

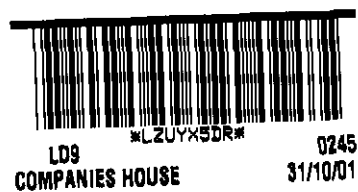
Company Registration No. 2948753

CAESPAN INTERNATIONAL HOLDINGS LIMITED

Report and Financial Statements

31 December 2000

**Deloitte & Touche
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR**



CAESPAN INTERNATIONAL HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2000

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CAPESPAN INTERNATIONAL HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2000

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

PF DeVillers Clüver (Chairman, South African)
R Byrne (Irish)
E Caulfield (Irish)
D McCann (Irish)
P Misselbrook (British)
P Peviani (Italian)
JS Stanbury (South African) (resigned 31 December 2000)
E Van Vlaanderen (South African)

SECRETARY

NK Dockar

REGISTERED OFFICE

Capespan International Holdings Limited
Farnham House
Farnham Lane
Farnham
South Bucks SL2 3RQ

BANKERS

National Westminster Bank PLC
Slough Business Centre
118 High Street
Slough
Berks SL1 1JG

SOLICITORS

Pinsent Curtis
Dashwood House
69 Old Broad Street
London EC2M 1NR

AUDITORS

Deloitte & Touche
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the fifty three week period ended 31 December 2000. The comparatives are for the fifty one week period ended 26 December 1999.

PRINCIPAL ACTIVITIES

The principal activity of the Company is acting as a holding company. The principal activity of its subsidiaries is the provision of marketing, selling and distribution services in relation to the fruit trade and allied products, acting as agent on behalf of one of its joint parent undertakings and other Principals.

REVIEW OF BUSINESS

The results of the Group for the 53 weeks period ended 31 December 2000 (51 weeks ended 26 December 1999) are set out on page 7.

The gross sales value and quantity of produce handled by the Group (excluding joint ventures) during the period were as follows:

	Fifty three weeks period ended 31 December 2000	Fifty three weeks period ended 31 December 2000 Cartons	Fifty one weeks ended 26 December 1999	Fifty one weeks ended 26 December 1999 Cartons
	£'000	'000	£'000	'000
Stonefruit (Apricots, Peaches, Plums)	10,853	2,849	19,303	5,424
Grapes	62,940	14,813	88,530	17,317
Pomefruit (Pears, Apples)	53,992	6,314	76,640	11,031
Exotics (Avocados, Mangoes, Lychees)	5,549	2,110	6,234	2,266
Oranges	42,381	10,811	55,704	10,124
Soft Citrus	3,971	712	8,998	1,816
Grapefruit	9,862	2,807	12,315	2,209
Other Citrus	4,809	934	2,568	400
Other Fruit	11	3	6,457	1,057
Total fruit	194,368	41,353	276,749	51,644
Capespan Fruit Juice division	3,683	-	1,859	-
	198,021	41,353	278,608	51,644
Commission on marketing	17,807		13,491	
Commission on logistics	-		8,266	
Total turnover	215,858		300,365	

CAESPAN INTERNATIONAL HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

CORPORATE RESTRUCTURING

The restructuring project announced in 1999 essentially concluded in 2000 with the three strategic business units under separate management becoming fully operational. A charge of £266,000 (1999 - £1,946,000) was incurred in the period in respect of costs arising as a result of the restructuring.

FUTURE DEVELOPMENTS

The Group's focus on delivering superior returns to growers remains paramount. The Least Cost Distribution ("LCD") initiatives will continue with an added emphasis on attracting complementary non-Republic of South Africa sourced fruit. A number of new suppliers have been developed during the year, which will primarily benefit 2001. The ultimate goal is to have a twelve month supply of all major fruit types.

A number of actions and initiatives have been taken in South Africa (including the creation of four new Fruit Business Units) which the Directors believe will substantially restore the drop in volumes experienced in 2000. This together with the benefit of the full effect of the restructuring materialising will lead to a return to profitability in 2001.

PROPOSED DIVIDEND

The directors do not recommend the payment of a dividend (1999 - £nil).

DIRECTORS AND THEIR INTERESTS

The directors who held office during the period are shown on page 1.

None of the directors who held office at the end of the financial period had any disclosable interests in the shares of the Company or any other Group companies.

EMPLOYEES AND EMPLOYEE INVOLVEMENT

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment within the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Group retains its full commitment to ensuring employees are fully involved with, and kept informed of, the progress of both the particular business, and the Group overall, on a regular basis. The development of employees to realise their full potential is considered fundamental to the long-term success of the Group.

