

**DEANS FARM LIMITED**

**Report and Financial Statements**

**28 September 2001**

**Deloitte & Touche  
Columbia Centre  
Market Street  
Bracknell  
Berkshire  
RG12 1PA**



**REPORT AND FINANCIAL STATEMENTS 2001**

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**REPORT AND FINANCIAL STATEMENTS 2001**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

P D Challands  
J E Dean  
P D Dean  
M E Donegan  
D J Tromans  
B J Vigus  
C S Willcox

**SECRETARY**

C S Willcox

**REGISTERED OFFICE**

198 Silbury Boulevard  
Central Milton Keynes  
Buckinghamshire  
MK9 1LL

**BANKERS**

Barclays Bank PLC  
Aylesbury and Wendover Business Centre  
PO Box No. 70  
Market Square  
Aylesbury  
Buckinghamshire  
HP20 1TT

**SOLICITORS**

Fennemores  
Bouverie House  
200 Silbury Boulevard  
Central Milton Keynes  
Buckinghamshire  
MK9 1LL

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Columbia Centre  
Market Street  
Bracknell  
Berkshire  
RG12 1PA

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the 52 weeks ended 28 September 2001.

### **ACTIVITIES**

Until the transfer of the trade and assets to Deans Foods Limited on 1 April 2000, the company's principal activities were egg marketing, packing and production. The company has been dormant since that date.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

On 1 April 2000, the trade and assets of the company were transferred to Deans Foods Limited. Deans Farm Limited has ceased to trade from that date and is expected to remain dormant for the foreseeable future.

### **RESULTS AND DIVIDENDS**

The results for the year are shown on page 5.

No interim dividend was paid during the year (2000 - £Nil). The directors recommend the payment of a final dividend of £1,300,000 (2000 - £Nil).

### **DIRECTORS AND THEIR INTERESTS**

The current directors, and the changes during the year and to the date of signing, are shown on page 1.

No director had any direct interest in the shares of the company. Messrs Dean, Donegan, Tromans and Willcox are directors of the parent company, Deans Food Group Limited, and their interests in the shares of that company are shown in its accounts. No other director had any interest in the shares of the parent company.

### **AUDITORS**

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board on 15<sup>th</sup> February 2002



C S Willcox  
Director

## **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 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 a 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEANS FARM LIMITED**

We have audited the financial statements of Deans Farm Limited for the 52 weeks ended 28 September 2001 which comprise the profit and loss account, the note of historical cost profits and losses and the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

### **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 United Kingdom legal and regulatory requirements and 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 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.

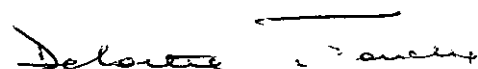
### **Basis of audit opinion**

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 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 as at 28 September 2001 and of its result for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors



**PROFIT AND LOSS ACCOUNT**  
**52 weeks ended 28 September 2001**

	Note	52 weeks ended 28 September 2001 £'000	52 weeks ended 29 September 2000 £'000
<b>TURNOVER</b>	2	-	33,957
Cost of sales		-	(29,277)
Gross profit		-	4,680
Distribution costs		-	(2,957)
Administrative costs		-	(2,065)
<b>OPERATING LOSS</b>	4	-	(342)
Interest receivable and similar income		-	-
Interest payable and similar charges	5	-	(130)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	(472)
Tax credit on loss on ordinary activities		-	-
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		-	(472)
Dividends proposed	6	(1,300)	-
<b>LOSS FOR THE FINANCIAL PERIOD TRANSFERRED TO RESERVES</b>		<u>(1,300)</u>	<u>(472)</u>

All amounts relate to activities that are discontinued in the company but which continue within Deans Foods Limited following the transfer of the trade and net assets on 1 April 2000.

There are no recognised gains or losses in either the current or preceding financial period other than as stated in the profit and loss account.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

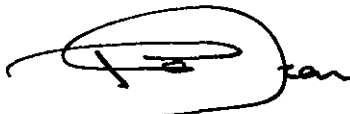
	52 weeks ended 28 September 2001 £'000	52 weeks ended 29 September 2000 £'000
Reported loss on ordinary activities before taxation	-	(472)
Difference between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	-	26
Historical cost loss on ordinary activities before taxation	<u>-</u>	<u>(446)</u>
Historical cost loss for the period after taxation and dividends	<u>(1,300)</u>	<u>(446)</u>

BALANCE SHEET  
28 September 2001

	Note	28 September 2001 £'000	29 September 2000 £'000
<b>CURRENT ASSETS</b>			
Debtors	7	5,521	5,521
		5,521	5,521
<b>CREDITORS: amounts falling due within one year</b>	8	(1,300)	-
<b>NET CURRENT LIABILITIES</b>		4,221	5,521
		4,221	5,521
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	56	56
Profit and loss account	10	4,165	5,465
<b>EQUITY SHAREHOLDER'S FUNDS</b>		4,221	5,521

These financial statements were approved by the Board of Directors on 15<sup>th</sup> February 2002

Signed on behalf of the Board of Directors



P D Dean

Director



**NOTES TO THE ACCOUNTS****52 weeks ended 28 September 2001****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Pension costs**

For defined benefit schemes, the expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the profit and loss account so as to spread the cost over the service lives of employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

For defined contribution schemes the contribution payable for the year is charged to the profit and loss account as incurred.

