.8)	376.8	360.4	11,883	13,477

ANALYSIS OF TURNOVER BY GEOGRAPHICAL MARKET

	1982 £ million	1981 £ million
Europe	574.5	542.9
North America	308.8	375.8
Central and South America	19.6	19.5
Africa	65.1	62.3
Oceania	0.6	0.2
Asia	22.2	40.6
	990.8	1,041.3
Commodity trading worldwide	959.2	1,147.0
	1950.0	2,188.3

GROUP CURRENT COST PROFIT AND LOSS ACCOUNT

	1982	1981 Adjusted for change in value of £	1981
	£ million	£ million	£ million
Turnover	1,950.0	2,408.0	2,188.3
Historical cost operating profit	46.7	48.5	44.1
Current cost adjustments (note A)	(17.4)	(17.6)	(16.0)
Interest on operating overdrafts and loans	(1.8)	(0.3)	(0.3)
Current cost operating profit	27.5	30.6	27.8
Gearing adjustment	4.8	4.9	4.4
Interest on net borrowings	(11.6)	(10.9)	(9.9)
Share of profits less losses of related companies	6.8	2.6	2.4
Profit on ordinary activities before taxation	27.5	27.2	24.7
Taxation on profit on ordinary activities	13.7	14.5	13.2
Profit on ordinary activities after taxation	13.8	12.7	11.5
Profit(loss) attributable to minority interests	(1.0)	0.9	0.8
Profit on ordinary activities after taxation attributable to the stockholders of Tate & Lyle PLC	14.8	11.8	10.7
Extraordinary profit (loss) after taxation (note B)	(2.0)	(6.1)	(5.5)
Profit for the period	12.8	5.7	5.2
Dividends paid and proposed	7.5	7.0	6.4
Retained profit (loss) for the period	5.3	(1.3)	(1.2)
Earnings per £1 ordinary stock unit (basic)	26.9p	21.3p	19.4p
Earnings per £1 ordinary stock unit (fully diluted)	26.4p	21.3p	19.4p

Statement of total Group reserves	£ million	£ million	£ million
At beginning of the period	246.7	278.8	253.4
Differences on exchange	1.9	22.6	20.5
Adjustment on changes in the Group	0.1	(0.9)	(0.8)
Retained profit(loss) for the period	5.3	(1.3)	(1.2)
Current cost movements (note C)	10.4	(27.7)	(25.2)
At end of the period	264.4	271.5	246.7

GROUP CURRENT COST BALANCE SHEET

	1982 £ million	1981 Adjusted for change in value of £ £ million	1981 £ million
Fixed assets:			
Tangible assets (note D)	294.1	310.5	282.2
Investments	35.6	31.8	28.9
Net current assets	148.4	164.5	149.5
Total assets less current liabilities	478.1	506.8	460.6
Creditors–amounts falling due after more than one year	(90.3)	(98.4)	(89.4)
Provisions for liabilities and charges	(30.3)	(36.7)	(33.4)
Total net assets	357.5	371.7	337.8
Capital and reserves			
Called up share capital	57.0	62.7	57.0
Reserves	264.4	271.5	246.7
	321.4	334.2	303.7
Minority interests	36.1	37.5	34.1
	357.5	371.7	337.8

NOTES TO THE CURRENT COST STATEMENTS

Accounting policies

(i) The current cost statements have been prepared in accordance with the Statement of Standard Accounting Practice No. 16.

(ii) The basis of accounting for foreign currencies and the method of calculating the earnings per £1 ordinary stock unit are as in the historical cost financial statements.

(iii) The cost of sales adjustment represents the excess of the current cost of replacing stocks at the date of sale over the cost of sales included in the historical cost financial statements. This has been calculated mainly by reference to appropriate external indices which have also been used for evaluating stock for inclusion in the balance sheet.

(iv) Monetary working capital comprises trade debtors and trade creditors together with that part of bank balances, overdrafts or short term loans arising from fluctuations in the volume of stock, trade debtors and trade creditors. The interest on such bank balances, overdrafts and short term loans is deducted before arriving at current cost operating profit. The adjustment for monetary working capital has been calculated using price indices appropriate to stock.

(v) The additional depreciation represents the excess of depreciation based on the current value to the business of fixed assets over that charged in the historical cost financial statements.

