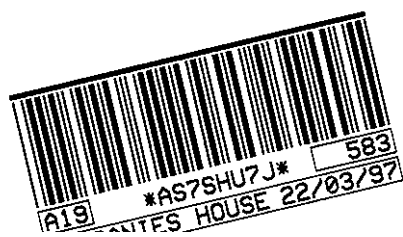


**Twining Crosfield & Co Limited**  
**Directors' report and financial statements**  
**14 September 1996**  
**Registered number 144900**





# Twining Crosfield & Co Limited

## Directors' report and financial statements

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# Twining Crosfield & Co Limited

## Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 14 September 1996.

### Principal activities

In the course of the period the principal activities of the company was that of a holding company. The company's subsidiaries were engaged in the purchase and sale of tea and coffee.

### Business review and future development

During the period the main activities of the company remained unchanged, and the directors anticipate that any future developments would be related to these activities.

### Trading results and transfer to reserves.

The profit and loss account for the period is set out on page 5. The profit on ordinary activities after payment of taxation was £131,000 (1995:£4,460,000) which was added to reserves. The directors do not recommend the payment of a dividend.

### Directors and directors' interests

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

GH Weston (Chairman)  
BJ Evans (Managing Director)  
SHG Twining  
Guy H Weston  
IWK Dewar  
JE Leeder

Notification of an interest in the shares in this company and shares in or debentures of other group companies by GH Weston was not required because at the end of the period he was also a director of a company of which this company is a wholly owned subsidiary undertaking.

# Twining Crosfield & Co Limited

## Directors' report *(continued)*

### Directors and directors' interests *(continued)*

The other directors notified the following interests in the ordinary shares of 5p each of Associated British Foods plc.


	Interest at end of period	Interest at beginning of period
BJ Evans	32,800	16,400
SHG Twining	18,412	9,206
IWK Dewar	3,470	1,735
JE Leeder	16,770	10,385
Guy H Weston	<u>361,526</u>	<u>180,763</u>

Mr Guy H Weston notified at the end of the period that he had a non beneficial interest as a trustee of a trust which held 683,073 ordinary shares of 50p in Wittington Investments Limited.

According to the register of directors' interests, no rights to subscribe for the shares in this company or shares in or debentures of any group company were granted to any of the directors or their immediate families during the financial period.

During the previous financial period JE Leeder was granted an option to purchase 20,000 ordinary shares of 5p in Associated British Foods plc exercisable between 17 November 1999 and 10 November 2004 at a price of 557p per share.

By order of the board

  
WB Wright  
MR Gore  
Joint Secretaries

Weston Centre  
Bowater House  
68 Knightsbridge  
London  
SW1X 7LR

17 October 1996

# Twining Crosfield & Co Limited

## Statement of directors' responsibilities in respect of the preparation of financial statements

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 of the company 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.



Arlington Business Park  
Theale  
Reading  
RG7 4SD

## Report of the auditors to the members of Twining Crosfield & Co Limited

We have audited the financial statements on pages 5 to 11.

### *Respective responsibilities of directors and auditors*

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

### *Basis of 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 at 14 September 1996 and of its profit for the 52 week period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

KPMG

KPMG  
Chartered Accountants  
Registered Auditors

8 November 1996

# Twining Crosfield & Co Limited

## Profit and loss account

for the period ended 14 September 1996

	<i>Note</i>	<b>52 week period ended 14 September 1996 £000</b>	<b>52 week period ended 16 September 1995 £000</b>
Income from shares in group undertakings		147	2
Interest receivable from group undertakings		60	60
Release of provision against investment in subsidiary		-	4,471
Subsidiary closure costs		(17)	-
Currency fluctuations:			
Unrealised (loss)		(8)	(5)
<b>Profit on ordinary activities before taxation</b>		<b>182</b>	<b>4,528</b>
Taxation	4	(51)	(68)
<b>Profit for the financial period</b>		<b>131</b>	<b>4,460</b>
Retained profit brought forward		5,364	904
<b>Retained profit carried forward</b>	9	<b>5,495</b>	<b>5,364</b>

The above results comprise the company's continuing operations.

A statement of movements on reserves is given in note 9.

There are no recognised gains or losses other than the results for the period and for the previous period.

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.

