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SENECA FOODS CORP /NY/
Form 11-K
June 29, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Form 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Year Ended December 31, 2004

Seneca Foods Corporation Employees' Savings Plan
(Full title of the Plan)

Seneca Foods Corporation
(Name of issuer of the securities held pursuant to the Plan)

3736 South Main Street, Marion, New York 14505
(Address of principal executive office)

REQUIRED INFORMATION

1. Plan financial statements and schedules examined by an independent accountant prepared in accordance with financial reporting requirements of ERISA.

See accompanying index on page 3.
2. Signature

SENECA FOODS CORPORATION
EMPLOYEES' SAVINGS PLAN

REPORT ON AUDITS OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES

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FOR THE YEARS ENDED
DECEMBER 31, 2004 AND 2003

Bobbitt, Pittenger & Company, P.A.

SENECA FOODS CORPORATION
EMPLOYEES' SAVINGS PLAN

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June 18, 2005

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Seneca Foods Corporation
Employees' Savings Plan
Marion, New York

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying statements of net assets available for benefits of the Seneca Foods Corporation Employees' Savings Plan ("the Plan") as of December 31, 2004 and 2003, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed in the foregoing Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/Bobbitt, Pittenger & Company, P.A.

Certified Public Accountants

SENECA FOODS CORPORATION
EMPLOYEES' SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

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2004

ASSETS

INVESTMENTS:

At fair value:

| | |
|--|--------------|
| MFS Total Return Fund A | \$15,747,651 |
| U.S. Bank Stable Asset Fund | 9,285,374 |
| First American Equity Index Fund Y | 8,804,095 |
| Federated Capital Appreciation Fund A | 7,357,346 |
| Seneca Foods Corporation Employer Stock Fund | 7,074,450 |
| Dreyfus Mid-Cap Index Fund | 3,481,835 |
| Massachusetts Investors Growth Fund A | 3,273,860 |
| Strong Small Cap Value Fund | 3,029,716 |
| First American Intermediate Term Bond Fund A | 2,803,229 |
| Dreyfus International Stock Index | 2,527,809 |
| MFS Value Fund A | 818,918 |
| Principal cash | 5,327 |

Total investments 64,209,610

LOANS RECEIVABLE 620,503

CONTRIBUTIONS RECEIVABLE

| | |
|----------|-----------|
| Employer | 1,519,172 |
| Employee | 91,749 |

Total contributions receivable 1,610,921

NET ASSETS AVAILABLE FOR BENEFITS \$66,441,034

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SENECA FOODS CORPORATION
 EMPLOYEES' SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS
 AVAILABLE FOR BENEFITS

Year Ended De
 2004

ADDITIONS:

Additions to net assets attributed to:

| | |
|--|--------------|
| Net appreciation in fair value of investments | \$ 1,758,037 |
|--|--------------|

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| | |
|---|--------------|
| Interest and dividend income | 441,560 |
| Contributions: | |
| Participant | 4,485,808 |
| Employer | 1,519,832 |
| Transfer of assets | 25,486,344 |
| | ----- |
| Total additions | 33,691,581 |
| DEDUCTIONS: | |
| Deductions from net assets attributed to: | |
| Withdrawals by participants/other | (1,868,326) |
| Other expenses | (7,823) |
| | ----- |
| | (1,876,149) |
| NET INCREASE | 31,815,432 |
| NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR | 34,625,602 |
| | ----- |
| NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR | \$66,441,034 |
| | ===== |

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SENECA FOODS CORPORATION
EMPLOYEES' SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2004 AND 2003

NOTE A - DESCRIPTION OF PLAN

The following description of Seneca Foods Corporation Employees' Savings Plan ("the Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan intended to qualify as a cash or deferred arrangement under Section 401(k) of the Internal Revenue Code. Substantially all employees of Seneca Foods Corporation ("the Company") are eligible to participate after completion of twelve months employment and attainment of age twenty-one. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

On December 16, 2004, the Seneca Foods, L.L.C. 401(k) Retirement Savings Plan (formerly the Chiquita Processed Foods 401(k) Plan) merged into the Seneca Foods Corporation Employee Savings Plan. As a result, all investments in mutual funds and participant loans were transferred from Seneca Foods, L.L.C. 401(k) Retirement Savings Plan to the Seneca Foods Corporation Employee Savings Plan on

that date.

Contributions

Participants may elect to contribute, on a pre-tax basis (elective deferrals), from 1% to 60% of their compensation up to regulatory maximums. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company may contribute additional amounts at the discretion of the Company's Board of Directors. During the year ended December 31, 2004 the Company contributed fifty percent of the first four percent of base compensation that a participant contributed to the Plan. The Company contributions are invested directly in Seneca Foods Corporation Employer Stock Fund and are allocated to participants based on the participants pro rata share of total participating payroll.

Vesting

Participants are immediately vested in all elective contributions and related earnings. Matching contributions made by the Plan sponsor fully vest after a service period of five years.

Participant Loans

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their account balance. The loans are secured by the balance in the participant's account and bear a reasonable rate of interest, as determined by the Company. Principal and interest is paid through monthly payroll deductions. The term of the loan should not exceed five years except in the case of a loan used to acquire a dwelling unit that is to be the principal residence of the participant.