EURO

Management has addressed the financial and commercial implications of the introduction of the Euro and the process of Economic and Monetary Union for the Group and its customers and suppliers. The ongoing programme of enhancing computer systems will ensure that the Group is well placed to deal with any requirements of customers or suppliers with regard to the Euro.

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

PAYMENTS TO CREDITORS

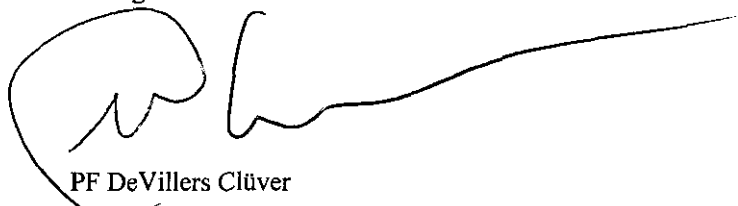
It is the Group's normal practice to make payments to suppliers in accordance with agreed terms provided that the supplier has performed in accordance with the relevant terms and conditions. As almost all fruit purchases are made from group companies the Company does not believe it is meaningful to disclose third party creditor days.

The Company has no non-Group creditors (2000 – £nil).

AUDITORS

A resolution for the appointment of KPMG as auditors of the Company in place of Deloitte and Touche is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a series of loops and a long horizontal stroke extending to the right.

PF DeVillers Clüver

30 October 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial period and of the profit or loss of the Group 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF CAPESPAN INTERNATIONAL HOLDINGS LIMITED

We have audited the financial statements on pages 7 to 28 which have been prepared under the accounting policies set out on pages 12 and 13.

Respective responsibilities of directors and auditors

As described on page 5 the Company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

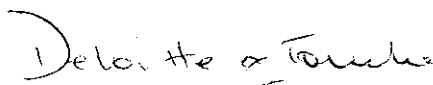
Basis of opinion

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 and the Group'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 affairs of the Company and Group as at 31 December 2000 and of the loss of the Group for the fifty three week period then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE
Chartered Accountants and
Registered Auditors
Hill House
1 Little New Street
London

30 October 2001

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Fifty three weeks ended 31 December 2000

	Note	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
Turnover: group and share of joint ventures		217,874	302,610
Less: share of joint ventures' turnover		(2,016)	(2,245)
GROUP TURNOVER:			
Continuing operations	2	215,858	300,365
Cost of sales		(198,051)	(278,608)
Gross Profit		17,807	21,757
Administrative expenses (including £266,000 (1999 - £1,946,000) of exceptional costs in respect of reorganisation)		(20,632)	(23,698)
Other operating income		1,899	1,539
GROUP OPERATING LOSS:			
Continuing operations		(926)	(402)
Share of operating profit in joint ventures	10	73	108
Total operating loss: group and share of joint ventures	2,4	(853)	(294)
Interest receivable and similar income		207	74
Interest payable and similar charges	5	(357)	(323)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,003)	(543)
Tax on loss on ordinary activities	6	(323)	(289)
Loss on ordinary activities after taxation and before minority interests		(1,326)	(832)
Minority interests in ordinary activities – equity		(87)	(47)
RETAINED LOSS FOR THE FINANCIAL PERIOD	17	(1,413)	(879)

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Fifty three weeks ended 31 December 2000

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
Loss attributable to members of the Group	(1,413)	(879)
Foreign exchange translation differences on foreign currency net investment in subsidiaries	(81)	(37)
Total recognised gains and losses for the period	<u>(1,494)</u>	<u>(916)</u>

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET
31 December 2000

	Note	31 December 2000 £'000	26 December 1999 £'000
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	2,259	3,125
Investments in joint ventures			
Share of gross assets	10	584	803
Share of gross liabilities	10	(278)	(548)
		<u>255</u>	<u>255</u>
		<u>2,565</u>	<u>3,380</u>
CURRENT ASSETS			
Stock		205	54
Debtors	11	22,549	19,991
Cash at bank and in hand		9,623	9,172
		<u>32,377</u>	<u>29,217</u>
CREDITORS: amounts falling due			
Within one year	12	(32,808)	(27,147)
NET CURRENT			
(LIABILITIES)/ASSETS		<u>(431)</u>	<u>2,070</u>
TOTAL ASSETS LESS CURRENT			
LIABILITIES		<u>2,134</u>	<u>5,450</u>
CREDITORS: amounts falling due after			
more than one year	13	(788)	(1,138)
PROVISIONS FOR LIABILITIES AND			
CHARGES	14	(677)	(1,567)
MINORITY INTERESTS – equity		<u>(758)</u>	<u>(1,340)</u>
NET (LIABILITIES)/ASSETS		<u>(89)</u>	<u>1,405</u>
CAPITAL AND RESERVES			
Called up share capital	16	-	-
Share premium	17	3,450	3,450
Other reserves	17	800	800
Profit and loss account	17	(4,339)	(2,845)
EQUITY SHAREHOLDERS'			
(DEFICIT)/FUNDS	17	<u>(89)</u>	<u>1,405</u>

