

TERRANOVA INVESTMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006
REGISTERED NUMBER 2708407



TERRANOVA INVESTMENTS LIMITED

DIRECTORS' REPORT

Accounts

The Directors present their report and financial statements of the Company for the year ended 31 March 2006.

Principal activities and business review

The principal activity of the Company is that of an intermediate holding company.

Results

The profit after tax for the year ended 31 March 2006 was £13,866,000 (year ended 31 March 2005: loss of £17,721,000), which has been transferred to reserves. The directors do not recommend the payment of a dividend.

Directors and directors' interests

The Directors who held office during the period ended 31 March 2006 were as follows:

Unigate (Secretary) Limited
Unigate (Director) Limited

None of the Directors who held office at the end of the financial year had any beneficial or non beneficial interest in the shares of Uniq plc.

Disclosure of Information to Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The Company, pursuant to Section 386 of the Companies Act 1985, has dispensed with the obligation to re-appoint auditors annually.

By order of the Board

Registered Office
Uniq plc
No. 1 Chalfont Park
Gerrards Cross
Buckinghamshire
SL9 0UN


Unigate (Secretary) Limited
25th September 2006

TERRANOVA INVESTMENTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 UK 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 its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TERRANOVA INVESTMENTS LIMITED

We have audited the financial statements of Terranova Investments Limited for the year ended 31st March 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member, 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 member those matters we are required to state to them in an auditor's 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 member 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 on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 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.

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.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2006 and of its profit for the year; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
25th September 2006

TERRANOVA INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2006**

	Note	2006 £000	2005 £000
Intercompany interest receivable		1,015	496
Foreign exchange (loss) / gain		(117)	331
Impairment of investment	4	-	(26,781)
Dividend received		<u>18,176</u>	<u>9,128</u>
Profit / (loss) on ordinary activities before tax		19,074	(16,826)
Taxation on profit on ordinary activities	3	<u>(5,208)</u>	<u>(895)</u>
Profit / (loss) for the period transferred to reserves		<u>13,866</u>	<u>(17,721)</u>

All results are derived from continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**FOR THE YEAR ENDED 31 MARCH 2006**

	2006 £000	2005 £000
Total Profit/(Loss) for the period transferred to reserves	<u>13,866</u>	<u>(17,721)</u>


The movement in shareholders' funds is shown in note 6.

The notes on pages 6 and 8 form part of these financial statements.

TERRANOVA INVESTMENTS LIMITED**BALANCE SHEET****AS AT 31 MARCH 2006**

	Notes	2006 <u>£000</u>	2005 <u>£000</u>
Fixed asset			
Investment	4	<u>139,000</u>	<u>139,000</u>
Debtors			
- Amounts owed by intermediate holding company		34,882	16,703
Creditors: amounts falling due within one year			
- Corporation tax payable		<u>(5,208)</u>	<u>(895)</u>
Net current assets		<u>29,674</u>	<u>15,808</u>
Total assets less current liabilities		<u>168,674</u>	<u>154,808</u>
Capital and reserves			
Equity share capital	5	163,277	163,277
Profit and loss account	6	<u>5,397</u>	<u>(8,469)</u>
Equity shareholders' funds	6	<u>168,674</u>	<u>154,808</u>

The accounts were approved by the Board of Directors on 25 September 2006 and are signed on its behalf by:


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On behalf of Unigate (Director) Ltd

Director

The notes on pages 6 and 8 form part of these financial statements.

TERRANOVA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

- a) The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.
- b) Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. All differences are taken to the profit and loss account with the exception of differences on loans hedging foreign equity investments. Exchange differences arising on equity investments denominated in foreign currencies are taken to reserves. Differences on relevant foreign currency loans are taken to reserves and offset against the differences on the related equity foreign investments.
- c) Fixed asset investments are stated at cost less, where appropriate, provision for diminution in value where such diminution is expected by the directors to be permanent.
- d) Under FRS 1 'Cash Flow Statements' the Company is exempt from the requirement to prepare a cashflow statement on the grounds that a parent undertaking includes the cashflow of the company in its own consolidated financial statements.
- e) As the Company is a wholly owned subsidiary of Uniq plc it has taken advantage of the exception contained in FRS 8 'Related Party Disclosures' and has not disclosed transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties)
- f) In these financial statements following new standards have been adopted for the first time:
 - FRS 21 'Events after the balance sheet date';
 - The presentation requirement of FRS 25 'Financial instruments: presentation and disclosure' and
 - FRS 28 'Corresponding amounts'

