

**REGISTRAR OF
COMPANIES**

Coop Globe Limited

Report and Financial Statements

Year Ended

31 December 2008

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BDO Stoy Hayward
Chartered Accountants

Coop Globe Limited

**Annual report and financial statements
for the year ended 31 December 2008**

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Directors

R Mollison (Chairman)
J S Edelmann
J C Commault
J Gourdet

Secretary and registered office

N Thornton, Cranbrook House, Redlands, Coulsdon, Surrey, CR5 2HT.

Company number

2678795

Auditors

BDO Stoy Hayward LLP, 55 Baker Street, London, W1U 7EU.

Coop Globe Limited

Report of the directors for the year ended 31 December 2008

The directors present their report together with the audited financial statements for the year ended 31 December 2008.

Business review

The profit and loss account is set out on page 5 and shows a turnover of £34,197,369 and pre-tax profit for the year of £1,058,619.

Turnover increased by 39.4% from the previous year this was largely due to a significant rise in pork prices for a large part of the year. It is anticipated that prices and hence turnover will recover to previous levels in 2009.

The directors recommend the payment of a dividend £320,000 (2007 - £514,000).

There have been no events since the balance sheet date which materially affect the position of the company.

Principal risks and uncertainties

The European pork market has been over-supplied over the past year but trade conditions are expected to return to normal in the near future, therefore, the directors remain confident that the company will continue to trade profitably in the coming year.

The company imports all of its goods from France so it is exposed to movements in the exchange rates between Euro and Sterling, there are also substantial exports to the Far East which are denominated in US Dollars so there is exposure to the cross-rate between Euro and US Dollar. These positions are monitored constantly and the company takes out specific forward currency contracts to cover all exposure and reduce currency risk.

The company's credit risk is primarily attributable to its trade debtors. Credit risk is addressed by obtaining credit insurance on all customers with balances over £10,000.

The company monitors cash flow daily as part of its internal control procedures. The level of working capital is also carefully controlled to ensure that there are adequate funds available within the group facility.

Key performance indicators

The company uses a range of performance measures to monitor and manage the business effectively. The most significant of these are the key performance indicators (KPIs).

The key performance indicators for the year ended 31 December 2008, with comparatives for the year ended 31 December 2007:

| | 2008 | 2007 |
|--|--------|--------|
| Turnover (£'000s) | 34,197 | 24,532 |
| Gross profit (£'000s) | 1,796 | 1,126 |
| Gross profit (%) | 5.2 | 4.6 |
| Working capital % of turnover (%) | 6.6 | 3.2 |
| Average return on capital employed (%) | 63.6 | 100.3 |
| Stock turnover days | 5 | 3 |
| Trade debtor turnover days | 36 | 31 |
| Trade creditor turnover days | - | - |

Turnover has decreased year on year as noted above but the gross profit percentage has been maintained despite difficult market conditions.

Coop Globe Limited

Report of the directors for the year ended 31 December 2008 (*Continued*)

Directors

The directors of the company during the year were:

R Mollison
J Edelmann
J C Commault
J Gourdet

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board



R Mollison

Director

Date 08 April 2009

Coop Globe Limited

Report of the independent auditors

To the shareholders of Coop Globe Limited

We have audited the financial statements of Coop Globe Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

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

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

Coop Globe Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*
London

8 April 2009

Coop Globe Limited

Profit and loss account for the year ended 31 December 2008

| | Note | 2008 £ | 2007 £ |
|--|-------|---------------------|--------------|
| Turnover | 2 | 34,197,369 | 24,532,128 |
| Cost of sales | | (32,400,978) | (23,406,578) |
| Gross profit | | 1,796,391 | 1,125,550 |
| Administrative expenses | | (796,462) | (751,647) |
| Operating profit | 4 | 999,929 | 373,903 |
| Interest receivable | | 58,690 | 79,736 |
| Profit on ordinary activities before taxation | | 1,058,619 | 453,639 |
| Taxation on profit on ordinary activities | 5 | (68,794) | (136,092) |
| Profit for the financial year | 11,12 | 989,825 | 317,547 |

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

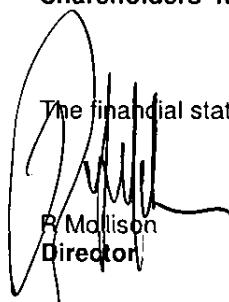
The notes on pages 8 to 12 form part of these financial statements.