These financial statements were approved by the Board of Directors on 30 October 2001.

Signed on behalf of the Board of Directors

PP DeVillers Clüver Director

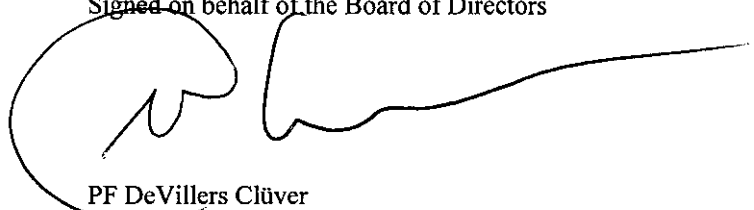
CAESPAN INTERNATIONAL HOLDINGS LIMITED

BALANCE SHEET 31 December 2000

	Note	31 December 2000 £'000	26 December 1999 £'000
FIXED ASSETS			
Investments	10	4,250	4,250
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,250</u>	<u>4,250</u>
CAPITAL AND RESERVES			
Called up share capital	16	-	-
Share premium	17	3,450	3,450
Other reserves	17	800	800
EQUITY SHAREHOLDERS' FUNDS		<u>4,250</u>	<u>4,250</u>

These financial statements were approved by the Board of Directors on 30 October 2001.

Signed on behalf of the Board of Directors



PF DeVillers Clüver
Director

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

Fifty three weeks ended 31 December 2000

	Note	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks ended 26 December 1999 (restated see note 19) £'000
Net cash inflow from operating activities	18	2,957	5,961
Returns on investments and servicing of finance			
Interest received		207	74
Interest paid		(267)	(247)
Interest element of finance lease payments		(90)	(76)
Dividend received from joint venture undertaking		-	155
Dividends paid to minority interests		(153)	-
Net cash outflow from returns on investments and servicing of finance		(303)	(94)
Taxation			
UK Corporation tax paid		-	(90)
Overseas tax paid		(648)	(357)
Tax paid		(648)	(447)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(365)	(595)
Receipts from sales of tangible fixed assets		231	72
Net cash outflow from capital expenditure and financial investment		(136)	(523)
Acquisitions and disposals			
Purchase of minority interest in subsidiary		(500)	(269)
Net cash outflow from acquisitions		(500)	(269)
Net cash inflow before financing		1,370	4,628
Financing			
Increase in capital element of finance leases		(151)	-
Capital contribution from shareholders		-	800
Repayment of loans		(638)	(1,741)
Net cash (outflow)/inflow from financing		(789)	(941)
Increase/(decrease) in cash in the period		581	3,687
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the period	20	581	3,687
Decrease in long term loans and leasing	20	854	588
Movement in net funds during the period		1,435	4,275
Opening net funds		4,279	4
Closing net funds		5,714	4,279

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

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.

Basis of consolidation

The consolidated accounts incorporate the financial statements of the Company and its subsidiaries.

The financial statements include the results of subsidiaries acquired during the year from the effective dates of acquisition, adopting acquisition accounting methods.

Accounting for agency agreement

The directors are of the opinion, given that the Group's agency agreement is principally undisclosed to its customers, that debtors and creditors should be shown gross. Under this agreement, the principal holds beneficial interest in such debtors and creditors, save for any balance where credit risk falls on the Group due to approved credit limits being breached and approval not being received from the principal.

