

2475724

# **FARNSWORTH INVESTMENTS LIMITED**

Report and Accounts

30 April 1997



**FARNSWORTH INVESTMENTS LIMITED****Registered No. 2475724**

<b>Directors:</b>	M S Christie C R Haskins M A J Morgan
<b>Secretary:</b>	J N Wild
<b>Auditors:</b>	Ernst & Young PO Box 3 Lowgate House Lowgate Hull HU1 1JJ
<b>Bankers:</b>	Midland Bank PLC 55 Whitefriargate Hull HU1 2HX
<b>Registered Office:</b>	Beverley House St Stephen's Square Hull HU1 3XG

**FARNSWORTH INVESTMENTS LIMITED****DIRECTORS' REPORT**

The directors present their report and the accounts for the year ended 30 April 1997.

**PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS**

The company operated as a divisional holding company within the Northern Foods Group.

**RESULTS AND DIVIDENDS**

The profit for the year attributable to shareholders amounts to £2,980 and is dealt with as shown in the profit and loss account.

The directors do not recommend the payment of a dividend.

**DIRECTORS**

The directors of the company during the year were those listed on page 1.

**DIRECTORS' INTERESTS**

According to the register maintained as required by the Companies Act 1985, none of the directors held any beneficial interest in the shares of the company during the year and all are directors of the ultimate parent company, Northern Foods plc, in whose accounts their interests in that company are shown.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- ♦ prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

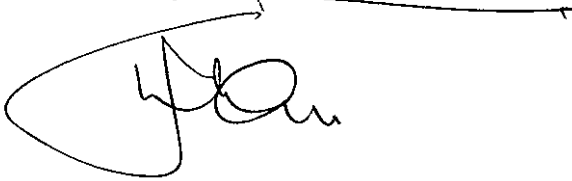
The directors confirm that the accounts comply with the above requirements.

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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**FARNSWORTH INVESTMENTS LIMITED****DIRECTORS' REPORT****AUDITORS**

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

By order of the Board

A handwritten signature in dark ink, appearing to be 'J N Wild', is written below the text 'By order of the Board'. A horizontal line extends from the text to the right, and a curved line starts from the left, looping around the signature and ending under the horizontal line.

J N Wild  
Secretary

23 February 1998

**REPORT OF THE AUDITORS**

to the members of Farnsworth Investments Limited

We have audited the accounts on pages 5 to 10 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 April 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Ernst & Young  
Chartered Accountants  
Registered Auditor  
Hull

23 February 1998

**FARNSWORTH INVESTMENTS LIMITED****PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 April 1997**

	<i>Notes</i>	<i>1997</i> £	<i>1996</i> £
Income from shares in group undertakings	2	-	1,918,344
Administrative expenses		(51)	(784)
Interest receivable	3	4,046	2,102
Interest payable	4	-	(2,509,041)
		-----	-----
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</b>			
<b>BEFORE TAXATION</b>		<b>3,995</b>	<b>(589,379)</b>
Taxation - (charge)/credit	6	(1,015)	827,332
		-----	-----
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>2,980</b>	<b>237,953</b>
		=====	=====

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There are no recognised gains and losses other than the profit for the financial year attributable to the shareholders of the company, as shown above.

## FARNSWORTH INVESTMENTS LIMITED

BALANCE SHEET  
at 30 April 1997

	Notes	1997 £	1996 £
<b>FIXED ASSETS</b>			
Investments	7	6,369	6,369
<b>CURRENT ASSETS</b>			
Amounts due from group undertakings		6,739,287	5,895,782
Debtors	8	-	843,505
Cash at bank		456,658	452,663
		<u>7,195,945</u>	<u>7,191,950</u>
<b>CREDITORS:</b>			
amounts falling due within one year	9	(1,015)	-
<b>NET CURRENT ASSETS</b>			
		<u>7,194,930</u>	<u>7,191,950</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		7,201,299	7,198,319
<b>CREDITORS:</b>			
amounts falling due after more than one year	10	(50,000)	(50,000)
<b>NET ASSETS</b>			
		<u>7,151,299</u>	<u>7,148,319</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	2,500,000	2,500,000
Profit and loss account	12	4,651,299	4,648,319
<b>EQUITY SHAREHOLDERS' FUNDS</b>			
	13	<u>7,151,299</u>	<u>7,148,319</u>


MS Christie  
Director

23 February 1998

## FARNSWORTH INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS  
at 30 April 1997

## 1. ACCOUNTING POLICIES

*Accounting convention*

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

*Deferred tax*

Provision is made for deferred tax using the liability method on all timing differences, to the extent that it is probable that the liability will crystallise.