Coop Globe Limited

Balance sheet
at 31 December 2008

| | Note | 2008 £ | 2007 £ |
|---|------|------------------|------------------|
| Current assets | | | |
| Stocks | 7 | 469,674 | 173,994 |
| Debtors | 8 | 6,141,421 | 4,055,381 |
| Cash at bank and in hand | | 26,063 | 800,608 |
| | | <u>6,637,158</u> | <u>5,029,983</u> |
| Creditors: amounts falling due within one year | 9 | <u>4,792,453</u> | <u>3,855,103</u> |
| Net current assets | | <u>1,844,705</u> | <u>1,174,880</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 10,000 | 10,000 |
| Profit and loss account | 11 | <u>1,834,705</u> | <u>1,164,880</u> |
| Shareholders' funds | 12 | <u>1,844,705</u> | <u>1,174,880</u> |

The financial statements were approved by the Board of Directors and authorised for issue on *08 APR 2009*.


R Morrison
Director

The notes on pages 8 to 12 form part of these financial statements.

Coop Globe Limited

Cash flow statement for the year ended 31 December 2008

| | Note | 2008 £ | 2007 £ |
|--|-------|------------------|----------------|
| Net cash (outflow)/inflow from operating activities | 15 | (295,548) | 846,801 |
| Returns on investment and servicing of finance | | | |
| Interest received | | 58,690 | 79,736 |
| Taxation | | | |
| UK corporation tax paid | | (217,687) | 10,855 |
| Equity dividends paid | | (320,000) | (514,000) |
| (Decrease)/increase in cash | 16,17 | <u>(774,545)</u> | <u>423,392</u> |

The notes on pages 8 to 12 form part of these financial statements.

Coop Globe Limited

Notes forming part of the financial statements for the year ended 31 December 2008

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is calculated on the first in, first out basis. Net realisable value comprises anticipated proceeds of sale less anticipated costs relating thereto.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. The recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Foreign currencies

Transactions denominated in foreign currencies are translated at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period or, where a forward exchange contract exists, at the contracted rate. Currency gains or losses arising on trading transactions are included in profit before taxation.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Employees

There were no employee costs in the current year because all costs were borne by Vestey Foods UK Limited.

Vestey Foods UK Limited charged Coop Globe Limited a management fee in relation to these costs, which is included in administrative expenses.

Coop Globe Limited

Notes forming part of the financial statements
for the year ended 31 December 2008 (*Continued*)

4 Operating profit

| | 2008 £ | 2007 £ |
|--|-----------|-----------|
| This has been arrived at after charging: | | |
| Auditors' remuneration - audit services | 4,000 | 4,000 |

5 Taxation on profit on ordinary activities

| | 2008 £ | 2007 £ |
|--|-----------|-----------|
| <i>Current tax</i> | | |
| UK corporation tax on profits for the year | 301,706 | 136,092 |
| Overprovision in prior years | (233,021) | - |
| Total current tax | 68,794 | 136,092 |

The tax assessed for the year is equal to the standard rate of corporation tax in the UK.

| | 2008 £ | 2007 £ |
|---|-----------|-----------|
| Profit on ordinary activities before tax | 1,058,619 | 453,639 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.5% (2007 – 30%) | 301,706 | 136,092 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 109 | - |
| Overprovision in prior years | (233,021) | - |
| Current tax charge for year | 68,794 | 136,092 |

6 Dividends

| | 2008 £ | 2007 £ |
|---------------------------------------|-----------|-----------|
| Dividend 320p per share (2007 – 514p) | 320,000 | 514,000 |

Coop Globe Limited

Notes forming part of the financial statements
for the year ended 31 December 2008 (*Continued*)

7 Stocks

| | 2008 £ | 2007 £ |
|------------------|-----------|-----------|
| Goods for resale | 469,674 | 173,994 |

There is no material difference between the replacement cost of stocks and the amounts stated above.