Joint venture undertakings

The Group's share of the joint ventures' turnover and operating profit is shown separately in the consolidated profit and loss account. The amount included in the Group balance sheet is the Group's share of the net assets of the joint venture undertaking. The Group's share of the gross assets and liabilities of the joint ventures are shown separately on the Group's balance sheet.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Computer equipment	25% per annum
Computer software development	33% per annum
Motor vehicles	25% per annum
Fixtures, fittings and other equipment	Between 10% and 20% per annum

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Goodwill

On the acquisition of a business fair values are attributed to the group's share of net separable assets. Where the cost of acquisition exceeds the fair values attributable to such net assets the difference is treated as purchased goodwill and, following the implementation of FRS 10, is capitalised in the group balance sheet in the year of acquisition and amortised over its estimated useful life. The group did not have any purchased goodwill prior to the implementation of FRS 10.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises the direct cost of fruit to the group. Net realisable value is based on estimated selling price less all further marketing and selling costs.

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

1. ACCOUNTING POLICIES (continued)

Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership (finance leases) to the Group are included in the balance sheet as tangible fixed assets at cost less accumulated depreciation and the capital element of future rentals is treated as a liability. The interest element is charged to profit and loss account over the period of the finance lease in proportion to the balance of capital repayments outstanding.

Operating lease rentals are charged to income in equal annual amounts over the lease term.

Foreign currency

Assets and liabilities denominated in foreign currencies and net assets of overseas operations are translated into sterling at the rates of exchange ruling at the balance sheet date. The profits and losses of overseas operations are translated into sterling at average rates. Exchange rate variations, which arise from the translation at rates different from those used in the previous accounts in respect of the opening net assets of the overseas subsidiaries, are dealt with as a movement on reserves. Exchange profits or losses realised on trading transactions are included in the Group's trading results.

Pension costs

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.

Turnover

Turnover represents gross sales of fruit and allied products, made whilst acting as agent on behalf of the Group's ultimate parent undertakings and other Principals, and commissions thereon for their marketing, selling and distribution in the UK and Europe.

2. ANALYSIS OF TURNOVER, LOSS AND NET ASSETS

	Fifty three weeks ended 31 December 2000 Destination £'000	Fifty one weeks ended 26 December 1999 Destination £'000	Fifty three weeks ended 31 December 2000 Origin £'000	Fifty one weeks ended 26 December 1999 Origin £'000
Turnover by origin and destination				
United Kingdom & Ireland	85,753	113,631	106,678	180,272
Benelux	23,208	30,676	35,058	31,312
Germany	29,473	49,659	29,028	47,866
France	17,340	26,291	31,107	24,353
Italy	5,867	7,073	-	6,476
Austria	10,247	10,999	13,987	10,086
Eastern Europe	5,935	13,786	-	-
Other European countries	35,035	48,250	-	-
	<u>215,858</u>	<u>300,365</u>	<u>215,858</u>	<u>300,365</u>

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

2. ANALYSIS OF TURNOVER, OPERATING LOSS AND NET ASSETS (continued)

The directors are of the opinion that all turnover arises from the Group's principal activity.

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks ended 26 December 1999 £'000
Operating loss		
United Kingdom	(114)	(573)
Benelux	(593)	(492)
Germany	247	461
France	(622)	(135)
Italy	-	(143)
Austria	145	104
Joint ventures - income before taxation	75	108
Other European countries	9	376
	<u>(853)</u>	<u>(294)</u>
	31 December 2000 £'000	26 December 1999 £'000
Net assets/(liabilities) by origin		
United Kingdom	(1,536)	(1,105)
Benelux	1,171	981
Germany	616	762
France	(708)	490
Italy	187	183
Austria	28	26
Other European countries	153	68
	<u>(89)</u>	<u>1,405</u>

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
Total directors' emoluments, excluding pension contributions	-	-
Pension contributions	-	-
Remuneration of the highest paid director	-	-

No directors were paid during the current or prior periods for services to the company.

	Fifty three weeks period ended 31 December 2000 No.	Fifty one weeks period ended 26 December 1999 No.
Average number of persons employed		
Sales and marketing	124	171
Administration	117	101
	241	272
Staff costs during the period (including directors)	£'000	£'000
Wages and salaries	7,657	9,902
Social security costs	504	664
Pension costs	529	887
	8,690	11,453

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

4. GROUP OPERATING LOSS

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
Group operating loss is after charging/(crediting):		
Depreciation and amortisation		
Owned assets	785	862
Assets held under finance leases	243	137
Impairment of intangible asset	-	282
Profit on disposal of fixed assets	24	10
Rentals under operating leases:		
Hire of plant and machinery	-	101
Other operating leases	1,660	1,290
Foreign exchange (gain)/loss	(171)	369
Auditors' remuneration:		
Audit fees	135	110
Other services	-	99
	<u> </u>	<u> </u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
Bank loans and overdrafts	220	231
Other loans	46	16
Interest on finance leases	91	76
	<u> </u>	<u> </u>
	357	323
	<u> </u>	<u> </u>

Share of interest payable by the joint ventures is £nil (1999 - £nil).

