

CHFP025

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

**To the Registrar of Companies
(Address overleaf - Note 5)**

For official use

Company number

01466247

Note
Please read the notes
on page 3 before
completing this form.

Name of company

* LENTORN HOLDINGS LIMITED

* insert full name
of company

XWe8 Please see attached continuation sheet page 1

Ø insert name(s) and address(es) of all the directors

† delete as appropriate

~~XXXXXXXXXXXX~~ [the sole director] all the directors† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate

Is that on a Reproduced Bank Licensed Institution within the meaning of the Bank of 1928

[illegible][illegible]

(c) something other than the above\$

The company is proposing to give financial assistance in connection with the acquisition of shares in the

[company] ~~XXXXXXXXXXXXXXXXXXXX~~

The assistance is for the purpose of [that acquisition] ~~reducing or eliminating a liability incurred for the~~

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

The number and class of the shares acquired or to be acquired is: 2,110,000 ordinary shares
of £1 each

Presentor's name address and reference (if any) :

SJ Berwin
222 Gray's Inn Road
London
WC1X 8XF

DX255 London

For official Use
General Section

Post room



A30
COMPANIES HOUSE

0619
22/12/04
137603

The assistance is to be given to: (note 2) (1) Phonefood Limited, St Mary's House, Magdalene Street, Taunton, Somerset, TA1 1SB

(2) Singer & Friedlander Limited, 21 New Street, Bishopsgate, London EC2M 4HR

Please do not
write in this
margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

See Annexure A

The person who ~~has acquired~~ will acquire† the shares is:

† delete as
appropriate

Phonefood Limited

The principal terms on which the assistance will be given are:

See Annexure B

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is Within 8 weeks of the date hereof

Please do not
write in this
margin

Please complete
legibly, preferably
in black type, or
bold block lettering

* delete either (a) or
(b) as appropriate

☒ We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ☒ We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~It is intended to commence the winding up of the company within 12 months of that date, and we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.* (note 3)~~

And ☒ we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at see continuation sheet page 1

Declarants to sign below

St Benin, 222, Gray's Inn Road, London, WC1X 8XF

Day Month Year
on

11	4	12	2	10	10	14
----	---	----	---	----	----	----

before me Kenna Figgitt

~~A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor~~ having the powers conferred on
a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

LENTORN HOLDINGS LIMITED

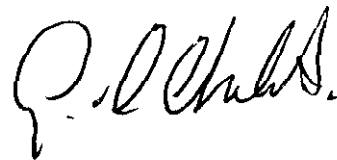
Company No. 01466247

Form 155(6)a

Continuation sheet page 1

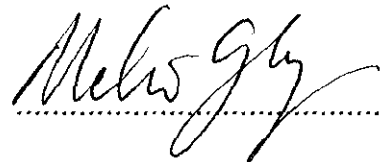
Gary Clifford Childs

The Walnut Tree
Charstock
Axminster
Devon EX13 7BN



Melvin Glynn

Borsdane 1
The Village Green
Heywood
Westbury
Wiltshire BA13 4JZ



Linda Margaret Retter

The Old Greyhound
Wayford
Crewkerne
Somerset TA18 8QG

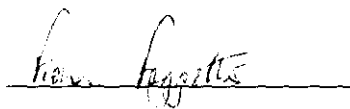


And we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at *St Brown, 222 Ganges Ln Road, London, WC1X 8XF*

the *14* day of *December* 2004

before me



~~a Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor~~ having the powers conferred on a Commissioner for Oaths.

LENTORN HOLDINGS LIMITED

Company No. 01466247

(the "Company")

Annexure A - Form 155(6)a

Definitions

In this statutory declaration (including Annexures A & B) the following expressions shall have the following meanings:

"Assets"

means the business, undertaking, property, assets, revenues, rights and uncalled capital belonging to the Company or to which the Company is or may become entitled or in which the Company may have an interest in, each case at any time during the Security Period;

"Bank"

means Singer & Friedlander Limited.

"Borrower"

means Phonefood Limited.

"Charged Assets"

means the Assets from time to time subject or expressed to be subject to this Security;

"Contracts"

means all the Company's rights, title, interest and benefit in and to:

- (a) all the agreements short particulars of which are set out in Schedule 2 (Contracts) to the Debenture; and
- (b) any contract in respect of the whole or any part of the Charged Assets to which the Company is a party including, without limitation, the Insurances,

"Debenture"

means the debenture to be granted by the Company in favour of the Bank whereby the Company charges:

- (i) by way of legal mortgage, the Land described in Schedule 1 of the Debenture and its proceeds of sale;
- (ii) by way of legal mortgage, all estates or interest in any freehold or leasehold Land (except the Land described in Schedule 1 of the Debenture) belonging to the Company at the date of entry into the Debenture and their proceeds of sale;
- (iii) by way of fixed charge, to the extent that they are not the subject of a mortgage under paragraphs (i) and (ii) above, all estates or interest in any freehold or leasehold Land and all immovable assets belonging to the Company or in which the Company may have an interest, in each case at any time during the Security Period regardless (as regards immoveable assets) of their location;
- (iv) by way of fixed charge, to the extent that they are not

the subject of a mortgage under paragraphs (i) and (ii) above or a fixed charge under paragraph (iii) above, all liens, charges, options, agreements, rights and interests over Land belonging to the Company or in which the Company may have an interest, in each case at any time during the Security Period;

