

ALLINSON LIMITED

Directors' report and financial statements

16 September 2000

(Registered number: 300245)



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 16 September 2000.

Business review and future development

The activities of the company are controlled by Associated British Foods plc, of which it is a wholly owned subsidiary. The company has not traded on its own account during the period. All trading transactions are entered into as agents for Cereal Industries Limited, the results thereof being incorporated in the financial statements of that company.

Transfers to reserves

The profit and loss account for the period is set out on page 4. Dividend paid during the period was nil (1999: £2,000,000).

Directors and directors' interests

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

RH Richard

MF Connolly

JE Brown (Resigned 31 January 2000)

Notification of an interest in, or right to subscribe for shares in or debentures of other group companies by RH Richard and MF Connolly was not required because at the end of the period he was a director of a company of which this company is a wholly owned subsidiary undertaking.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company, or any other group company, were granted to any of the directors or their immediate families, who are required to notify interests, or exercised by them, during the financial period, except as noted below.

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



By order of the Board
J S Foster
Secretary

Weston Centre
Bowater House
68 Knightsbridge
London SW1X 7LQ

23 October 2000

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.

Report of the auditors, KPMG Audit Plc, to the members of Allinson Limited

We have audited the financial statements on pages 4 to 13.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements are prepared 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. 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 opinion

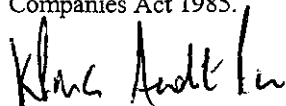
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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

As explained in the accounting policies (note 2) no provision has been made for deferred tax. Note 7 specifies the total potential amount of deferred taxation not provided but no assessment has been made of the extent to which it is probable that this might crystallise and therefore, of the amount for which provision should be made in accordance with the requirements of Statement of Standard Accounting Practice No 15 and the Companies Act 1985.

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 16 September 2000 and of its result for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor

27 October 2000

Profit and loss account

for the period ended 16 September 2000

	<i>Note</i>	52 week period ended 16 September 2000	53 week period ended 18 September 1999
		£	£
Turnover – discontinued operations		-	5,763,512
Operating profit – continuing operations	3	-	1,252,751
Other interest receivable and similar income	6	-	959
Profit on ordinary activities before taxation	4	-	1,253,710
Tax on profit on ordinary activities	7	-	(1,217,469)
Profit on ordinary activities after taxation		-	36,241
Dividends paid		-	(2,000,000)
Retained (loss) for the financial period		-	(1,963,759)
Retained profit brought forward		522,187	2,485,946
Retained profit carried forward		522,187	522,187

There is no difference between the company's result as reported and on an historical cost basis.

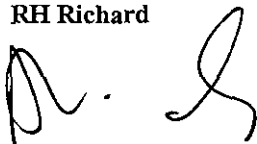
There were no recognised gains or losses other than the result for the period (1999: Nil).

Balance sheet
at 16 September 2000

	<i>Note</i>	16 September 2000		18 September 1999	
		£	£	£	£
Fixed assets					
Tangible assets	8	-		506,060	
Current assets					
Stocks	9	-		326,767	
Debtors	10	665,188		806,261	
Cash at bank and in hand		-		500	
		<u>665,188</u>		<u>1,133,528</u>	
Creditors: amounts falling due within one year	11	-		(974,400)	
		<u>-</u>		<u>(974,400)</u>	
Net current assets			665,188		159,128
			<u>665,188</u>		<u>159,128</u>
Net assets			665,188		665,188
			<u>665,188</u>		<u>665,188</u>
Capital and reserves					
Called up share capital	12	83,001		83,001	
Share premium account	13	60,000		60,000	
Profit and loss account	13	522,187		522,187	
		<u>665,188</u>		<u>665,188</u>	
Equity shareholders' funds	14	665,188		665,188	
		<u>665,188</u>		<u>665,188</u>	

These financial statements were approved by the board of directors on 23 October 2000 and were signed on its behalf by:

RH Richard



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 52 week period ended 16 September 2000.

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, in accordance with applicable accounting standards.

The company is exempt by virtue of S228 of the Companies Act 1985 from the requirement to produce group accounts.

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.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Freehold buildings	50 years
Plant, machinery, fixtures and fittings	12 years
Motor vehicles	5 years
Computer equipment	5 years

No depreciation is provided on freehold land.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, the weighted average purchase price is used. For work in progress and finished goods cost is taken as production cost.

Taxation

The charge for taxation is based on the profit for the period.