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

6. TAX ON LOSS ON ORDINARY ACTIVITIES

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
UK corporation tax at 30% (1999 – 31%)	80	33
Overseas taxation	223	266
Share of tax in associated undertaking	26	32
Deferred taxation charge	-	11
Prior period adjustments:		
UK corporation tax	(19)	(41)
Overseas taxation	-	(12)
	<u>323</u>	<u>289</u>

The tax charge is disproportionately high compared to the loss for the period due to higher tax rates suffered in overseas jurisdictions.

7. PROFIT AND LOSS ACCOUNT OF THE COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the Company is not presented as part of these accounts. The Company did not trade during the period and, accordingly, made neither a profit nor a loss.

8. INTANGIBLE FIXED ASSETS

	31 December 2000 £'000
Group	
Cost	
At 27 December 1999 and 31 December 2000	282
Provision for diminution in value	
At 27 December 1999 and 31 December 2000	(282)
Net Book Value	
At 27 December 1999 and 31 December 2000	<u>-</u>

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

9. TANGIBLE FIXED ASSETS

The Group	Computer equipment and software £'000	Motor vehicles £'000	Fixtures, fittings and other equipment £'000	Total £'000
Cost				
At 27 December 1999	3,237	618	2,787	6,642
Additions	150	-	215	365
Disposals	(353)	(61)	(833)	(1,247)
Exchange adjustment	2	1	1	4
At 31 December 2000	3,036	558	2,170	5,764
Accumulated depreciation				
At 27 December 1999	2,104	341	1,072	3,517
Charge for the period	556	127	345	1,028
Disposals	(272)	(50)	(719)	(1,041)
Exchange adjustment	-	1	-	1
At 31 December 2000	2,388	419	698	3,505
Net book value				
At 31 December 2000	648	139	1,472	2,259
At 26 December 1999	1,133	277	1,715	3,125

The net book value of tangible assets includes an amount of £1,165,000 (1999 – £1,245,000) in respect of assets held under finance leases, of which £821,000 relates to plant and equipment, £235,000 relates to computer equipment and £109,000 relates to furniture and fittings and other leases.

10. INVESTMENTS HELD AS FIXED ASSETS

The Company	Shares in subsidiaries £'000
Cost	
At 26 December 1999 and at 31 December 2000	4,250

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

10. INVESTMENTS HELD AS FIXED ASSETS (continued)

The Company has the following investment entities:

	Shareholding %	Type	Incorporated and trading in
Capespan International PLC	100	Subsidiary	Great Britain
Held by Capespan International PLC			
Capespan UK Limited	100	Subsidiary	Great Britain
Capespan Continent (North) NV (formerly Capespan Benelux NV)	100	Subsidiary	Belgium
Capespan France SA	100	Subsidiary	France
Capespan Italia Srl	100	Subsidiary	Italy
Capespan International (Deutschland) GmbH	100	Subsidiary	Germany
Capespan Austria GmbH	100	Subsidiary	Austria
Portco (Bremerhaven) GmbH	50	Subsidiary	Germany
 Fresh Fruit Terminal Antwerp NV	50	Joint venture	Belgium
Fresh Fruit Terminal (Vlissingen) BV	50	Joint venture	Holland
Capespan Investments (UK) Limited	100	Subsidiary	Great Britain
Fresh Fruit Services Limited	100	Subsidiary	Great Britain
Capespan Investments Limited	100	Subsidiary	Great Britain -dormant
Held by Fresh Fruit Services Limited			
Fresh Fruit Terminal (Sheerness) Limited	50	Subsidiary	Great Britain
Fresh Fruit Processing Limited	100	Subsidiary	Great Britain -dormant
Held by Capespan Continent (North) NV			
Fresh Fruit Services Continent CVBA	100	Subsidiary	Belgium
Held by Capespan International (Deutschland) GmbH			
H. Olf & Sohn GmbH	100	Subsidiary	Germany

All principal subsidiaries and joint venture undertakings provide marketing, selling and distribution services in relation to the fruit trade and allied products, except for Capespan Investments (UK) Limited and Capespan International (Deutschland) GmbH, which act as a holding companies. Capespan Investments Limited and Fresh Fruit Processing Limited are dormant and did not trade during the period. Capespan Italia Srl is in voluntary liquidation following cessation of activities.