**2. TURNOVER**

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. The turnover arises wholly in the United Kingdom, and is attributable to the company's principal activities. The directors are of the opinion that the company's activities are not separable and hence no results are presented for separate business segments.

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>52 weeks ended 28 September 2001 £'000</b>	<b>52 weeks ended 29 September 2000 £'000</b>
<b>Directors' emoluments</b>		
Emoluments	-	339
Pension contributions	-	21
	<hr/>	<hr/>
	-	360
	<hr/>	<hr/>
Remuneration of the highest paid director (excluding pension contributions)	-	102
	<hr/>	<hr/>

Pension contributions of £Nil (2000 - £21,000) were paid into defined contribution schemes in respect of the directors (2000 - 6). No amounts related to the highest paid director in 2000.

	<b>No.</b>	<b>No.</b>
<b>Average number of persons employed (including directors)</b>		
Production	-	355
Sales and distribution	-	5
Administration	-	22
	<hr/>	<hr/>
	-	382
	<hr/>	<hr/>

The number of employees in 2000 has been restated to more accurately reflect the average number of employees for that year.

**NOTES TO THE ACCOUNTS**  
**52 weeks ended 28 September 2001****3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)**

	<b>52 weeks ended 28 September 2001 £'000</b>	<b>52 weeks ended 29 September 2000 £'000</b>
<b>Staff costs during the period (including directors)</b>		
Wages and salaries	-	4,869
Social security costs	-	295
Pension costs	-	163
	<u>-</u>	<u>5,327</u>

**4. OPERATING LOSS**

	<b>52 weeks ended 28 September 2001 £'000</b>	<b>52 weeks ended 29 September 2000 £'000</b>
<b>Operating loss is after charging:</b>		
Depreciation of tangible fixed assets:		
Own assets	-	919
Assets held under finance leases and hire purchase contracts	-	234
Rentals under operating leases		
Hire of plant and machinery	-	39
Other operating leases	-	55
Auditors' remuneration		
Audit fees	-	13
	<u>-</u>	<u>130</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>52 weeks ended 28 September 2001 £'000</b>	<b>52 weeks ended 29 September 2000 £'000</b>
Bank loans, overdrafts and other loans	-	82
Hire purchase contracts	-	48
	<u>-</u>	<u>130</u>

**NOTES TO THE ACCOUNTS**  
**52 weeks ended 28 September 2001****6. DIVIDENDS**

	<b>52 weeks ended 28 September 2001 £'000 £'000</b>	<b>52 weeks ended 29 September 2000 £'000 £'000</b>
Final proposed - £26.00 per ordinary share (2000 – nil)	<u>1,300</u>	<u>-</u>

**7. DEBTORS**

	<b>2001 £'000</b>	<b>2000 £'000</b>
<b>Amounts due within one year:</b>		
Amounts due from group undertakings	<u>5,521</u>	<u>5,521</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2001 £'000</b>	<b>2000 £'000</b>
Amounts due to group undertakings	<u>1,300</u>	<u>-</u>

**9. CALLED UP SHARE CAPITAL**

	<b>2001 £'000</b>	<b>2000 £'000</b>
<b>Authorised</b>		
100,000 ordinary shares of £1.00 each	100	100
10,000 'A' non voting shares of £1.00 each	<u>10</u>	<u>10</u>
	<u>110</u>	<u>110</u>
<b>Called up, allotted and fully paid</b>		
50,002 ordinary shares of £1.00 each	50	50
6,000 'A' non voting shares of £1.00 each	<u>6</u>	<u>6</u>
	<u>56</u>	<u>56</u>

The 'A' non voting shares confer the holders the same rights as the ordinary shares except they have no right to attend or vote on any general meeting of the company.

**NOTES TO THE ACCOUNTS**  
**52 weeks ended 28 September 2001**

**10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES**

	Called up share capital £'000	Profit and loss account £'000	2001 Total £'000	2000 Total £'000
At 30 September 2000	56	5,465	5,521	8,812
Loss for the period	-	-	-	(472)
Dividends	-	(1,300)	(1,300)	-
Transfer to group undertakings	-	-	-	(2,819)
At 28 September 2001	56	4,165	4,221	5,521

**11. ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY**

The ultimate parent company and controlling entity is Deans Food Group Limited, a company incorporated in Great Britain. Copies of the group accounts can be obtained from Deans Food Group Limited, Bridgeway House, Upper Icknield Way, Tring, Hertfordshire, HP23 4JX.

**12. RELATED PARTY TRANSACTIONS**

In accordance with Financial Reporting Standard No.8 "Related Party Disclosures", transactions with other group undertakings within, and investee related parties of, the Deans Food Group Limited group have not been disclosed in these financial statements.