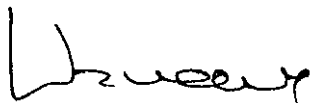


# Twining Crosfield & Co Limited

## Balance sheet at 14 September 1996

	Note	14 September 1996		16 September 1995	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Investments	5		19,800		12,084
<b>Current assets</b>					
Debtors	6	29,682		27,688	
<b>Creditors: amounts falling due within one year</b>	7	<u>(43,142)</u>		<u>(33,563)</u>	
<b>Net current liabilities</b>			<u>(13,460)</u>		<u>(5,875)</u>
<b>Net assets</b>			<u>6,340</u>		<u>6,209</u>
<b>Capital and reserves</b>					
Called up share capital	8		610		610
Share premium account	9		107		107
Capital redemption reserve	9		128		128
Profit and loss account	9		<u>5,495</u>		<u>5,364</u>
<b>Total equity shareholders' funds</b>			<u>6,340</u>		<u>6,209</u>

These financial statements were approved by the board of directors on 17 October 1996 and were signed on its behalf by:



**BJ Evans**  
Director

# Twining Crosfield & Co Limited

## 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 52 week period ended 14 September 1996.

### 2 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 under the historical cost convention, and in accordance with applicable accounting standards.

The company is exempt by virtue of Section 228 of the Companies Act 1985 from the requirement to prepare group accounts.

Under Financial Reporting Standard 1 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.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Gains or losses on translation are included in the profit and loss account.

### 3 Directors and employees

The average number of persons employed by the company (including directors) during the period was 6 (1995:7). The directors received remuneration of £nil (1995:£Nil).

# Twining Crosfield & Co Limited

## Notes (continued)

### 4 Taxation on profit on ordinary activities

	52 week period ended 14 September 1996 £000	52 week Period ended 16 September 1995 £000
UK corporation tax at 33% (1995: 33%) on the profit for the period on ordinary activities	77	-
Double taxation relief	(26)	-
Adjustment relating to an earlier period	-	8
Group relief payments	-	60
	<hr/> 51	<hr/> 68

The charge to taxation for the period results principally from the disallowance of certain income and expenses.

Group relief represents 100% of taxable profits.

### 5 Fixed assets investment - Shares

	Unlisted subsidiary undertakings £000
<i>Cost</i>	
At beginning of period	12,084
Addition	7,716
	<hr/>
At end of period	19,800
	<hr/>
<i>Provisions</i>	
At beginning and end of period	-
	<hr/>
<i>Net book value</i>	
At 14 September 1996	19,800
	<hr/>
At 16 September 1995	12,084
	<hr/>

# Twining Crosfield & Co Limited

## Notes (continued)

### 5 Fixed assets investments (continued)

The principal companies in which the company's interest is more than 10% are as follows:

Subsidiary undertakings:	Country of registration or incorporation	Principal activity	Class of shares held
<i>Companies whose share capital is wholly owned by Twining Crosfield &amp; Co Limited</i>			
R Twining and Company Ltd	England	Tea & coffee merchants	Ord. £1
Matheson McLaren & Co Ltd	Scotland	Tea & coffee merchants	Ord. £1
Namosa Ltd	Northern Ireland	Tea & coffee merchants	Ord. £1
Foods International S.A	France	Tea merchants	Ord. FFr 150
Foods International Holding B.V	Netherlands	Holding company	Ord. Dfl 1,000
Twinnings of Ireland Ltd	Eire	Non trading	Ord. IRP 1 Pref. IRP 10
Robert Jackson & Co Ltd	England	Non trading	Ord. £1 'A' Pref. £1 Ord. £1
Erik Haugen	Norway	Distributor	Ord. NKR 1

Group financial statements have not been prepared as the company is a wholly owned subsidiary undertaking of Associated British Foods plc. Associated British Foods plc prepares group financial statements which include the company. In the opinion of the directors, the investments in and amounts due from the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

### 6 Debtors

	14 September 1996 £000	16 September 1995 £000
Amounts owed by subsidiary undertakings	29,682	27,688

# Twining Crosfield & Co Limited

## Notes (continued)

### 7 Creditors: amounts falling due within one year

	14 September 1996 £000	16 September 1995 £000
Corporation taxation	52	-
<i>Amounts owed to group undertakings:</i>		
Parent and fellow subsidiary undertakings	34,103	24,767
Subsidiary undertakings	8,987	8,796
	<u>43,142</u>	<u>33,563</u>