All the above undertakings have financial years ending on 31 December 2000 except Portco (Bremerhaven) GmbH, which prepared its accounts for the year ended 30 September 2000.

On 27 December 1999, the Group acquired, at par value, all shares in Fresh Fruit Services Limited not previously held by it. Consideration comprised £500,000 cash. Net assets acquired were as follows:

	Book value and fair value at acquisition £'000
Fixed assets	243
Debtors	3,070
Cash	462
Creditors	(3,275)
Total	500

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

10. INVESTMENTS HELD AS FIXED ASSETS (continued)

No goodwill was generated on this acquisition.

All the above undertakings have financial years ended on 31 December 2000 except Portco (Bremerhaven) GmbH, which prepared its accounts for the year ended 30 September 2000.

On 6 April 2001 the Group's 50% interest in Portco (Bremerhaven) GmbH was disposed of (note 25).

	The Group £'000
Share of joint venture undertakings' net assets under the gross equity method of account	
At 27 December 1999	255
Share of profits before tax for the period	73
Share of tax for the period	(24)
Exchange revaluation	2
	<hr/>
At 31 December 2000	306
	<hr/>

The Group's share of joint venture undertakings' retained earnings is £90,000 (1999: £57,000).

11. DEBTORS

	The Group 31 December 2000 £'000	26 December 1999 £'000
Trade debtors	11,071	8,630
Amounts owed by group undertakings:		
Ultimate parent undertaking	1,944	1,029
Other group undertakings	72	986
Corporation taxation recoverable	152	132
Overseas taxation recoverable	312	148
Other debtors	6,259	8,518
Prepayments and accrued income	2,739	548
	<hr/>	<hr/>
	22,549	19,991
	<hr/>	<hr/>

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group	
	31 December	26 December
	2000	1999
	£'000	£'000
Bank loans and overdrafts	2,615	3,284
Other Loans	64	64
Obligations under finance leases (see note 22)	342	307
Trade creditors	3,862	3,490
Amounts owed to group undertakings:		
Ultimate parent undertaking	14,640	11,459
Other group undertakings	246	362
Corporation tax	28	42
Overseas tax	69	194
Other taxes and social security	324	260
Other creditors	919	1,191
Accruals and deferred income	9,699	6,494
	<u>32,808</u>	<u>27,147</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group	
	31 December	26 December
	2000	1999
	£'000	£'000
Obligations under finance leases (see note 22)	660	846
Amounts owed to group undertakings	-	100
Other loan	128	192
	<u>788</u>	<u>1,138</u>

The other loan falling due after more than one year of £128,000 (1999- £192,000) is interest bearing at 5.5% per annum. An amount of £64,000, being the current portion of the loan, is included in Creditors: amounts falling due within one year for the Group. The loan is repayable in equal instalments over the next three years.

An interest free loan of £100,000, repayable to a joint ultimate parent undertaking is included in Creditors: amounts falling due within one year for the Group.

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

14. PROVISIONS FOR LIABILITIES AND CHARGES

The Group	Deferred tax £'000	Restructuring provision £'000	Pensions and similar obligations £'000	Total £'000
At 27 December 1999	62	1,014	491	1,567
Expenditure in period	(1)	(645)	(68)	(714)
Charged to profit and loss account	14	(249)	59	(176)
	<u>75</u>	<u>120</u>	<u>482</u>	<u>677</u>
At 31 December 2000	75	120	482	677

Restructuring provision

The restructuring provision relates to a group-wide restructuring project announced in 1999. A provision of £120,000 remains at 31 December 2000, which is expected to be fully utilised in 2001.

Deferred tax – see note 15.

Pensions – see note 23.

15. DEFERRED TAXATION

	The Group	
	31 December 2000 £'000	26 December 1999 £'000
Depreciation in excess of capital allowances	75	62

The following deferred tax asset was not recognised in the financial statements

	The Group	
	31 December 2000 £'000	26 December 1999 £'000
Depreciation in excess of capital allowances	214	117
Losses	865	849
Other timing differences	154	18
	<u>1,233</u>	<u>984</u>

CAESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

16. CALLED UP SHARE CAPITAL

	The Group		The Company	
	31 December 2000 £'000	26 December 1999 £'000	31 December 2000 £'000	26 December 1999 £'000
Authorised:				
500 "A" ordinary shares of £1 each	500	500	500	500
500 "B" ordinary shares of £1 each	500	500	500	500
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid:				
2 "A" Ordinary shares of £1 each	2	2	2	2
2 "B" Ordinary shares of £1 each	2	2	2	2
	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

