

Company Registration No. 1330427

**TULIP INTERNATIONAL (UK) LIMITED**

**Report and Accounts**

**28 September 2003**



# **TULIP INTERNATIONAL (UK) LIMITED**

## **REPORT AND ACCOUNTS 2003**

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# **TULIP INTERNATIONAL (UK) LIMITED**

## **REPORT AND ACCOUNTS 2003**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTOR**

H Jensen  
C Jakobsen

#### **SECRETARY**

M Plyte

#### **AUDITORS**

Deloitte & Touche LLP  
1 City Square  
Leeds  
LS1 2AL

#### **BANKERS**

Barclays Bank plc  
4 Bridge Street  
Thetford  
Norfolk  
IP24 3AB

#### **REGISTERED OFFICE**

Caxton Way  
Thetford  
Norfolk  
IP24 3SB

# **TULIP INTERNATIONAL (UK) LIMITED**

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# **TULIP INTERNATIONAL (UK) LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and accounts for the year ended 28 September 2003.

### **RESULTS AND DIVIDENDS**

The loss on ordinary activities after taxation for the year ended 28 September 2003 amounts to £204,000 (2002: profit of £2,529,000) and is dealt with as shown in the profit and loss account.

The directors do not recommend the payment of a dividend.

### **PRINCIPAL ACTIVITY**

The principal activity of the company is an investment holding and co-ordinating company.

### **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

During the year the company continued to act as an investment holding and co-ordinating company. During the year the company purchased the entire issued share capital of Hygrade Foods Limited.

### **DIRECTORS AND THEIR INTERESTS**

H. Jensen	
N. G. Scott	(Resigned 1 October 2002)
P. C. Hillman	(Resigned 1 October 2002)
C. M. Parkinson	(Resigned 31 December 2002)
M. I. Jones	(Resigned 21 May 2003)
C. Jakobsen	(Appointed 9 June 2003)

No director holds any shares in the company.

Under the provision of the Articles of Association none of the directors retire by rotation.

### **FIXED ASSETS**

Changes in fixed assets are set out in Note 7.

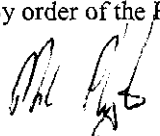
### **POST BALANCE SHEET EVENT**

On 26 June 2004 the company acquired the entire issued share capital of Flagship Foods Limited for initial consideration of £160,899,336 (less the amount of indebtedness net of cash) and less the amount to which the accrued B preference dividend after completion exceeds £177,000. This consideration is subject to adjustment based on the financial position shown in the final completion accounts, and is contingent on several factors. Further consideration will be payable based on a multiple of earnings before interest, tax and amortisation for the 12 month periods ending on or around 30 September 2006 and 2007.

### **AUDITORS**

During the year, Ernst & Young LLP resigned as auditors and Deloitte & Touche LLP were appointed to fill the casual vacancy. Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board

  
M. Plyte  
Secretary

23/12 2004

## **TULIP INTERNATIONAL (UK) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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;
- 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 are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TULIP INTERNATIONAL (UK) LIMITED**  
**Deloitte.**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TULIP  
INTERNATIONAL (UK) LIMITED**

We have audited the company's financial statements for the year ended 28 September 2003 which comprise the profit and loss account, statement of total recognised gains and losses, balance sheet and the related notes 1 to 16. These financial statements have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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**

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

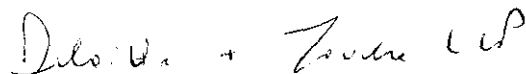
**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 and 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 affairs of the company as at 28 September 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**  
Chartered Accountants and Registered Auditors  
Leeds

15 January 2005



# TULIP INTERNATIONAL (UK) LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 28 September 2003

	Notes	2003 £'000	2002 £'000
Administrative expenses		190	2,527
<b>OPERATING PROFIT</b>	3	190	2,527
Finance charges (net)	5	(561)	2
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(371)	2,529
Tax on (loss)/profit on ordinary activities	6	167	-
<b>RETAINED (LOSS)/PROFIT FOR THE YEAR</b>	11	(204)	2,529

A statement of the movement on reserves is given in note 11.

