

Weston Foods Limited

**Directors' report and financial
statements**

Registered number 346959

13 September 2003



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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 13 September 2003.

Principal activities

The company is a holding company.

Business review and future developments

In the period a warranty provision of £5,000,000 associated with a disposal in 2000 was released to the profit and loss account.

Results and reserves

The profit and loss account for the year is set out on page 4. The profit on ordinary activities after taxation amounted to £4,967,600 (2002: £332,709). No dividend was declared for the period (2002: £nil). The balance of £4,967,600 (2002: £332,709) was transferred to reserves.

Directors and directors' interests

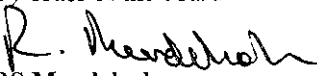
The directors who held office during the period were as follows:

JG Bason
PA Russell
RS Mendelsohn

Notification of an interest in, or a right to subscribe for, the shares of this company and shares in or debentures of other group companies by JG Bason and PA Russell was not required because at the end of the period each was also a director of a company of which this company is a wholly owned subsidiary undertaking. RS Mendelsohn notified no interests.

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


RS Mendelsohn
Secretary

13.2.04.

Weston Centre
Bowater House
68 Knightsbridge
London
SW1X 7LQ

2004

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 of the company for that year. 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 maintaining 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 responsibilities 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

PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Independent auditors' report to the members of Weston Foods Limited

We have audited the financial statements on pages 4 to 9.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 at 13 September 2003 and of its profit 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

13 February 2004

Profit and loss account

for the period ended 13 September 2003

	<i>Note</i>	52 week period ended 13 September 2003 £	52 week period ended 14 September 2002 £
Exceptional item:			
Profit on disposal of investments		5,000,000	332,709
		<hr/>	<hr/>
Profit on ordinary activities before taxation		5,000,000	332,709
Tax on profit on ordinary activities	4	(32,400)	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		4,967,600	332,709
Dividends payable		-	-
		<hr/>	<hr/>
Retained profit for the financial period		4,967,600	332,709
		<hr/> <hr/>	<hr/> <hr/>

There are no recognised gains or losses other than the result for the period.


There is no 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.

Balance sheet

at 13 September 2003

	Note	13 September 2003		14 September 2002	
		£	£	£	£
Fixed assets					
Investments			-		-
Current assets					
Debtors	5	50,380,196		50,412,596	
Current liabilities					
Creditors			-		-
Net current assets			50,380,196		50,412,596
Provisions for liabilities and charges	6		-		(5,000,000)
Total assets less current liabilities			50,380,196		45,412,596
Capital and reserves					
Called up share capital	7		1,803,595		1,803,595
Capital redemption reserve			746,405		746,405
Profit and loss account			47,830,196		42,862,596
Total shareholders' funds	8		50,380,196		45,412,596

These financial statements were approved by the board of directors on 13 February 2004 and were signed on its behalf by:



PA Russell

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 on 13 September 2003.

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.

Under Financial Reporting Standard 1 (revised) 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 ABF Investments plc.

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose transactions with entities that are part of the group or investees of the group qualifying as related parties as 90% or more of the voting rights of the company are controlled within the group and the company was included in the consolidated financial statements of the group which are publicly available.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts.

3 Directors' emoluments and auditors' remuneration

The directors have received no emoluments in respect of their services as directors of the company in the current or the previous period.

The auditors' remuneration has been borne by the holding company in both the current and previous period.

Notes (continued)

4 Tax on profit on ordinary activities

(a) Analysis of charge in the period

	52 week period ended 13 September 2003 £	52 week period ended 14 September 2002 £
Corporation tax at 30%	-	-
Group relief prior year	32,400	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	32,400	-
	<hr/>	<hr/>

(b) Factors affecting current tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	52 week period ended 13 September 2003 £	52 week period ended 14 September 2002 £
Profit on ordinary activities before tax	5,000,000	332,709
	<hr/>	<hr/>
Profit on ordinary activities before tax at the standard rate of corporation tax of 30% (2002: 30%)	1,500,000	99,813
Other income not subject to corporation tax	(1,500,000)	(99,813)
Adjustment in respect of prior periods:		
Group relief	32,400	-
	<hr/>	<hr/>
Total current tax	32,400	-
	<hr/>	<hr/>

(c) Factors that may affect future tax charges

There are no factors that are expected to affect future tax charges.

5 Debtors: amounts falling due within one year

	13 September 2003 £	14 September 2002 £
Amounts owed by holding company	50,380,196	50,412,596
	<hr/>	<hr/>

Notes (continued)

6 Provisions for liabilities and charges

	£
At 14 September 2002	5,000,000
Profit and loss account – released	(5,000,000)
	<hr/>
At 13 September 2003	-
	<hr/> <hr/>

The provision related to potential warranty claims arising from business disposals in prior years. The provision was released as the warranty period expired during the year and no claims were received.

7 Called up share capital

	Number	£
<i>Authorised</i>		
At 14 September 2002 and 13 September 2003		
Ordinary shares of 50p each	1,996,405	1,996,405
6% cumulative preference shares of £1 each	3,595	3,595
	<hr/>	<hr/>
	2,000,000	2,000,000
	<hr/> <hr/>	<hr/> <hr/>
<i>Allotted, called up and fully paid</i>		
At 14 September 2002 and 13 September 2003		
Ordinary shares of 50p each	1,800,000	1,800,000
6% cumulative preference shares of £1 each	3,595	3,595
	<hr/>	<hr/>
	1,803,595	1,803,595
	<hr/> <hr/>	<hr/> <hr/>

The preference shares carry the right to a cumulative preference dividend of 6% per annum on the paid up capital and a preference over the ordinary shares as to a repayment of capital. In the event of a winding up, they are entitled to receive no more than the amount paid up, together with a 5 pence premium per share, plus any arrears of dividends (whether earned or declared or not) up to the date of the return of capital.

The dividends on these preference shares for the 52 weeks ended 13 September 2003 have been waived.

Notes *(continued)*

8 Reconciliation of movement in shareholders' funds

	Share capital	Capital redemption reserve	Profit and loss	Shareholders' funds
	£	£	£	£
At start of period	1,803,595	746,405	42,862,596	45,412,596
Profit on ordinary activities after taxation	-	-	4,967,600	4,967,600
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	1,803,595	746,405	47,830,196	50,380,196
	<hr/>	<hr/>	<hr/>	<hr/>

9 Holding company

The ultimate holding company and controlling party as defined by FRS 8, is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

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 and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Weston Centre, Bowater House, 68 Knightsbridge, London, SW1X 7LQ.