The authorised share capital of the Company was redesignated into 500 "A" ordinary shares of £1 each and 500 "B" ordinary shares of £1 each. The holders of each class of share have the right to appoint up to four company directors, in all other respects the "A" and "B" shares rank pari passu.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	The Group			
	Share capital and premium £'000	Capital contribution £'000	Profit and loss account £'000	Total £'000
At 27 December 1999	3,450	800	(2,845)	1,405
Retained loss for the period	-	-	(1,413)	(1,413)
Exchange rate variations	-	-	(81)	(81)
At 31 December 2000	<u>3,450</u>	<u>800</u>	<u>(4,339)</u>	<u>(89)</u>
	The Company			
	Share capital and premium £'000	Capital contribution £'000	Profit and loss account £'000	Total £'000
At 27 December 1999 and at 31 December 2000	<u>3,450</u>	<u>800</u>	<u>-</u>	<u>4,250</u>

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

18. RECONCILIATION OF GROUP OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	Fifty three weeks period ended 31 December 2000 £'000	Fifty one weeks period ended 26 December 1999 £'000
Group operating loss	(926)	(402)
Depreciation of tangible fixed assets	1,028	999
Impairment of intangible assets	-	282
Profit on sale of fixed assets	(24)	(10)
Foreign exchange movement	(77)	76
	<u>1</u>	<u>945</u>
(Increase)/decrease in debtors	(2,374)	3,783
Increase in creditors	6,371	262
Decrease/(increase) in stock	151	(54)
(Decrease)/increase in provisions	(890)	1,025
	<u>2,957</u>	<u>5,961</u>

19. RESTATEMENT OF COMPARATIVES

During the production of the 31 December 2000 accounts it has been identified that, in the prior period consolidated cash flow statement, fixed asset additions related to finance leases were incorrectly included within both payments to acquire tangible fixed assets and increase in capital element of finance leases. In order to amend this error, the consolidated cash flow statement comparatives have been restated as follows:

	Payments to acquire tangible fixed assets £'000	Increase in capital element of finance leases £'000
26 December 1999 as previously reported	(1,748)	1,153
Finance lease amendment	1,153	(1,153)
	<u>(595)</u>	<u>-</u>

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

20. ANALYSIS OF MOVEMENT IN NET FUNDS

	27 December 1999 £'000	Cash flow £'000	Other non-cash changes £'000	31 December 2000 £'000
Cash at bank and in hand	9,042	581	-	9,623
Debt due within one year	(3,318)	703	(164)	(2,779)
Debt due after one year	(292)	-	164	(128)
Finance leases	(1,153)	151	-	(1,002)
	<u>4,279</u>	<u>1,435</u>	<u>-</u>	<u>5,714</u>

21. FUTURE CAPITAL EXPENDITURE

	The Group	
	31 December 2000 £'000	26 December 1999 £'000
Contracted for but not provided	<u>1,623</u>	<u>100</u>

22. LEASE OBLIGATIONS

	The Group	
	31 December 2000 £'000	26 December 1999 £'000
Finance Leases		
Repayable:		
Within one year	342	307
Within two to five years	649	825
After five years	11	21
	<u>1,002</u>	<u>1,153</u>

At 31 December 2000 the Group was committed to making the following payments in the year ending 31 December 2001 in respect of operating leases:

	31 December 2000		26 December 1999	
Group	Land and buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Leases which expire:				
Within one year	92	51	54	335
Within two to five years	558	171	5	318
After five years	1,057	4	1,012	47
	<u>1,707</u>	<u>226</u>	<u>1,071</u>	<u>700</u>

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

23. PENSION SCHEMES

The Group has a number of pension schemes throughout Europe. The major schemes, which cover some 74% of scheme members, are split between defined benefit and defined contribution schemes.

The total pension cost for the Group in this period was £529,000 (fifty one weeks ended 26 December 1999 - £887,000) of which £225,000 (fifty one weeks ended 26 December 1000 - £420,000) relates to overseas schemes.