FRS 28 'Corresponding amounts' has no material effects as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

2. DIRECTORS' REMUNERATION, AUDITORS REMUNERATION AND STAFF COSTS

No emoluments are paid to the Directors in respect of their role as Directors of the Company (2005: £nil). There were no employees during the period.

No remuneration has been paid to the Company's auditors as they are paid through the ultimate parent company.

TERRANOVA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS cont.

FOR THE YEAR ENDED 31 MARCH 2006

3. TAXATION EXPENSE

	<u>2006</u> <u>£000</u>	<u>2005</u> <u>£000</u>
Tax expense on profit on ordinary activities:		
UK corporation tax at 30% (2005: 30%)	<u>5,723</u>	<u>(895)</u>
A reconciliation of the current tax charge to the 30% standard rate of corporation tax is as follows:		
Profit/(Loss) on ordinary activities before tax	<u>19,074</u>	<u>(16,826)</u>
Tax at 30%	<u>(5,723)</u>	<u>5,047</u>
Current tax expense	<u>(5,208)</u>	<u>(895)</u>
Difference	<u>(515)</u>	<u>5,942</u>
Explained by:		
Double tax relief available on dividends received	<u>(515)</u>	<u>(2,092)</u>
Investment impairment		<u>8,034</u>
	<u>(515)</u>	<u>5,942</u>

4. INVESTMENT

	Share in Group undertakings <u>2006</u> <u>£000</u>	<u>2005</u> <u>£000</u>
At Cost :		
At beginning of the year	168,109	168,109
Movement for the year	-	-
At end of the year	<u>168,109</u>	<u>168,109</u>
Provision :		
At beginning of the year	(29,109)	(2,328)
Movement for the year	-	(26,781)
At end of the year	<u>(29,109)</u>	<u>(29,109)</u>
Net Book value at end of the year	<u>139,000</u>	<u>139,000</u>

TERRANOVA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *cont.*

FOR THE YEAR ENDED 31 MARCH 2006

The shares in group undertakings represent the Company's wholly owned subsidiary comprising 1,010,000 ordinary shares of Euro 45.378 each in Terranova Fresh Foods BV, an intermediate holding company, registered in the Netherlands.

As per exemption available under section 228 of the Companies Act, Group accounts have not been prepared because the Company is a wholly owned subsidiary of a company incorporated in Great Britain, which prepares consolidated accounts. The accounts present information about the Company as an individual undertaking and not about its group.

In the opinion of the Directors, the aggregate value of the shares in its subsidiaries is not less than the amounts at which these investments are stated in the Company balance sheet.

5. SHARE CAPITAL

	2006	2005
	<u>£000</u>	<u>£000</u>
<i>Authorised</i>		
Equity: 165,000,000 Ordinary shares of £1 each	165,000	165,000
<i>Allotted, called up and fully paid</i>		
Equity: 163,276,579 Ordinary shares of £1 each	163,277	163,277

6. SHARE CAPITAL AND RESERVES

	Share Capital	Profit and Loss	Total
	<u>£000</u>	<u>£000</u>	<u>£000</u>
At beginning of the period	163,277	(8,469)	154,808
Retained loss for the period	-	13,866	13,866
At end of period	163,277	5,397	168,674

7. ULTIMATE PARENT COMPANY

The ultimate holding company is Uniq plc, a company registered in England and Wales. The largest and smallest group in which the results of Terranova Investments Limited are consolidated is that headed by Uniq plc. Copies of the Report and Accounts can be obtained from the Company Secretary, Uniq plc, 1 Chalfont Park, Gerrards Cross, Buckinghamshire, SL9 0UN.