Notes (continued)

3. Operating profit

	52 week period ended 16 September 2000 £	53 week period ended 18 September 1999 £
Turnover	-	5,763,512
Cost of sales	-	(3,834,321)
Gross profit	-	1,929,191
Distribution costs	-	(513,625)
Administration expenses	-	(168,548)
Other operating come	-	5,733
Operating profit	-	1,252,751

4. Profit on ordinary activities before taxation is stated after charging

	52 week period ended 16 September 2000 £	53 week period ended 18 September 1999 £
Depreciation and other amounts written off tangible fixed assets:	-	74,307
Rentals payable under property leases	-	32,454
Auditors' remuneration:		
Audit	-	8,113
Other services	-	1,000

Notes (continued)

5. Directors and employees

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

	Number of employees	
	52 week period ended 16 September 2000	53 week period ended 18 September 1999
Production	-	17
Selling	-	2
Administration	-	4
	<hr/>	<hr/>
	-	23
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	52 week period ended 16 September 2000	53 week period ended 18 September 1999
	£	£
Wages and salaries	-	412,532
Social security costs	-	25,692
Other pension costs	-	29,147
	<hr/>	<hr/>
	-	467,371
	<hr/>	<hr/>

	52 week period ended 16 September 2000	53 week period ended 18 September 1999
	£	£
Directors' emoluments	-	36,799
	<hr/>	<hr/>

	52 week period ended 16 September 2000	53 week period ended 16 September 1999
	£000	£000

Retirement benefits are accruing to the following number of directors under:

Defined benefit schemes	-	1
	<hr/>	<hr/>

Notes (continued)

6. Other interest receivable and similar income

	52 week period ended 16 September 2000 £	53 week period ended 18 September 1999 £
Lease income	-	959
	<u> </u>	<u> </u>

7. Taxation on profit on ordinary activities

	52 week period ended 16 September 2000 £	53 week period ended 18 September 1999 £
Group relief payments	-	1,217,469
	<u> </u>	<u> </u>

The full potential amounts of deferred tax would be as follows:

	Accelerated Capital Allowances £
At 16 September 2000	-
At 18 September 1999	<u> </u> 55,349 <u> </u>

Notes (continued)

8. Tangible fixed assets

	Land And Buildings	Plant and Machinery	Fixtures, Fittings,	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At beginning of period	241,272	1,120,060	63,887	63,409	1,488,628
Inter-Company Transfers	(241,272)	(1,120,060)	(63,887)	(63,409)	(1,488,628)
At end of period	-	-	-	-	-
Depreciation					
At beginning of period	102,238	797,074	54,566	28,690	982,568
Inter-Company Transfers	(102,238)	(797,074)	(54,566)	(28,690)	(982,568)
At end of period	-	-	-	-	-
Net book value					
At 16 September 2000	-	-	-	-	-
At 18 September 1999	139,034	322,986	9,321	34,719	506,060

The net book value of land and buildings comprises:

	52 week period ended 16 September 2000 £	53 week period ended 18 September 1999 £
Freehold	-	14,490
Short leasehold	-	124,544
	-	139,034

Freehold land of £Nil (1999: £14,490) is not depreciated.

Notes (continued)

9. Stocks

	16 September 2000	18 September 1999
	£	£
Raw materials and consumables	-	272,709
Finished goods and goods for resale	-	54,058
	<hr/>	<hr/>
	-	326,767
	<hr/>	<hr/>

10. Debtors

	16 September 2000	18 September 1999
	£	£
Trade debtors	-	762,633
Amounts owed by group undertakings	665,188	-
Other debtors	-	23,721
Prepayments and accrued income	-	19,907
	<hr/>	<hr/>
	665,188	806,261
	<hr/>	<hr/>

11. Creditors: amounts falling due within one year

	16 September 2000	18 September 1999
	£	£
Bank loans and overdrafts	-	86,226
Trade creditors	-	55,282
Amounts owed to group undertakings	-	682,211
Other taxation and social security	-	5,038
Accruals and deferred income	-	145,643
	<hr/>	<hr/>
	-	974,400
	<hr/>	<hr/>

Notes (continued)

12. Called up share capital

	16 September 2000	18 September 1999
	£	£
<i>Authorised</i>		
150,000 Ordinary shares of £1 each	150,000	150,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
83,001 Ordinary shares of £1 each	83,001	83,001
	<hr/>	<hr/>

13. Reserves

	Share Premium Account £	Profit And loss Account £
At beginning of period	60,000	522,187
At end of period	<hr/> 60,000 <hr/>	<hr/> 522,187 <hr/>

14. Reconciliation of movements in shareholders funds

	52 week period ended 16 September 2000	53 week period ended 18 September 1999
	£000	£000
Opening shareholders funds	665,188	2,628,947
Profit for the financial year:	-	36,241
Dividends paid	-	(2,000,000)
	<hr/>	<hr/>
Closing shareholders funds	665,188	665,188
	<hr/>	<hr/>

Notes (continued)

15. 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.

16. Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	52 week period ended 16 September 2000	53 week period ended 18 September 1999
	Land and Buildings £	Land and Buildings £
Operating leases which expire:		
Within one year	-	-
In the second to fifty years inclusive	-	20,600
Over five years	-	8,150
	<hr/>	<hr/>
	-	28,750
	<hr/>	<hr/>

17. Parent undertaking

The ultimate parent undertaking and controlling party as defined by FRS 8 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. 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.