### 8 Called up share capital

	14 September 1996 Number	£000	16 September 1995 Number	£000
<i>Authorised</i>				
Ordinary shares of 25p each	3,000,000	750	3,000,000	750
4.55% cumulative/redeemable preference shares of £1 each	150,000	150	150,000	150
		<u>900</u>		<u>900</u>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of 25p each	2,440,000	610	2,440,000	610
4.55% cumulative/redeemable preference shares of £1 each	-	-	-	-
		<u>610</u>		<u>610</u>

### 9 Reserves

	Share premium account £000	Capital reserves £000	Profit and loss account £000
At beginning of period	107	128	5,364
Profit for the period	-	-	131
	<u>107</u>	<u>128</u>	<u>5,495</u>

# Twining Crosfield & Co Limited

## Notes *(continued)*

### 10 **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.

### 11 **Holding company**

The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England.

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.

SUBSIDIARIES OF TWINING CROSFIELD & CO. LIMITED  
AS AT 14 SEPTEMBER 1996

Arranged as follows:

Col. (1) Name of subsidiary

Col. (2) Class of shares held (proportion held is 100% unless otherwise stated)

Shares in the subsidiaries are held by, or by nominees for, the company. Shares in other subsidiaries marked\* are held by, or by nominees for, subsidiaries of the company.

Subsidiaries not incorporated in Great Britain and registered in England have, in brackets after name, country in which registered, if Scotland, or in which incorporated if outside Great Britain.

(1)	(2)
FOODS INTERNATIONAL S.A. (France)	Ord.
FOODS INTERNATIONAL HOLDING B.V. (Netherlands)	Ord.
FOODS INTERNATIONAL SALES & MARKETING LIMITED (Republic of Ireland)	Ord.
FOODS INTERNATIONAL SALES EN MARKETING N.V. (Belgium)	Ord.
FOODS INTERNATIONAL VERKOOP EN MARKETING HOLLAND B.V. (Netherlands)	Ord.
FOODS INTERNATIONAL VERTRIEBS UND MARKETING GmbH (Germany)	Undefined
GROSVENOR MARKETING S.A. (France)	Ord.
*G.W.H. INVESTMENTS INC. (Delaware - U.S.A.)	Ord.
*GROSVENOR MARKETING INC. (Delaware - U.S.A.)	Ord.
HAUGEN GRUPPEN AS (Norway)	Ord.
ERIC HAUGEN AS (Norway)	Ord.
E. HAUGEN MANAGEMENT AS (Norway)	Ord.
ERIC HAUGEN TRADING AS (Norway)	Ord.
HILLS FOODS AS (Norway)	Ord.
ROBERT JACKSON & COMPANY LIMITED	Ord.
JULA B.V. (Netherlands)	Ord.
*JACKSONS OF PICCADILLY LIMITED	Ord.
*JACKSONS BLENDING & PACKING CO. LIMITED	Ord.
LOU SOULEU PROVENCAU S.A. (France)	Ord.
MATHESON McLAREN & COMPANY LIMITED (Scotland)	Ord.
H. & E. MUSGRAVE (DUBLIN) LIMITED (Republic of Ireland)	Pref.Ord.
NAMOSA LIMITED (Northern Ireland)	Ord.
*P.J. OSBORN (PACKING) LIMITED	Ord.
SEED SYSTEMS Inc (California U.S.A.)	Ord.
T. STORM & SONNER AS (Norway)	Ord.
TUKE SHIPPING LIMITED	'A' Ord. 'B' Ord.
R. TWINING AND COMPANY LIMITED	Ord.
*R. TWINING & CO. LIMITED (North Carolina - U.S.A.)	Ord.
TWININGS BEVERAGES Inc. (U.S.A.)	Ord.
TWININGS OF IRELAND LIMITED (Republic of Ireland)	Pref.Ord.
FRITZ WALTHER A.G. (Switzerland)	Ord.
WALTER WILLIAMS & CO. (LONDON) LIMITED	Def.Ord.
LA TISANIERE S.A. (France)	Ord.
AC HUMKO (U.S.A.)	Ord.
ABITEC CORPORATION (Ohio - U.S.A.)	Ord.