(vi) The adjustment to profit on disposal of fixed assets represents the amount by which the current cost value of assets at the time of their sale exceeded their then historical cost book value.

(vii) The gearing adjustment has been calculated using the average of opening and closing current cost balance sheets to determine the proportion of net assets which is financed by net borrowings. This proportion has been applied to the sum of the current cost adjustments, to give the gearing adjustment shown in the profit and loss account.

(viii) The figures for related companies have been included at their historical cost amounts without adjustment as it has not been practicable to obtain adequate current cost information.

(ix) The current cost figures previously published for 1981 are not directly comparable with those for 1982 due to the change in the value of the £ during the period. Additional columns are therefore shown in which the 1981 figures have been adjusted for the change in the value of the £ as measured by the UK index of retail prices.

		1982	1981 Adjusted for change in value of £	1981
A	**Current cost adjustments**	**£ million**	£ million	£ million
	Cost of sales	**7.1**	7.8	7.1
	Monetary working capital	**1.8**	1.7	1.6
	Additional depreciation	**7.5**	6.2	5.6
	Disposal of fixed assets	**1.0**	1.9	1.7
		17.4	17.6	16.0
B	**Extraordinary profit (loss) after taxation**			
	Write back of provision for closure of some of the Group's sugar refining and starch interests and other rationalisation costs	**0.8**	6.4	5.8
	Profit on final disposal of the Group's shipping interests	—	0.1	0.1
	Provision for rationalisation of Tal Chemicals	**(2.3)**	—	—
	Loss on withdrawal from an overseas venture	**(0.7)**	—	—
	Loss on disposal of Biospecialties business	—	(7.5)	(6.8)
		(2.2)	(1.0)	(0.9)
	Taxation thereon	**0.2**	(7.8)	(7.1)
		(2.0)	(8.8)	(8.0)
	Gearing adjustment	—	2.7	2.5
		(2.0)	(6.1)	(5.5)

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C	Current cost movements	1982 £ million	1981 Adjusted for change in value of £ £ million	1981 £ million
	Surplus (deficit) on revaluations:			
	Tangible fixed assets net of taxation on base stock	**12.0**	(34.3)	(31.2)
	Fixed asset investments	**(1.8)**	(6.6)	(6.0)
	Stocks	**6.9**	7.6	6.9
	Minority interests in revaluations	**(3.7)**	11.4	10.4
		13.4	(21.9)	(19.9)
	Monetary working capital adjustment	**1.8**	1.8	1.6
	Gearing adjustments	**(4.8)**	(7.6)	(6.9)
		10.4	(27.7)	(25.2)

D	Tangible fixed assets	Gross book value £ million	Depreciation £ million	Net £ million
	Freehold land and buildings	**162.9**	**86.7**	**76.2**
	Leasehold land and buildings	**5.5**	**2.8**	**2.7**
	Bulk liquid and molasses storage installations	**124.1**	**55.3**	**68.8**
	Plant and machinery	**316.0**	**198.5**	**117.5**
	Assets under construction	**7.0**	—	**7.0**
	Base stock	**21.9**	—	**21.9**
	At 25th September 1982	**637.4**	**343.3**	**294.1**
	At 26th September 1981	572.6	290.4	282.2
	At 26th September 1981 adjusted for change in value of £	630.1	319.6	310.5

Tangible fixed assets are included at current value to the business as determined by valuation and the use of mainly external indices. Land and buildings were professionally revalued at 31st March 1981. These valuations after adjustment for movements up to 26th September 1981 were included in the current cost balance sheet at that date; similar adjustments have been made in order to establish appropriate values at 25th September 1982.

E	Financing of the net operating assets	1982 £ million	1981 Adjusted for change in value of £ £ million	1981 £ million
	The following is the net replacement cost of the net operating assets together with the method by which they are financed:			
	Net operating assets			
	Fixed assets	**329.7**	342.3	311.1
	Total working capital	**140.2**	157.6	143.2
		469.9	499.9	454.3
	Financed by:			
	Share capital and reserves	**321.4**	334.2	303.7
	Dividends	**5.5**	4.8	4.4
	Total stockholders' interest	**326.9**	339.0	308.1
	Minority interests	**36.1**	37.5	34.1
	Creditors—amount falling due after one year	**90.3**	98.4	89.4
	Borrowings included within working capital	**(13.7)**	(11.7)	(10.7)
	Provisions for liabilities and charges	**30.3**	36.7	33.4
	Net borrowings	**106.9**	123.4	112.1
		469.9	499.9	454.3

AUDITORS' REPORT

Touche Ross & Co.
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

AUDITORS' REPORT TO THE MEMBERS

of

TATE & LYLE PLC

We have audited the financial statements on pages 22 to 38, 42 to 45 and 48 to 49 in accordance with approved Auditing Standards.