The results for the current and comparative periods as stated above are also the results as stated on an historical cost basis.

There are no recognised gains or losses in either year other than as reported above.

# TULIP INTERNATIONAL (UK) LIMITED

## BALANCE SHEET

28 September 2003

	Note	2003 £'000	2002 £'000
<b>FIXED ASSETS</b>			
Investments	7	102,338	46,398
<b>CURRENT ASSETS</b>			
Debtors	8	4,150	1,371
Cash		-	9
		4,150	1,380
<b>CREDITORS: amounts falling due within one year</b>	9	(68,329)	(9,415)
<b>NET CURRENT LIABILITIES</b>		(64,179)	(8,035)
<b>NET ASSETS</b>		38,159	38,363
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	7,436	7,436
Share premium account		275	275
Capital reserve	13	20,500	20,500
Profit and loss account	11	9,948	10,152
<b>EQUITY SHAREHOLDERS' FUNDS</b>	12	38,159	38,363



H Jensen

Director

23/12/2004

2004

# TULIP INTERNATIONAL (UK) LIMITED

## NOTES TO THE ACCOUNTS

Year ended 28 September 2003

### 1. ACCOUNTING POLICIES

#### Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### Investments in subsidiary undertakings

Investments are shown at historic cost less provision for any impairment.

#### Cash flow statement

At 28 September 2003 the company was a wholly owned subsidiary of Danish Crown Amba, a company that produces publicly available financial statements which include the results of the company. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 (Revised) "Cash Flow Statements" from publishing a cash flow statement.

### 2. PARENT UNDERTAKING

The immediate parent undertaking is Danish Crown Amba, incorporated in Denmark.

In accordance with s228 Companies Act 1985 group accounts have not been prepared as the company is a wholly owned subsidiary undertaking of another company in the EC which prepares group accounts. These accounts present financial information about the company as an individual undertaking and not about its group.

### 3. OPERATING PROFIT

This is stated after charging:

	2003 £'000	2002 £'000
Auditors' remuneration – audit services	120	90
Auditors' remuneration – non-audit services	42	90
	<u>162</u>	<u>180</u>

### 4. DIRECTORS' EMOLUMENTS

	2003 £'000	2002 £'000
Emoluments	233	451
Compensation for loss of office	130	185
	<u>363</u>	<u>636</u>
Pension contribution paid on behalf of the directors	-	48
	<u>-</u>	<u>48</u>
Emoluments of the highest paid director are as follows:		
Aggregate emoluments excluding pension contributions:	177	285
	<u>177</u>	<u>285</u>

### 5. FINANCE CHARGES (NET)

	2003 £'000	2002 £'000
Interest receivable	-	2
Interest payable	(561)	-
	<u>(561)</u>	<u>2</u>

# TULIP INTERNATIONAL (UK) LIMITED

## NOTES TO THE ACCOUNTS

Year ended 28 September 2003

### 6. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

(a) Tax on (loss)/profit on ordinary activities

	2003 £'000	2002 £'000
The tax credit is made up as follows:		
UK Corporation tax	(167)	
Total current tax (note 7(b))	(167)	-
Tax on (loss)/ profit on ordinary activities	(167)	-

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2002 – 30%). The differences are reconciled below:

	2003 £'000	2002 £'000
(Loss)/profit on ordinary activities before taxation	(371)	2,529
Corporation tax at 30%	111	759
Expenses not deductible for tax and non-taxable income	56	(759)
Total current tax (note 7(a))	167	-

### 7. INVESTMENTS

	Subsidiary Undertakings £'000	Other Investments £'00	Total £'000
Cost or valuation:			
At 2 October 2002	46,378	20	46,398
Acquisitions/(disposals)	55,960	(20)	55,940
Increase in valuations	-	-	-
At 28 September 2003	102,338	-	102,338
Provisions against investments in subsidiary undertakings:			
At 2 October 2002 and at 28 September 2003	-	-	-
Net book value			
At 28 September 2003	102,338	-	102,338
At 1 October 2002	46,567	-	46,567

During the year, the company acquired the entire issued share capital of the Hygrade Foods Limited for cash consideration of £55,960,000.