*Interest payable*

Interest payable is taken into account on an accruals basis.

*Income from shares in group undertakings*

Income from shares in group undertakings is taken into account when the dividends are declared.

## 2. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	1997 £	1996 £
Dividends receivable	-	1,918,344
	=====	=====

## 3. INTEREST RECEIVABLE

	1997 £	1996 £
Bank interest	4,046	2,102
	=====	=====

## 4. INTEREST PAYABLE

	1997 £	1996 £
Interest payable to group undertakings	-	2,509,041
	=====	=====



## FARNSWORTH INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS  
at 30 April 1997

## 5. DIRECTORS' EMOLUMENTS AND STAFF NUMBERS

None of the directors received any remuneration from the company during the year (1996 - £nil) and there were no staff employed other than directors (1996- none).

## 6. TAXATION

	<i>1997</i>	<i>1996</i>
	<i>£</i>	<i>£</i>
UK corporation tax (charge)/credit at 24% (1996 - 33%)	(1,015)	827,332
	-----	-----
	(1,015)	827,332
	=====	=====

The income from shares in group undertakings is received under a group election.

## 7. INVESTMENTS

	<i>£</i>
Cost of investment in associated undertakings:	
At 30 April 1997 and 1996	6,369
	=====

Details of the associated undertaking at 30 April 1997 are as follows:

	<i>Registered</i>	<i>Proportion of shares held</i>	<i>Nature of business</i>
Northern Foods Services	England and Wales	7.67%	Finance company

The remaining 92.33% of the shares of Northern Foods Services are held by a fellow subsidiary undertaking.

## FARNSWORTH INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

at 30 April 1997

## 8. DEBTORS

	<i>1997</i>	<i>1996</i>
	£	£
Taxation	-	843,505
	<u>=====</u>	<u>=====</u>

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

	<i>1997</i>	<i>1996</i>
	£	£
Corporation tax	1,015	-
	<u>=====</u>	<u>=====</u>

## 10. CREDITORS: amounts falling due after more than year

	<i>1997</i>	<i>1996</i>
	£	£
Amounts due to group undertakings	50,000	50,000
	<u>=====</u>	<u>=====</u>

## 11. SHARE CAPITAL

	<i>1997</i>	<i>Authorised</i>	<i>Allotted,</i>	<i>called up and</i>
	£	<i>1996</i>	<i>1997</i>	<i>fully paid</i>
		£	£	<i>1996</i>
				£
Ordinary shares of £1 each	10,000,000	10,000,000	2,500,000	2,500,000
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

## 12. STATEMENT OF RETAINED PROFITS

At 1 May 1996	4,648,319
Profit for the year	2,980
	<u>-----</u>
At 30 April 1997	4,651,299
	<u>=====</u>

**FARNSWORTH INVESTMENTS LIMITED****NOTES TO THE ACCOUNTS**

at 30 April 1997

**13. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS**

	<i>1997</i>	<i>1996</i>
	<i>£</i>	<i>£</i>
Profit attributable to equity shareholders	<b>2,980</b>	237,953
Opening equity shareholders' funds	<b>7,148,319</b>	6,910,366
	-----	-----
Closing equity shareholders' funds	<b>7,151,299</b>	7,148,319
	=====	=====

**14. GROUP ACCOUNTS**

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Northern Foods plc, registered in England and Wales. Northern Foods plc is also the company's ultimate parent undertaking. Copies of Northern Foods plc's accounts can be obtained from Beverley House, St Stephen's Square, Hull, HU1 3XG.