

Company no. 24168

JOHN MORRELL & COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1992

Joyson Newman



JOHN MORRELL & COMPANY LIMITED

Company Number:
24168

REPORT OF THE DIRECTORS
for the year ended 31 December 1992

The directors present their report and audited accounts of the company for the year ended 31 December 1992.

Principal activities and business review

The former principal activity of the company was the manufacture and distribution of foodstuffs. The company's trade was transferred to a fellow subsidiary Haywards Foods Limited on 1 January 1992.

The company has not traded in the year.

During the year the company became an immediate subsidiary of H.L Foods Limited, a non-trading holding company.

Results and dividends

Details of the results for the year are shown in the profit and loss account and the notes relating to it.

The directors do not recommend the payment of a dividend for the year.

Directors

The directors who have served during the year and details of their shareholdings and family interests as defined by the Companies Act 1985 in the ultimate parent undertaking are as follows:-

	Hillsdown Holdings plc	
	10p Ordinary Shares	
	1/12/92	1/1/92
B T Hunt	1,733	1,733
E T S Simpson	21,446	20,246

Neither of the directors had any beneficial interest in the company's shares as at the balance sheet date.

Joyson Newman

JOHN MORRELL & COMPANY LIMITED

REPORT OF THE DIRECTORS (continued)
for the year ended 31 December 1992

Close company


The company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

Auditors

Jayson Newman have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

On behalf of the board

B T Hunt



Secretary

8 March 1993

Jayson Newman

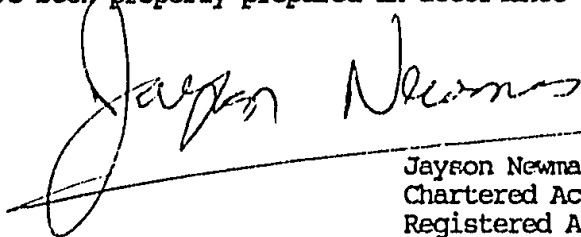
JOHN MORRELL & COMPANY LIMITED

AUDITORS' REPORT

To the members of John Morrell & Company Limited

We have audited the financial statements on pages 4 to 9 in accordance with Auditing Standards.

In our opinion, the financial statements give a true and fair view of the state of affairs of the company at 31 December 1992 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Jayson Newman
Chartered Accountants
Registered Auditor
Portland Place
London W1N 4AJ

8 March 1993

Jayson Newman

JOHN MORRELL & COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 1992

Jayson Newman

	Notes	£	1991 £
Turnover	2	-	7,462,472
Cost of sales		-	(6,428,487)
Gross profit		-	1,033,985
Administrative and distribution expenses		-	789,331
Operating profit		-	244,654
Interest payable	5	-	(3,000)
Profit on ordinary activities before tax	6	-	241,654
Taxation	7	-	-
Profit on ordinary activities after tax		-	241,654
Extraordinary item	8	-	181,984
Retained profit	14	-	423,638

JOHN MORRELL & COMPANY LIMITED

BALANCE SHEET

as at 31 December 1992

	Note	£.	£	£	1991 £
Fixed assets					
Investments	9		31,002		31,002
Current assets					
Stocks	10	-		603,888	
Debtors	11	3,806,364		3,643,297	
Cash in hand and at bank		723		2,746	
		3,807,087		4,249,931	
Creditors: amounts falling due within one year	12	1,209,088		1,651,932	
Net current assets			2,597,999		2,597,999
Net assets			2,629,001		2,629,001
Representing:					
Capital and reserves					
Called up share capital	13		1,767,800		1,767,800
Profit and loss account	14		861,201		861,201
Shareholders' funds			2,629,001		2,629,001

Signed on behalf of the board of directors
who approved the accounts on 8 March 1993

E T S Simpson)

B T Hunt)

Directors

JOHN MORRELL & COMPANY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 December 1992

1 Accounting policies

Accounting convention

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

A cash flow statement has not been prepared as the company has relied on certain exemptions contained in Financial Reporting Standard No. 1.

Consolidated financial statements

As permitted by the Companies Act 1985 the company being a wholly owned subsidiary of a company incorporated in the United Kingdom does not prepare consolidated accounts. The effects of consolidation are not material.

Turnover

Turnover is the value of sales, excluding value added tax, of goods supplied and services rendered.

