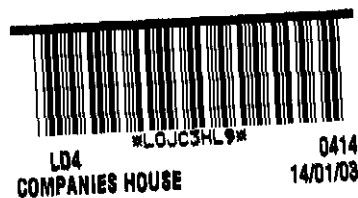


Lax & Shaw Limited

**Directors' report and financial
statements**

Registered number 00127795

14 September 2002



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 14 September 2002.

Principal activities

The company did not trade throughout the year.

Review of the year

The retained profit for the year was £3,656,000 (2001: £nil). The directors do not recommend payment of a dividend (2001 £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

A Spencer (Chairman and Managing Director)
C W Walker
A Whitehead (resigned 31 May 2002)
J I Flockhart

The following directors had the following outstanding options to acquire ordinary shares in Associated British Foods plc

	Number		Exercise price	Date from which exercisable	Expiry date
	At beginning of period shares of 5 15/22p each	At end of period shares of 5 15/22p each			
A Spencer	30,000	30,000	561.5p	28 April 2003	27 April 2008
	25,000	25,000	464.0p	17 January 2004	16 January 2011
CW Walker	15,000	15,000	561.5p	28 April 2003	27 April 2008
JI Flockhart	15,000	15,000	561.5p	28 April 2003	27 April 2008

None of the directors notified any interest in the shares and debentures of group companies in the period.

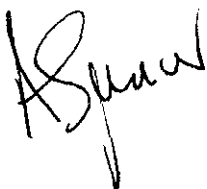
No director had at any time during the period any material interest in a contract with the company, other than service contracts.

Auditors

Pursuant to a shareholders' resolution the company is not obliged to reappoint its auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the board

A Spencer
Director



Weston Centre
Bowater House
68 Knightsbridge
London
SW1X 7LQ

12 December 2002

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 will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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.



KPMG Audit Plc

1 The Embankment
Neville Street
Leeds
LS1 4DW

Independent auditors' report to the members of Lax and Shaw Limited

We have audited the financial statements on pages 5 to 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 14 September 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

1 The Embankment
Neville Street
Leeds
LS1 4DW

12 December 2002

Profit and loss account

for the year ended 14 September 2002

	<i>Note</i>	2002 £000	2001 £000
Turnover	2	-	-
Operating profit and profit on ordinary activities before taxation	3	-	-
Tax on profit on ordinary activities	4	3,656	-
Profit after tax		3,656	-
Retained profit for the period		3,656	-

A statement of movements on reserves is given in note 8.

There is no material difference between the company's results as reported and on an historical cost basis. Accordingly no note of historical cost profits and losses has been prepared.

No separate statement of total recognised gains and losses has been prepared as the company has no recognised gains or losses other than the retained profit for the year as shown above.

Balance sheet
at 14 September 2002

	<i>Note</i>	2002 £000	2001 £000
Current assets			
Debtors	5	14,478	10,822
Net assets		<u>14,478</u>	<u>10,822</u>
Capital and reserves			
Called up share capital	6	81	81
Revaluation reserve	7	-	23
Profit and loss account	7	14,397	10,718
Equity shareholders' funds		<u>14,478</u>	<u>10,822</u>

These financial statements were approved by the board of directors on 12 December 2002 and were signed on its behalf by:

A Spencer
Director



Notes

(forming part of the financial statements)

1 Accounting reference date

The accounting reference date of the company is the Saturday nearest to 15 September. Accordingly these financial statements have been prepared for the year ended 14 September 2002 (2001: 15 September).

2 Accounting policies

The financial statements have been prepared under the historical cost accounting convention. The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom which have been applied consistently.

Basis of preparation

Under Financial Reporting Standard 1 (Revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A group cash flow statement is included in the financial statements of Associated British Foods plc.

The company is controlled by Associated British Foods plc and is exempt from disclosing transactions with it and other group companies under Financial Reporting Standard 8 as it is a wholly owned subsidiary undertaking included within the consolidated Financial Statements which are publicly available.

3 Costs and overheads

Directors' emoluments and auditors' remuneration is borne by the parent company.

4 Taxation

	2002 £000	2001 £000
UK corporation tax at 30% (2001: 30%)	-	-
Adjustment relating to an earlier period	(129)	-
Amounts receivable for group relief at 100%	3,785	-
	<hr/> 3,656	<hr/> -

Notes (continued)

5 Debtors

	2002 £000	2001 £000
Amounts owed by group undertakings:		
Fellow group undertakings	14,478	10,822

6 Called up share capital

	2002 £000	2001 £000
<i>Authorised</i>		
Ordinary shares of £1 each	20	20
Deferred shares of £1 each	80	80
	<hr/> 100	<hr/> 100
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	1	1
Deferred shares of £1 each	80	80
	<hr/> 81	<hr/> 81

7 Reserves

	Revaluation reserve £000	Profit and loss account £000
At beginning of period	23	10,718
Retained profit for period	-	3,656
Transfers	(23)	23
	<hr/> -	<hr/> 14,397
At end of period	-	14,397

8 Reconciliation of movement in shareholders' funds

	2002 £000	2001 £000
Opening shareholders' funds	10,822	10,822
Profit for the period	3,656	-
	<hr/> 14,478	<hr/> 10,822
Closing shareholders' funds	14,478	10,822

Notes *(continued)*

9 Contingent liabilities

The company, together with Associated British Foods plc and certain fellow UK subsidiary undertakings, is party to a set-off arrangement in respect of its bank accounts with certain of the group's bankers.

10 Holding company

The immediate holding company is Allied Glass Containers Limited which is incorporated in Great Britain and registered in England. Copies of this company financial statements can be obtained from Weston Centre, Bowater House, 68 Knightsbridge, London, SW1X 7LQ.

The largest group in which the results of the company are consolidated is that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that headed by ABF Investments plc which is incorporated in Great Britain and registered in England. The consolidated financial statements of these groups are available to the public and may be obtained from Weston Centre, Bowater House, 68 Knightsbridge, London, SW1X 7LQ.