8 Debtors

| | 2008 £ | 2007 £ |
|---|------------------|------------------|
| Trade debtors | 2,883,099 | 2,107,970 |
| Other debtors | 71,239 | 138,131 |
| Amounts owed by associated undertakings | 3,187,083 | 1,809,280 |
| | <u>6,141,421</u> | <u>4,055,381</u> |

All amounts shown under debtors fall due for payment within one year.

9 Creditors: amounts falling due within one year

| | 2008 £ | 2007 £ |
|--|------------------|------------------|
| Trade creditors | 2,352 | 19,016 |
| Corporation tax | 274,563 | 423,456 |
| Amounts due to associated undertakings | 4,105,306 | 3,124,842 |
| Accruals | 410,232 | 287,789 |
| | <u>4,792,453</u> | <u>3,855,103</u> |

10 Share capital

| | 2008 £ | 2007 £ |
|---|-----------|-----------|
| <i>Authorised</i> | | |
| Ordinary shares of £1 each | 10,000 | 10,000 |
| <i>Allotted, called up and fully paid</i> | | |
| Ordinary shares of £1 each | 10,000 | 10,000 |

Coop Globe Limited

Notes forming part of the financial statements
for the year ended 31 December 2008 (Continued)

11 Statement of movements on reserves

| | Profit and loss account £ |
|-------------------------|------------------------------------|
| At 1 January 2008 | 1,164,880 |
| Profit for the year | 989,825 |
| Dividends paid (note 6) | (320,000) |
| | <hr/> |
| At 31 December 2008 | 1,834,705 |
| | <hr/> |

12 Reconciliation of movement in shareholders' funds

| | 2008 £ | 2007 £ |
|-----------------------------|-----------|-----------|
| Opening shareholders' funds | 1,174,880 | 1,371,333 |
| Profit for the year | 989,825 | 317,547 |
| Dividends paid (note 6) | (320,000) | (514,000) |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 1,844,705 | 1,174,880 |
| | <hr/> | <hr/> |

13 Ultimate parent company

The directors consider the company to be jointly controlled by Vestey Foods UK Limited, which is incorporated in Great Britain, and Cooperl SA, which is incorporated in France.

14 Related party disclosures

During the year the following transactions occurred with Vestey Foods UK Limited, which resulted in a debtor at the year end of £3,187,083 (2007 - £1,809,280):

- Sales of goods of £3,159,657 (2007 - £2,225,947);
- Payment of a management fee £624,000 (2007 - £624,000); and
- an increase in loans of £1,250,000 (2007 - £1,200,000).

Vestey Foods UK Limited is a subsidiary company of Coop Globe Limited's joint parent company, Global Group UK Holdings Limited.

During the year meat purchases totalling £30,456,349 (2007 - £22,351,126) were made from Cooperl SA, which resulted in a creditor at the year end of £4,105,306 (2007 - £3,124,842). Cooperl SA is the joint parent company of Coop Globe Limited.

Coop Globe Limited

Notes forming part of the financial statements
for the year ended 31 December 2008 (Continued)

15 Reconciliation of operating profit to net cash inflow from operating activities

| | 2008 £ | 2007 £ |
|---|-------------|-----------|
| Operating profit | 999,929 | 373,903 |
| Increase in stock | (295,680) | (77,812) |
| (Increase)/decrease in debtors | (2,086,040) | 1,483,403 |
| Increase/(decrease) in creditors | 1,086,243 | (932,693) |
| | <hr/> | <hr/> |
| Net cash (outflow)/inflow from operating activities | (295,548) | 846,801 |
| | <hr/> | <hr/> |

16 Reconciliation of net cash flow to movement in net funds

| | 2008 £ | 2007 £ |
|--|-----------|-----------|
| (Decrease)/increase in cash in the year | (774,545) | 423,392 |
| Cash at bank and in hand at 1 January 2008 | 800,608 | 377,216 |
| | <hr/> | <hr/> |
| Cash at bank and in hand at 31 December 2008 | 26,063 | 800,608 |
| | <hr/> | <hr/> |

17 Analysis of changes in net funds

| | At 1 January 2008 £ | Cash flow £ | At 31 December 2008 £ |
|--------------------------|------------------------------|-------------------|--------------------------------|
| Cash in hand and at bank | 800,608 | (774,545) | 26,063 |
| | <hr/> | <hr/> | <hr/> |