The funding relating to the principal UK defined benefit schemes is assessed in accordance with the advice of qualified actuaries at the appropriate time. The latest actuarial assessments were performed as set out below using the projected unit method for both schemes:

	Date of latest actuarial assessment	Market value of scheme assets £'000	Surplus of fund over actuarial value of accrued benefits
Unifruco Pension Scheme	1 October 1998	5,232	19%
SACCE Pension Scheme	1 February 2000	15,470	41%

The principal assumptions used by the qualified actuaries in performing the latest actuarial assessments are:

	Unifruco Pension Scheme	SACCE Pension Scheme
Investment returns	8% per annum	5½% & 6½% per annum
Salary growth	6% per annum	4½% per annum
Pension increase	as guaranteed by the scheme	as guaranteed by the scheme

The pension cost relating to foreign schemes includes £60,000 (fifty one weeks ended 26 December 1999: £60,000) where the charge has been determined in accordance with local best practice and regulations in Germany. The German pension provision has been valued in accordance with SSAP 24.

24. ULTIMATE PARENT UNDERTAKINGS

The Company is jointly owned by Capespan (Proprietary) Limited, incorporated in South Africa, and by Fyffes Group Limited, incorporated in Great Britain and registered in England and Wales.

Capespan (Proprietary) Limited is wholly owned by Capespan Group Holdings Limited, incorporated in South Africa.

Fyffes Group Limited is wholly owned by Fyffes plc, incorporated in Ireland.

Accounts of the joint ultimate parent undertakings are available from:

Capespan Group Holdings Limited, Parc du Cap, Bellville 7535, Republic of South Africa.

The Secretary, Fyffes plc, 1 Beresford Street, Dublin 7, Ireland.

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

25. RELATED PARTY TRANSACTIONS

As noted in the Directors' Report, the Capespan Group handles fruit on behalf of Capespan (Proprietary) Limited, one of its joint ultimate parent undertakings, and Fruit Exporters of Southern Africa (Pty) Limited ("Frusal"), a subsidiary company of Capespan (Pty) Limited. In consideration for handling fruit the Group receives an arm's length commission:

	Fifty three weeks ended 31 December 2000	Fifty three weeks ended 31 December 2000	Net creditor/ (debtor) at 31 December 2000
	Gross sales	Commission received	
	£'000	£'000	£'000
Capespan (Pty) Limited	182,324	12,807	15,711
Vinfruco	-	-	(47)
	<u>182,324</u>	<u>12,807</u>	
	Fifty one weeks ended 26 December 1999	Fifty one weeks ended 26 December 1999	Net creditor/ (debtor) at 26 December 1999
	Gross sales	Commission received	
	£'000	£'000	£'000
Capespan (Pty) Limited	264,059	12,807	10,530
Fresh Cape Juices	-	-	(5)
Vinfruco	-	-	(60)
Frusal	6,229	302	(200)
	<u>270,288</u>	<u>13,109</u>	

Capespan International PLC ("PLC"), a 100% subsidiary of Capespan International Holdings Limited, owes £10,000 to (1999 - was owed £35,000 by) the South African Co-operative Citrus Exchange ("SACCE") Limited Pension and Life Assurance Scheme in respect of administration charges incurred by the scheme during the last three years but settled by PLC. No administration charges have been borne by the Group.

The Capespan International Holdings Limited group purchased services totalling £3,464,000 (1999 - £4,331,000) from its joint venture companies. At 31 December 2000, the Group owed £173,000 to its joint ventures (1999 - £78,000).

No amounts have been provided for or written off in respect of amounts owed to/by related parties, including SACCE.

Capespan International PLC paid Reef Investments Limited, a 100% subsidiary of Capespan (Pty) Limited, £418,000 (1999 - £491,000) in respect of rental costs for Farnham House, the Capespan Group's Head Office.

In the normal course of business, the Group on an arm's length basis with various companies in the Fyffes plc group, one of its joint ultimate parent undertakings. Sales to Fyffes for the period amounted £32,181,000. Fees for services provided by Fyffes amounted to £208,000.

On 1 January 2000, PLC acquired at par value, Fyffes shareholding in Fresh Fruit Services Limited (FFS) for £200,000. FFS paid a dividend of £40,000 to Fyffes out of prior periods' retained earnings.

CAPESPAN INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

Fifty three weeks ended 31 December 2000

24. RELATED PARTY TRANSACTIONS (continued)

The net amount owing by the Group to Fyffes at 31 December 2000 was £572,000.

26. POST BALANCE SHEET EVENT

On 6 April 2001 Capespan International PLC conclude the disposal of its 50% interest in Portco (Bremerhaven) GmbH at book value. The effective date of disposal is 1 January 2001.