In our opinion the financial statements on pages 22 to 38 and 48 to 49 which, with the exception of base stock accounting and the revaluation of certain fixed assets, have been prepared under the historical cost convention, give a true and fair view of the state of affairs of the Company and of the Group at 25th September 1982 and of the profit and source and application of funds of the Group for the period from 27th September 1981 to that date and comply with the Companies Acts 1948 to 1981.

In our opinion the abridged supplementary current cost statements together with the notes on pages 42 to 45 have been properly prepared, in accordance with the policies and methods described in the notes to give the information required by the Statement of Standard Accounting Practice No. 16.

Touche Ross & Co.
Touche Ross & Co

19th January 1983

Chartered Accountants

FIVE YEAR REVIEW (Historical cost basis)

£ million	1982	1981	1980	1979	1978
Employment of capital					
Tangible fixed assets	192.3	183.4	161.7	212.4	224.7
Fixed asset investments	37.0	28.5	23.9	28.0	28.4
Net current assets	147.5	148.5	143.6	120.5	89.3
	376.8	360.4	329.2	360.9	342.4
Creditors—amounts falling due after more than one year	(90.3)	(89.4)	(87.9)	(105.5)	(99.9)
Provisions for liabilities and charges	(28.4)	(29.1)	(36.2)	(33.7)	(34.2)
	258.1	241.9	205.1	221.7	208.3
Capital employed					
Called up share capital	57.0	57.0	57.0	57.0	57.0
Reserves	176.0	158.9	128.6	153.3	138.1
	233.0	215.9	185.6	210.3	195.1
Minority interests	25.1	26.0	19.5	11.4	13.2
	258.1	241.9	205.1	221.7	208.3
Profit summary					
Profit before taxation	40.1	36.3	30.7	26.2	24.6
Taxation	13.7	13.2	10.4	11.6	12.8
Profit after taxation	26.4	23.1	20.3	14.6	11.8
Minority interests	0.1	2.7	3.1	0.8	2.8
Profit attributable to stockholders	26.3	20.4	17.2	13.8	9.0
Extraordinary profit(loss)	(2.0)	2.6	(32.6)	9.8	(8.9)
Profit for the period	24.3	23.0	(15.4)	23.6	0.1
Dividends	7.5	6.4	5.8	5.8	5.8
Retained profit	16.8	16.6	(21.2)	17.8	(5.7)
Per £1 ordinary stock unit					
Earnings*	48.0p	37.2p	31.3p	25.1p	16.3p
Dividend	13.5p	11.5p	10.5p	10.5p	10.5p
Dividend cover – times*	3.6	3.2	3.0	2.4	1.6

*Before extraordinary profit(loss)

MAIN SUBSIDIARIES AND INVESTMENTS at 25th September 1982

Subsidiaries based in the United Kingdom and registered in England (wholly owned) and their main operating units

Tate & Lyle Industries Limited* (Note 4)
- British Charcoals & Macdonalds
- Hay-Lambert
- Hugh Baird & Sons
- Kentships
- Ridgways
- Smith-Mirrlees
- Tal Chemicals
- Tate & Lyle Agribusiness
- Tate & Lyle Process Technology
- Tate & Lyle Refineries
- Tate & Lyle Transport
- Unalco
- Unitank Storage Company
- United Molasses Company
- Valentin, Ord & Nagle

Athel Reinsurance Company Limited
Richards (Shipbuilders) Limited
Tate & Lyle Holdings Limited*
Tate & Lyle International Limited*
Tate & Lyle Trading Company Limited*

