

Notes to the consolidated financial statements

continued

36 Events after the balance sheet date

On 27 May 2008 the Group announced that following the conclusion of negotiations to seek mutually acceptable and commercially viable terms for business supplied from Northern Foods' Hull ready meals facility, Northern Foods and its main customer served by the site have agreed to terminate the existing supply contracts.

As a result, we will be commencing consultation with employees on a proposal to cease production and close the site, in accordance with our strategy to continue with business only where terms generate an adequate return. The proposal includes consultation to move a proportion of production to other facilities. The net profit impact in 2009/10 will be minimal and the Company will incur a one off cash restructuring cost in the 2009/10 financial year which is expected to be less than £5m. Our 2008/09 accounts include a non-cash impairment of £5.9m.

The Group has also proposed a final dividend outlined in note 11 which is a non-adjusting post balance sheet event.

There have been no other post balance sheet events.

37 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Remuneration of key management personnel

The remuneration of the Board of directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 'Related party disclosures'. Further information about the remuneration of individual directors is provided in the audited section of the Directors' remuneration report.

	2009 £m	2008 £m
Salaries and other short term employee benefits	1.3	1.8
Post employment benefits	0.1	–
Compensation for loss of office	–	0.2
Share based payments	0.6	0.4
	2.0	2.4