- (v) by way of fixed charge (to the extent that they are not the subject of a mortgage or charge under paragraphs (i) – (iv) above) all plant, machinery, vehicles, computers, office and other equipment and, in all cases, the full benefit of all licences, warranties and maintenance contracts for them, the Securities, the goodwill and uncalled capital of the Company at any time during the Security Period, the Intellectual Property and all its rights under, or in connection with, authorisations held by the Company at any time during the Security Period in connection with the business of the Company or the Charged Assets and the right to recover and receive all compensation or other amounts payable to the Company in respect of such authorisations;
- (vi) by way of floating charge all Assets other than those Assets for the time being effectively charged by way of legal or equitable mortgage or fixed charge as provided in paragraphs (i) – (iv) above, effectively charged by way of fixed charge as provided in paragraph (v) or effectively assigned (whether at law or in equity) to the Bank as provided in paragraph (vii) below; and
- (vii) by way of assignment all rights and claims under, or in respect of, the Contracts and any returns of premium or other sums receivable in respect of them,

as security for the Secured Liabilities.

"Fixtures"

means all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery at any time during the Security Period on the Land and owned by the Company;

"Guarantee and Indemnity"

means the all monies guarantee and indemnity whereby the Company:

- (i) irrevocably and unconditionally:
 - (a) as principal obligor guarantees to the Bank each and every liability each Obligor may now or hereafter have to the Bank (whether solely or jointly with one or more persons and whether as principal or as surety or in some other capacity) originally owing to the Bank or purchased or otherwise acquired

by it; and

- (b) undertakes with the Bank that whenever an Obligor fails to pay any such liability when due the Company shall, on demand by the Bank, pay that amount as if the Company instead of the Obligor were expressed or deemed to be the principal obligor; and
- (ii) undertakes with the Bank that that Company shall, as sole, original and independent obligor upon first written demand from time to time by the Bank, indemnify the Bank from and against any loss incurred by the Bank should the amounts guaranteed under paragraph (i) above not be recoverable from that Company for any reason whatsoever (including by reason of any provisions of any agreement between the Bank and any Obligor being or becoming void, unenforceable or otherwise invalid under any applicable law), whether or not this may have been known to the Bank, the amount of such loss being the amount which the Bank would otherwise have been entitled to recover from the relevant Obligor.

"ICCL"

means Ilchester Cheese Company Limited.

"Intellectual Property"

means the Intellectual Property Rights owned or used by the Company throughout the world or the interests of the Company in any of those Intellectual Property Rights, together with the benefit of all agreements entered into or the benefit of which is enjoyed by the Company relating to the use or exploitation of any of those Intellectual Property Rights.

"Intellectual Property Rights"

means all patents and patent applications, trade and service marks and trade and service mark applications (and all goodwill associated with any patents, trade and service marks, whether registered, under application for registration or otherwise), all brand and trade names, all copyrights and rights in the nature of copyright, all design rights, all registered designs and applications for registered designs, all inventions, all trade secrets, all know-how and all other intellectual property rights throughout the world.

"Intercreditor Deed"

means the intercreditor deed to be entered into on or about December, 2004 and made between, amongst others, the Company, ICCL, the Borrower and the Bank.

"Intra-Group Loan Agreement"

means and intra-group loan agreement between the Company and the Borrower whereby the Company agrees to make available to the Borrower amounts to be agreed between the Company from time to time.

"Land"

means freehold and leasehold land, and all Fixtures, buildings,

erections, equipment and effects from time to time on that land, and including the benefit of any covenants for title given or entered into in respect of that land by the Company or any predecessor in title of the Company.

"Loan Agreement"

means the loan agreement to be entered into on or about December, 2004 and made between the Borrower and the Bank.

"Obligor"

means, in relation to a Company, each Principal Debtor and each other Company.

"Principal Debtor"

means, in relation to a Company, any other Company insofar only as it at any time owes money or has incurred liabilities to the Bank otherwise than under the terms of this Deed.

"Secured Liabilities"

means each and every liability which the Company may now or hereafter have to the Bank whether on any current or other account or otherwise in any manner whatsoever (whether solely or jointly with one or more persons, whether under the Debenture or otherwise, whether as principal or as surety or in some other capacity and whether originally incurred by the Company or by some other person) and pay to the Bank every sum (of principal, interest or otherwise) now or hereafter owing due or incurred by the Company to the Bank in respect of any such liabilities including all costs and expenses (including fees and costs of legal advisers) incurred by the Bank in connection with the preservation of, or the enforcement or attempted enforcement of, its rights under the Debenture.

"Security"

means the security from time to time constituted by, or pursuant to, the Debenture.