Subsidiaries operating overseas

	Country of incorporation or registration	Proportion of share capital held (percent)
Caribbean Antilles Molasses Company Limited	Barbados	100
Tameco NV	Belgium	100
Belize Sugar Industries Limited	Belize	96·97
Tate & Lyle Management & Finance Limited	Bermuda	100
Tate & Lyle Reinsurance Limited	Bermuda	100
Dorchester Company Limited	Guernsey	100
Tate & Lyle do Brasil Servicos e Participacoes Limitada	Brazil	100
Canada West Indies Molasses Company Limited	Canada	100
Redpath Industries Limited	Canada	
—Common shares		54·81
—Convertible voting preference shares		42·16
Subsidiaries and main operating units		
Seaway Insurance Limited	Bermuda	*(50·90)* 100
Multi Fittings (USA) Limited	USA	*(50·90)* 100
CB Packaging/Holway Packaging	Canada	*(50·90)* 100
Daymond	Canada	*(50·90)* 100
Glenow	Canada	*(50·90)* 100
Merry Packaging	Canada	*(50·90)* 100
Multi Fittings	Canada	*(50·90)* 100
Redpath Sugars	Canada	*(50·90)* 100
Nordisk Melasse A/S	Denmark	100
Société Européenne des Mélasses SA	France	60
Caribbean Molasses Company Limited	Guyana	100
Tate & Lyle Commodities (Far East) Limited	Hong Kong	100
Melassa Italiana (Melitalia) SpA	Italy	100
Tate & Lyle Finance (Jersey) Limited	Jersey	100
Tate & Lyle Technical Services (Malaysia) Sdn Bhd	Malaysia	100
The Mauritius Molasses Company Limited	Mauritius	66·66

	Country of incorporation or registration	Proportion of share capital held (percent)
Companhia Exportadora de Melacos Limitada	Mozambique	100
Tate & Lyle Holland BV	Netherlands	100
Tate & Lyle Patent Holdings Limited	Bermuda	100
Nederlandsche Melasse Handel Maatschappij BV	Netherlands	100
Talres Development BV	Netherlands	100
Talres Development (Netherlands Antilles) NV	Netherlands Antilles	100
Tate & Lyle Developments NV	Netherlands Antilles	100
Tate & Lyle Commodities Limited	Bermuda	100
Tate & Lyle Norge A/S	Norway	100
C H Isachsen & Company A/S	Norway	100
Tate & Lyle (Portugal) Importacao e Exportacao Ltda	Portugal	100
The Pure Cane Molasses Company (Durban) (Pty) Limited	South Africa	100
Caribbean Molasses Company (Trinidad) Limited	Trinidad	100
Eastern Sugar Trading Corporation	USA	100
Tate & Lyle Inc.	USA	100
Pacific Molasses Company	USA	100
Refined Sugars Inc.	USA	*(75·45)* 100†
Tate & Lyle Enterprises Inc.	USA	100
Unitank Inc. (Note 5)	USA	100
G. Trinks & Co. Kaffeehandels GmbH (Note 6)	West Germany	80
Hansa Melasse Handels GmbH	West Germany	100
ZSR Limited	Zimbabwe	50·13

Notes

* Direct subsidiary companies of Tate & Lyle PLC are shown with an asterisk.

1 The percentage of equity capital attributable to Tate & Lyle PLC is shown in italics where it is different from the proportion of shares held by subsidiary companies. The combination of the proportionate holdings in the capital of Redpath Industries Limited is to give Tate & Lyle PLC a 50·90 per cent voting interest. This percentage has been used in the financial statements in calculating the interest of minority shareholders at 25th September 1982.

2 Particulars of other subsidiary companies which are either not material or are dormant will be included in the forthcoming Annual Return.

3 Subsequent to 25th September 1982 the statutory structure of the Tate & Lyle Group was modified. Brief details are given in the report of the directors on page 19.

4 Formerly Tate & Lyle Food and Distribution Limited.

5 Incorporating 50% share of Unitank Terminal Service.

6 Subsequently increased to 100% ownership.

† In combination with Redpath Industries Limited.

Related companies

The principal related companies whose results have been included in the Group financial statements, as explained in the Accounting Policies, are as follows:

East African Storage Company Limited
Incorporated and registered in Kenya.
Principal country of operation – Kenya.
Issued share capital: 250,000 shares of Shs 20 each (Group 50%).

G R Amylum NV
Incorporated and registered in Belgium.
Principal country of operation – Belgium.
Issued share capital: 100,000,000 shares of no par value (Group 33.33%).

