

THE SPECIALIST SOUP COMPANY LIMITED

(Formerly John Morrell & Company Limited)

Directors' report and financial statements

31 December 1999

Registered in England number 24168



The Specialist Soup Company Limited
(Formerly John Morrell & Company Limited)

Directors' report and financial statements

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The Specialist Soup Company Limited

(Formerly John Morrell & Company Limited)

Directors' report

The directors present their annual report and financial statements for the year ended 31 December 1999.

Principal activities and business review

The company did not trade during the year or the previous financial year and there has been no income or expenditure.

Directors and directors' interests

The directors who served during the year were:

J E Nichols

The following directors were appointed after the year end:

S P Mackee (appointed 16 May 2000)

None of the directors who were directors at the year end had any beneficial interest in the share capital of the company or any contract to which the company was party during the year.

Mr J E Nichols is also a director of Hillsdown Ambient Foods Group Limited, the company's immediate parent company. His interest in the share capital of group companies is disclosed in the financial statements of Hillsdown Ambient Foods Group Limited.

Change of Name

A special resolution was passed on 22 February 1999 to change the name of the company from John Morrell & Company Limited to The Specialist Soup Company Limited.

The Specialist Soup Company Limited
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Directors' report *(continued)*

Auditors

The company satisfies the requirements set out in Section 250 of the Companies Act 1985 (as amended), and accordingly having on 15th December 1999 passed a written resolution, the company exempts itself from the provisions of Part VII of the Companies Act 1985 (as amended) relating to the audit of accounts. No notice has been deposited under Section 249B of the Companies Act 1985 (as amended) requiring the company to obtain an audit of its accounts for the year ended 31 December 1999.

By order of the board



S P Mackee

Secretary

Bridge Road
Long Sutton
Spalding
Lincolnshire
PE12 9EQ

6 September 2000

The Specialist Soup Company Limited

(Formerly John Morrell & Company Limited)

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Specialist Soup Company Limited

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Balance sheet

at 31 December 1999

	Note	1999	1998
		£	£
Current assets			
Debtors	3	1,794,015	1,794,015
Creditors: amounts falling due within one year	4	(26,215)	(26,215)
Net current assets		<u>1,767,800</u>	<u>1,767,800</u>
Net assets		<u>1,767,800</u>	<u>1,767,800</u>
Capital and reserves			
Called up share capital	5	<u>1,767,800</u>	<u>1,767,800</u>
SHAREHOLDERS FUNDS		<u>1,767,800</u>	<u>1,767,800</u>

The company was dormant within the meaning of Section 250 of the Companies Act 1985 throughout the year ended 31 December 1999.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the board of directors on 6 September 2000 and were signed on its behalf by:



J E Nichols
Director

The Specialist Soup Company Limited

(Formerly John Morrell & Company Limited)

Notes

(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

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

Related party transactions

The company is a wholly owned subsidiary and has taken advantage of the exemptions conferred by Financial Reporting Standard No. 8 from the requirement to disclose transactions with other group companies which are eliminated on consolidations.

2 Profit and loss account

The company has received no income nor incurred expenditure in its own right and made neither a profit nor a loss during the current or preceding year.

No other recognised gains or losses arose in the current or preceding year.

3 Debtors

	1999	1998
	£	£
Amounts owed by parent and fellow subsidiary undertakings	1,794,015	1,794,015

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Notes (continued)

4 Creditors: amounts falling due after more than one year

	1999	1998
	£	£
Amounts owed to subsidiary undertakings	26,215	26,215

5 Share Capital

	1999	1998
	£	£
<i>Authorised, allotted, issued and fully paid</i>		
750,000 Ordinary shares of £1 each	750,000	750,000
400,000 "A" 11% convertible cumulative redeemable participating preference share of £1	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
	<u>1,767,800</u>	<u>1,767,800</u>

6 Ultimate holding company

The company's immediate parent company and controlling party is Hillsdown Ambient Foods Group Limited, a company incorporated in England and Wales.

The company's ultimate UK parent company and controlling party is Hillsdown Holdings Limited, a company incorporated in England and Wales. Hillsdown Holdings Limited prepares group financial statements which include this company's financial statements and there are no other group financial statements which include the financial statements of this company. Copies of the group financial statements can be obtained from Hillsdown House, 32 Hampstead High Street, London NW3 1QD.

The ultimate parent undertaking is HMTF Premier Limited, a company limited by shares and incorporated in the Cayman Islands.