"Security Period"

means the period beginning on the date of the Debenture and ending on the date on which the Bank is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

"Shares"

means shares, stock, debentures, debenture stock, loan stock, bonds, notes and certificates of deposit.

Reference to a document or an agreement means that document or agreement as amended supplemented or novated from time to time and reference to any person includes that persons successors in title, transferees or assigns.

The assistance will take the form of the Company entering into the following documents:

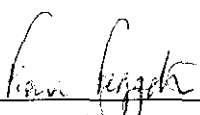
1. the Debenture;
2. the Intercreditor Deed;
3. the Guarantee and Indemnity; and
4. the Intra-Group Loan Agreement

together with any other documentation or obligation entered into by the Company in connection with the Acquisition.

This is Annexure A referred to in Form 155(6)a declared by the directors of the Company on
14 December 2004.

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Signed

 (FIONA FUGGETTA)

~~a Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor~~ having the powers
conferred on a Commissioner of Oaths

LENTORN HOLDINGS LIMITED

Company No. 01466247

(the "Company")

Annexure B – Form 155(6)a

All capitalised terms in this Annexure B shall have the meanings given to them in Annexure A.

The principal terms on which the assistance will be given are as follows:

1. The Debenture under which the Company (as primary obligor):
 - 1.1 covenants that it will discharge the Secured Liabilities on demand by the Bank;
 - 1.2 by way of legal mortgage, the Land described in Schedule 1 of the Debenture and its proceeds of sale;
 - 1.3 by way of legal mortgage, all estates or interest in any freehold or leasehold Land (except the Land described in Schedule 1 of the Debenture) belonging to the Company at the date of entry into the Debenture and their proceeds of sale;
 - 1.4 by way of fixed charge, to the extent that they are not the subject of a mortgage under paragraphs (i) and (ii) above, all estates or interest in any freehold or leasehold Land and all immovable assets belonging to the Company or in which the Company may have an interest, in each case at any time during the Security Period regardless (as regards immoveable assets) of their location;
 - 1.5 by way of fixed charge, to the extent that they are not the subject of a mortgage under paragraphs (i) and (ii) above or a fixed charge under paragraph (iii) above, all liens, charges, options, agreements, rights and interests over Land belonging to the Company or in which the Company may have an interest, in each case at any time during the Security Period;
 - 1.6 by way of fixed charge (to the extent that they are not the subject of a mortgage or charge under paragraphs (i) – (iv) above) all plant, machinery, vehicles, computers, office and other equipment and, in all cases, the full benefit of all licences, warranties and maintenance contracts for them, the Securities, the goodwill and uncalled capital of the Company at any time during the Security Period, the Intellectual Property and all its rights under, or in connection with, authorisations held by the Company at any time during the Security Period in connection with the business of the Company or the Charged Assets and the right to recover and receive all compensation or other amounts payable to the Company in respect of such authorisations;
 - 1.7 by way of floating charge all Assets other than those Assets for the time being effectively charged by way of legal or equitable mortgage or fixed charge as provided in paragraphs (i) – (iv) above, effectively charged by way of fixed charge as provided in paragraph (v) or effectively assigned (whether at law or in equity) to the Bank as provided in paragraph (vii) below; and
 - 1.8 by way of assignment all rights and claims under, or in respect of, the Contracts and any returns of premium or other sums receivable in respect of them,

as security for the Secured Liabilities.

- 1.9 undertakes to whenever requested by the Bank execute such deeds or documents and take any action required by the Bank to perfect or protect the security created or intended to be created by the Debenture or to facilitate the realisation thereof and in the exercise of all powers, authorities and discretions vested in the Bank or any receiver.
2. The Intercreditor Deed under which the Company undertakes to comply with the order of priorities set out therein whereby the repayment of sums due by the Borrower under the Loan Agreement are given priority to sums due under other documents evidencing indebtedness of the Company (as set out therein).
3. The Guarantee and Indemnity whereby each and every liability which the Company may now or hereafter have to the Bank whether on any current or other account or otherwise in any manner whatsoever (whether solely or jointly with one or more persons, whether under the Debenture or otherwise, whether as principal or as surety or in some other capacity and whether originally incurred by the Company or by some other person) and pay to the Bank every sum (of principal, interest or otherwise) now or hereafter owing due or incurred by the Company to the Bank in respect of any such liabilities including all costs and expenses (including fees and costs of legal advisers) incurred by the Bank in connection with the preservation of, or the enforcement or attempted enforcement of, its rights under the Debenture.
4. The Intra-Group Loan Agreement between the Company and the Borrower whereby the Company agrees to make available to the Borrower amounts to be agreed between the Company and the Borrower from time to time.

This is Annexure B referred to in Form 155(6)a declared by the Directors of the Company on
14 December 2004

Signed

John Figgott

~~a Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner of Oaths~~

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF LENTORN HOLDINGS LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors dated 14 December 2004 in connection with the proposal that the Company should give financial assistance for the purchase of 2,110,000 of the Company's ordinary shares.

This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section 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, for our work, for this report, or for the opinions that we have formed.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in section 156(2) of the Companies Act is unreasonable in all the circumstances.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
14 December 2004