Melasco A/S
Incorporated and registered in Denmark.
Principal country of operation – Denmark.
Issued share capital: 100 shares of 1,000 krone each (Group 50%).

Patrick World Travel Limited
Registered in England.
Principal country of operation – United Kingdom.
Issued share capital: 10,200 ordinary shares of £1 each (Group 33.33%).

Premier Molasses Company Limited
Incorporated and registered in Ireland.
Principal country of operation – Ireland.
Issued share capital: 50,000 'A' Ordinary shares of Irish £1 each
50,000 'B' Ordinary shares of Irish £1 each
(Group 50%).

Société des Stockages Calaisiens S.A.
Incorporated and registered in France.
Principal country of operation – France.
Issued share capital: 10,500 shares of 100 F Fs each (Group 50%).

Tate & Lyle (Nigeria) Limited
Incorporated and registered in Nigeria.
Principal country of operation – Nigeria.
Issued share capital: 6,359,452 ordinary shares of 50 kobo each (Group 36.69%).

Tees Storage Company Limited
Registered in England.
Principal country of operation – United Kingdom.
Issued share capital: 100,000 ordinary shares of £1 each (Group 50%).

Tunnel Refineries Limited
Registered in England.
Principal country of operation – United Kingdom.
Issued share capital: 1,248,000 ordinary shares of £1 each (Group 33.33%).
416,001 preference shares of £1 each (Group 33.33%).

United Molasses (Ireland) Limited
Incorporated and registered in Northern Ireland.
Principal country of operation – Northern Ireland.
Issued share capital: 50,000 'A' Ordinary shares of £1 each
50,000 'B' Ordinary shares of £1 each
(Group 50%).

Other investments

Béghin-Say S.A.
Incorporated and registered in France.
Group holds 5.20% of the shares.

Hippo Valley Estates Limited
Incorporated and registered in Zimbabwe.
Group holds 10.05% of the ordinary shares.

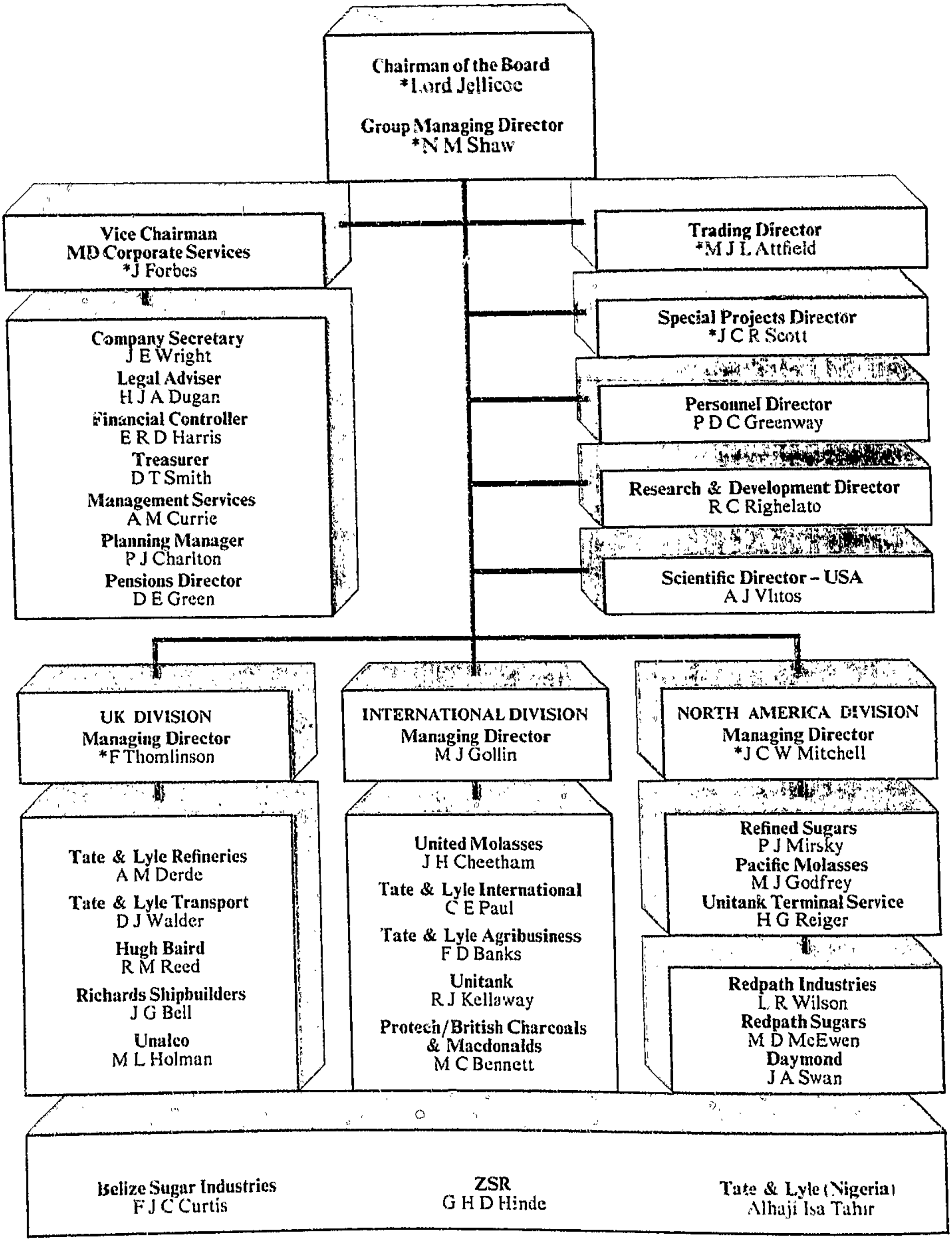
Royal Swaziland Sugar Corporation Limited
Incorporated and registered in Swaziland.
Group holds 8.73% of the ordinary shares.

