Argent Rendering Limited

Directors' report and financial statements

Registered number SC035022

31 December 2006

Contents

Company information

Directors
A J Barnes
D J Gray
A P H Hunter

Secretary
A J Barnes

Registered office
The Rural Centre
West Mains
Ingliston
Midlothian
EH28 8LT

Registered number
SC035022 (Scotland)

Auditors
KPMG LLP
8 Salisbury Square
London EC4Y 8BB

Bankers
Lloyds TSB
10 Gresham Street
London EC2V 7AE

Directors' report

The directors present their annual report together with the audited financial statements for the year ended 31 December 2006

Principal activities and business review

The company did not trade during the period

Dividends

An interim dividend of £0 71 per share amounting to £110,550 (2005 £nil) was paid on ordinary shares No further dividend is recommended

Results

The results for the year are set out in the Profit and Loss account on page 7 The profit for the year was £2,250 (2005 £nil)

Directors

The directors during the year under review were

A J Barnes (appointed 24 April 2006)
D J Ward (resigned 01 June 2006)
D J Gray
A P H Hunter
R B MacEachran (resigned 1 June 2006)

R B MacEachran resigned as secretary on 21 April 2006 and A J Barnes was appointed as secretary on the same day

Disclosure of information

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to a shareholders' resolution, the company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office

By order of the board

A J Barnes
Director

5th Floor
9 Hatton Street
London NW8 8PL
15 May 2007

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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

Independent auditors' report
to the members of Argent Rendering Limited

We have audited the financial statements of Argent Rendering Limited for the year ended 31 December 2006 which comprise the Profit and Loss account, the Balance Sheet, 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 members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 5 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements In addition, we 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

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 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 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

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor
London

15th May 2007

Profit and loss account
for the year ended 31 December 2006

	Notes	2006 £'000	2005 £'000
Operating profit			
Interest receivable and similar income		3	
Profit on ordinary activities before taxation		3	
Tax on profit on ordinary activities	3	(1)	
Profit for the financial year		2	

The results for the year are derived wholly from continuing operations

The company had no recognised gains or losses in either the current or preceding year other than those recorded in the profit and loss account and, therefore, no separate statement of total recognised gains and losses has been prepared

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents

Balance sheet
as at 31 December 2006

	Notes	2006 £'000	2005 £'000
Investments	4		203
Current assets			
Cash at bank and in hand		190	
Debtors amounts falling due after more than one year	5		3,615
		190	3,615
Creditors: amounts falling due within one year	6	(1)	
Total assets less current liabilities		189	3,818
Creditors amounts falling due after more than one year	7		(3,520)
Net assets		189	298
Capital and reserves			
Called up share capital	8	156	156
Capital reserve	9	26	26
Profit and loss account	11	7	116
Equity shareholders' funds	12	189	298

These financial statements were approved by the board of directors on 15 May 2007 and were signed on its behalf by

A J Barnes Director

Notes to the financial statements
for the year ended 31 December 2006

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below

Basis of preparation

The financial statements have been prepared in accordance with the applicable Accounting Standards in the United Kingdom and under the historical cost convention The principal accounting policies are set out below The policies have remained unchanged from the previous year

Dividends

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

Investments

Fixed asset investments are stated at cost less any provision required for a permanent diminution in value

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Argyll Group Europe Limited and is included in its consolidated financial statements, which are publicly available Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996) The company is also exempt under the terms of Financing Reporting Standard 8 from disclosing related party transactions with entities which are part of the Argyll Group Europe Limited group

Taxation

Current tax, including UK corporation tax and overseas tax, is included at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred taxation is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at the balance sheet date that result in an obligation to pay more tax or a right to pay less tax in the future Deferred tax assets are recognised only to the extent that they are considered recoverable in the future Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse Deferred tax is measured on a non discounted basis

2 Dividends

	2006 £'000	2005 £'000
Dividends paid – 71p per share (2005 – nil)	111	

3. Taxation

The tax charge represents

	2006 £'000	2005 £'000
Current tax		
UK corporation tax at 30% (2005 30%)	1	

Notes *(continued)*

4. Investments

	2006 £'000	2005 £'000
Cost		
At beginning of year	**203**	203
Less disposals	**(203)**	
At end of year		203
Net book value		
At 31 December		203

On 25th May 2006 the company disposed of, as part of a group reorganisation, the entire issued share capital of two group companies, William Forrest & Son (Paisley) Limited and WC Hodgkinson Limited, and their respective subsidiaries to Enerfood Holdings Limited in exchange for cash There was no profit or loss realised on this disposal

5 Debtors. amounts falling due after more than one year

	2006 £'000	2005 £'000
Amounts owed by group undertakings		3,615

6. Creditors: amounts falling due within one year

	2006 £'000	2005 £'000
Corporation tax	**1**	

7 Creditors: amounts falling due after more than one year

	2006 £'000	2005 £'000
Amounts owed to group undertakings		3,520

Notes *(continued)*

8. Called up share capital

Authorised

Number	Class	Nominal value	2006 £'000	2005 £'000
200,000	Ordinary	£1	200	200
			200	200

Allotted, called up and fully paid

Number	Class	Nominal value	2006 £'000	2005 £'000
155,704	Ordinary	£1	156	156

9. Capital reserve

	2006 £'000	2005 £'000
At beginning and end of year	26	26

This balance is wholly distributable

10. Ultimate parent company

The company is a wholly owned subsidiary of Argent By Products Group Limited, a company incorporated in England and Wales, and is ultimately owned and controlled by Argyll Group Europe Limited, a company incorporated in England and Wales with registered office at 5th Floor, 9 Hatton Street, London NW8 8PL

The largest group into which the results of the company are consolidated is the Argyll Group Europe Limited group Copies of those consolidated financial statements may be obtained from the registered office

11. Movements on reserves

	2006 £'000	2005 £'000
At beginning of year	116	116
Profit for the financial year	2	
Dividends paid	(111)	
At end of year	7	116

12. Reconciliation of movements on shareholders' funds

	2006 £'000	2005 £'000
Profit for the financial year	2	
Dividends paid	(111)	
Net movement in shareholders' funds	(109)	
Opening shareholders' funds	298	298
Closing shareholders' funds	189	298

Notes *(continued)*

13. Assets pledged, commitments and contingencies

The company is participant in a group arrangement under which all assets and surplus cash balances are held as collateral for bank facilities advanced to Group members The maximum amount covered by these arrangements at 31 December 2006 was £12 3 million (2005 £14 1 million)

14 Significant events since the year end

On 21 March 2007, it was announced that the corporation tax rate is to decrease from 30% to 28%, effective from 1 April 2008 The new tax rate will be substantively enacted when the Bill for the 2007 Finance Act is passed later this year

There have been no other significant events since the year end