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SENECA FOODS
CORPORATION EMPLOYEES' SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF PLAN (CONTINUED)

Payment of Benefits

After termination of service, the participant's account balance is generally distributed in a lump sum if the balance is less than \$5,000. Benefits are recorded when paid.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and/or to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, the Administrator shall determine the method of distribution of the participants' accounts in accordance with the provisions of the plan.

Participant Accounts

Each participants' account is credited with the participants' contribution and allocations of (a) additional Company contributions, if any, and (b) Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participants' vested account.

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Forfeited Accounts

At December 31, 2004 forfeited non-vested accounts totaled approximately \$84,000. These accounts were used to reduce employer contributions.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Valuation of Investments

All investments are valued at fair value as determined by quoted market prices. Current year increases or decreases in market value are recognized as investment appreciation or depreciation. All security transactions are recorded as of the trade date.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

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SENECA FOODS CORPORATION EMPLOYEES' SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated April 30, 1999, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the plan is currently designed and being operated in compliance with applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE D - INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets at December 31:

| | 2004 | 2003 |
|--|--------------|-------------|
| | ---- | ---- |
| MFS Total Return Fund | \$15,747,651 | \$7,266,908 |
| U.S. Bank Stable Asset Fund | 9,285,374 | 5,301,586 |
| First American Equity Index Fund Y | 8,804,095 | 5,633,369 |
| Federated Capital Appreciation Fund A | 7,357,346 | 6,225,592 |
| Seneca Foods Corporation Employer Stock Fund | 7,074,450* | 6,935,546* |
| Dreyfus Mid-Cap Index Fund | 3,481,835 | |

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| | |
|---|-----------|
| Massachusetts Investors Growth Fund A | 3,273,860 |
| Strong Small Cap Value Fund | 3,029,716 |
| First America Intermediate Term Bond Fund A | 2,803,229 |

* Nonparticipant-directed

During 2004, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

| | |
|-----------------------------|-------------|
| Mutual funds | \$1,963,592 |
| Collective investment funds | (205,555) |
| | ----- |
| | \$1,758,037 |
| | ===== |

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SENECA FOODS CORPORATION
EMPLOYEES' SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE E - NONPARTICIPANT-DIRECTED INVESTMENTS

Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as follows at December 31:

| | 2004 | 2003 |
|---------------------------------|-------------|-------------|
| | ---- | ---- |
| Net assets: | | |
| Seneca Foods Corporation | | |
| Employer Stock Fund | \$7,074,450 | \$6,935,546 |
| | ===== | ===== |
| Changes in net assets: | | |
| Contributions | \$1,182,334 | \$ 715,393 |
| Net (depreciation) appreciation | | |
| in fair value | (652,905) | 2,041,472 |
| Withdrawals by participants | (390,525) | (246,135) |
| | ----- | ----- |
| | \$ 138,904 | \$2,510,730 |
| | ===== | ===== |

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500 at December 31:

| | 2004 | 2003 |
|-----------------------------------|--------------|--------------|
| | ---- | ---- |
| Net assets available for benefits | | |
| per the financial statements | \$66,441,034 | \$34,625,602 |
| Contributions receivable | (1,610,921) | (1,032,772) |
| | ----- | ----- |

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| | | |
|-----------------------------------|--------------|--------------|
| Net assets available for benefits | | |
| Per Schedule H to the Form 5500 | \$64,830,113 | \$33,592,830 |
| | ===== | ===== |

The following is a reconciliation of contributions received per the financial statements for the year ended December 31 to the Schedule H of For 5500:

| | 2004 | 2003 |
|---|-------------|-------------|
| | ---- | ---- |
| Contributions per the financial statement | \$6,005,640 | \$5,068,092 |
| Contributions receivable | (1,610,921) | (1,032,772) |
| Contributions accrued in prior year | 1,032,772 | 522,213 |
| | ----- | ----- |
| Contributions per Schedule H to the Form 5500 | \$5,427,491 | \$4,557,533 |
| | ===== | ===== |

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SUPPLEMENTAL SCHEDULE

SENECA FOODS CORPORATION
EMPLOYEES' SAVINGS PLAN

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
DECEMBER 31, 2004

| Identity of Issue, Borrower, Lessor or Similar Party | Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | Cost |
|--|---|------|
| ----- | ----- | ---- |
| Mutual Funds | MFS Total Return Fund A | \$ |
| | Federated Capital Appreciation Fund A | |
| | First American Equity Index Fund Y | |
| | Strong Small Cap Value Fund | |
| | Dreyfus International Stock Index Fund | |
| | Dreyfus Mid Cap Index Fund | |
| | First American Intermediate Term Bond Fund A | |
| | MFS Value Fund A | |
| | Massachusetts Investors Growth Fund A | |

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| Contribution Account | | |
|-----------------------------|---|-----------|
| Collective Investment Funds | Seneca Foods Corporation Employer Stock Fund | 5,500,294 |
| | U.S. Bank Stable Asset Fund | 9,285,374 |
| Participant Loans | Interest rates 5% - 9.25% | |

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

Seneca Foods Corporation
Employees' Savings Plan
(Name of Plan)

/s/Kraig H. Kayser

Kraig H. Kayser
Sponsor of Seneca Foods
Corporation Employees'
Savings Plan

June 29, 2005