The Zambia Sugar Company Limited
Incorporated and registered in Zambia.
Group holds 10.87% of the ordinary shares.

Joint venture

Redpath Industries Limited with John Labatt Limited
To operate a corn wet mill in Canada. (Group 25.45%).

GROUP MANAGEMENT ORGANISATION



*Main Board Director

ANALYSIS OF ORDINARY STOCKHOLDERS at 25th September 1982

Ordinary stockholders – by category	No. of holders	%	Total stock	%
Male	9,838	34.1	4,767,927	8.7
Female	14,237	49.4	6,512,373	11.9
Joint accounts – individuals	3,100	10.8	2,725,847	5.0
	27,175	94.3	14,006,147	25.6
Insurance companies	66	0.2	7,385,154	13.6
Nominee companies including pension funds	491	1.7	22,861,629	41.9
Banks	333	1.2	2,418,014	4.4
Other limited companies	441	1.5	6,284,305	11.5
Other corporate bodies	330	1.1	1,616,897	3.0
	28,836	100.0	54,572,146	100.0
Bearer			306	
			54,572,452	

Ordinary stockholders – by size of holding				
Up to 500	19,666	68.2	4,442,388	8.1
501 – 1,000	5,720	19.8	4,214,921	7.7
1,001 – 2,500	2,519	8.7	3,826,520	7.0
2,501 – 50,000	770	2.7	6,524,829	12.0
50,001 – 100,000	56	0.2	4,598,855	8.4
Above 100,000	105	0.4	30,964,633	56.8
	28,836	100.0	54,572,146	100.0
Bearer			306	
			54,572,452	

FINANCIAL CALENDAR

Dividend and interest payments

Ordinary stock	
Final dividend — 1982	5th April 1983
Interim dividend — 1983	29th July 1983
6½% (now 4.55% plus tax credit) cumulative preference stock	31st March and 30th September
5½% debenture stock 1980/85	1st June and 1st December
7¼% debenture stock 1989/94	31st March and 30th September
6¾% unsecured loan stock 1985/90	30th June and 31st December
7½% unsecured loan stock 2003/2008	31st March and 30th September
10¼% unsecured loan stock 2003/2008	31st March and 30th September
13% convertible unsecured loan stock 1994/99	30th April and 31st October

Capital gains tax

The market values on 6th April 1965 for the purposes of capital gains tax of Tate & Lyle PLC stocks then in issue were.

Ordinary stock	156.25p
6½% (Now 4.55% plus tax credit) cumulative preference stock	90.00p
4½% irredeemable debenture stock	£64.5% (repaid by 25th September 1982)
5½% debenture stock 1980/85	£85.5%