# TULIP INTERNATIONAL (UK) LIMITED

## NOTES TO THE ACCOUNTS

Year ended 28 September 2003

### 7. INVESTMENTS (continued)

Details of the investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country registration and operation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of Business</i>
Tulip Limited	England and Wales	Ordinary shares	100%	Processing, packaging, sale and distribution of meat products
Tulip International (UK) Cooked Meats Division Limited	England and Wales	Ordinary shares	100%	Non-trading company
Tulip International (UK) Croydon Limited	England and Wales	Ordinary shares	100%	Non-trading company
Tulip International (UK) Wellingborough Limited	England and Wales	Ordinary shares	100%	Non-trading company
Hygrade Foods Limited	England and Wales	Ordinary Shares	100%	Processing, packaging, sale and distribution of meat products
Gott Holdings Limited	England and Wales	Ordinary Shares	100%	Non-trading company

### 8. DEBTORS

	2003 £'000	2002 £'000
Corporation tax	167	-
Amounts owned by subsidiary undertakings	3,983	1,371
	<u>4,150</u>	<u>1,371</u>

### 9. CREDITORS: amounts falling due with one year

	2003 £'000	2002 £'000
Accruals	78	-
Amounts owed to subsidiary undertakings	17,773	9,415
Bank overdraft (unsecured)	50,478	-
	<u>68,329</u>	<u>9,415</u>

### 10. CALLED UP SHARE CAPITAL

The called-up share capital of the company at the beginning and the end of the year was:

	Authorised		Allotted, called Up and fully paid	
	2003 £'000	2002 £'000	2003 £'000	2002 £'000
Ordinary shares of £1 each	<u>7,500</u>	<u>7,500</u>	<u>7,436</u>	<u>7,436</u>

# TULIP INTERNATIONAL (UK) LIMITED

## NOTES TO THE ACCOUNTS

Year ended 28 September 2003

### 11. STATEMENT OF MOVEMENT ON RESERVES

	Profit and loss account	
	2003 £'000	2002 £'000
At 2 October 2002	10,152	7,623
(Loss)/profit for the year	(204)	2,529
At 28 September 2003	9,948	10,152

### 12. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2003 £'000	2002 £'000
(Loss)/profit for the year and net (decrease)/increase in equity shareholders' funds	(204)	2,529
Opening equity shareholders' funds	38,363	35,834
Closing equity shareholders' funds	38,159	38,363

### 13. CAPITAL RESERVE

The capital reserve of £20,500,000 represents a capital contribution from the parent company. £5,000,000 was contributed in 1989, £1,000,000 was contributed in 1993 and a further £20,000,000 was contributed in 1995. £5,500,000 was repaid to the parent company in 2000.

### 14. PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking and controlling party is Danish Crown Amba.

The parent undertaking of the only group of undertakings for which group accounts are drawn up and of which the company is a member is Danish Crown Amba.

Copies of the group accounts can be obtained by writing to The Company Secretary, Tulip International (UK) Limited, Caxton Way, Thetford, Norfolk, IP24 3SB.

### 15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 from disclosing any transactions with related parties are part of Danish Crown Amba group.

### 16. POST BALANCE SHEET EVENT

On 26 June 2004 the company acquired the entire issued share capital of Flagship Foods Limited for initial consideration of £160,899,336 (less the amount of indebtedness net of cash) and less the amount to which the accrued B preference dividend after completion exceeds £177,000. This consideration is subject to adjustment based on the financial position shown in the final completion accounts, and is contingent on several factors. Further consideration will be payable based on a multiple of earnings before interest, tax and amortisation for the 12 month periods ending on or around 30 September 2006 and 2007.