Stocks

Stocks have been valued at the lower of cost and net realisable value, due allowance being made for obsolete and slow moving stocks. Cost is actual invoice price together with freight and duty where appropriate. Canned and processed foods are valued at manufacturing cost which includes an appropriate proportion of manufacturing overheads.

Depreciation

Freehold land was not depreciated. Freehold buildings were depreciated over their estimated useful lives at a rate sufficient to reduce them to their estimated residual value. When properties are revalued, the depreciation thereafter provided is based on revalued depreciable amounts.

Rates of depreciation used by the company write off:

Freehold buildings	5% per annum on net book amounts
Leasehold property	amortised over the remainder of the lease
Plant, machinery, fixtures and fittings	12.5% per annum
Motor cars	25% per annum
Motor lorries	20% per annum

Leasing

Fixed assets previously held under finance leases are capitalised.

Deferred tax

Provision is not made for deferred tax where liability is not expected to arise in the foreseeable future.

JOHN MORRELL & COMPANY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 December 1992

2 Turnover

All turnover related to sales within the United Kingdom.

3 Staff costs and numbers

	1992	1991
	£	£
Wages and salaries	-	477,152
Social security costs	-	42,020
Other pension costs	-	2,250
	<hr/>	<hr/>
	-	521,422
	<hr/>	<hr/>

The average weekly number of persons employed
by the company during the year was:

	Number	Number
Production and distribution	-	39
Marketing sales and general administration	-	2
	<hr/>	<hr/>
	-	41
	<hr/>	<hr/>

4 Directors emoluments

The directors did not receive emoluments during the year.

5 Interest payable

	1992	1991
	£	£
Group interest	-	3,000
	<hr/>	<hr/>

Joyson Newman

JOHN MORRELL & COMPANY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 December 1992

6 Profit on ordinary activities before tax

The profit before tax is arrived at after charging:	1992	1991
	£	£
Directors' emoluments (note 4)	Nil	Nil
Depreciation	-	57,066
Auditors' remuneration (see below)	-	2,325
Plant hire	-	31,580
	<u> </u>	<u> </u>

The auditors were remunerated in the current year by Hayward's Foods, a fellow subsidiary.

7 Taxation

No tax is payable in respect of the current and previous year.

8 Extraordinary item

The extraordinary item relates to a gain on disposal of assets.

9 Fixed asset investments	1992	1991
	£	£
Investments in subsidiaries (note 11) shares at cost	31,002	31,002
	<u> </u>	<u> </u>

The company's wholly owned subsidiaries are the Victoria Cold Storage Company Limited and Spring Food Products Limited, both of which are incorporated in England and Wales and are dormant.

10 Stocks	1992	1991
	£	£
Raw materials	-	-
Finished goods and work in progress	-	603,888
	<u> </u>	<u> </u>
	-	603,888
	<u> </u>	<u> </u>

11 Debtors	1992	1991
	£	£
Trade debtors	-	119,888
Amounts due from group undertakings	3,806,364	3,523,409
	<u> </u>	<u> </u>
	3,806,364	3,643,297
	<u> </u>	<u> </u>

JOHN MORRELL & COMPANY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 December 1992

	1992	1991
	£	£
12 Creditors: amounts falling due within one year		
Trade creditors	-	437,470
Amounts owed to undertakings	1,171,002	1,171,002
Other creditors and accruals	38,086	43,460
	<hr/>	<hr/>
	1,209,088	1,651,932
	<hr/>	<hr/>
13 Share capital		
Authorised, allotted and fully paid	1992	1991
	£	£
750,000 ordinary shares of £1 each	750,000	750,000
400,000 "A" 11% convertible cumulative redeemable participating preference shares of £1 each	400,000	400,000
400,000 "B" 11% convertible cumulative redeemable participating preference shares of £1 each	400,000	400,000
217,800 deferred shares of £1 each	217,800	217,800
	<hr/>	<hr/>
	1,767,800	1,767,800
	<hr/>	<hr/>
14 Profit and loss account	£	£
Balance brought forward	861,201	437,563
Movements in year		
Retained profit for year	-	423,638
	<hr/>	<hr/>
Balance carried forward	861,201	861,201
	<hr/>	<hr/>
15 Ultimate parent company		
The company's ultimate parent company Hillsdown Holdings plc, a company incorporated in England and Wales.		

Joyson Newman