

Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000
for
Perimax (Scotland) Limited

Payling, Hepworth & Clarke

ACCOUNTANTS
36 BOND STREET
WAKEFIELD
WEST YORKSHIRE
WF1 2QP



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COMPANIES HOUSE 15/01/01

Perimax (Scotland) Limited

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for the Period 1st January 2000 to 2nd April 2000

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Perimax (Scotland) Limited

Company Information
for the Period 1st January 2000 to 2nd April 2000

| | |
|---------------------------|---|
| DIRECTORS: | J C Hood K D Ritson A J De Mulder C Reynolds W G Braide |
| SECRETARY: | R G McLennan |
| REGISTERED OFFICE: | Sir William Smith Road Kirkton Industrial Estate Arbroath Angus DD11 3RD |
| REGISTERED NUMBER: | 83460 (Scotland) |
| AUDITORS: | Payling Hepworth & Clarke Accountants Registered Auditors 36 Bond Street Wakefield West Yorkshire WF1 2QP |
| BANKERS: | Bank of Scotland plc Brothock Bridge Arbroath Angus DD11 1NH |

Perimax (Scotland) Limited

Report of the Directors
for the Period 1st January 2000 to 2nd April 2000

The directors present their report with the financial statements of the company for the period 1st January 2000 to 2nd April 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of meat processing, trading and technological services.

REVIEW OF BUSINESS

The results for the period and financial position of the company are as shown in the annexed financial statements.

The directors are disappointed with the result for the period. Trading conditions continue to be difficult.

DIVIDENDS

No dividends will be distributed for the period ended 2nd April 2000.

FUTURE DEVELOPMENTS

The directors anticipate that they will continue to develop the company's established activities.

DIRECTORS

The directors during the period under review were:

| | |
|---------------|---------------------|
| J C Hood | |
| K D Ritson | |
| A J De Mulder | - appointed 31.1.00 |
| C Reynolds | - appointed 31.1.00 |
| W G Braide | - appointed 31.1.00 |
| F Ley | - resigned 31.1.00 |
| E Dropsy | - resigned 31.1.00 |

The directors holding office at 2nd April 2000 did not hold any beneficial interest in the issued share capital of the company at 1st January 2000 (or date of appointment if later) or 2nd April 2000.

YEAR 2000

The directors continue to be alert to the potential risks and uncertainties surrounding the year 2000 issue. No significant matters have come to light and no material costs have been incurred or are expected to be incurred.

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 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;
- 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 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.

Perimax (Scotland) Limited

Report of the Directors
for the Period 1st January 2000 to 2nd April 2000

AUDITORS

The auditors, Payling Hepworth & Clarke, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'R G McLennan', with a stylized flourish at the end.

R G McLennan - SECRETARY

Dated: 22nd December 2000

Perimax (Scotland) Limited

Report of the Auditors to
Perimax (Scotland) Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages five to thirteen, together with the full financial statements of the company for the period ended 2nd April 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

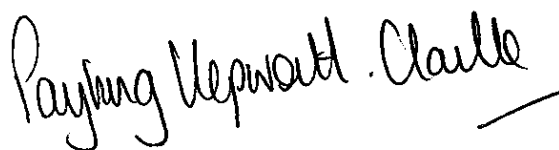
Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to thirteen are properly prepared in accordance with that provision.

Payling Hepworth & Clarke
Accountants
Registered Auditors
36 Bond Street
Wakefield
West Yorkshire
WF1 2QP



Dated: 22nd December 2000

Perimax (Scotland) Limited

Abbreviated Profit and Loss Account
for the Period 1st January 2000 to 2nd April 2000

| | | Period 1.1.00 to 2.4.00 | Year Ended 31.12.99 |
|---|-------|----------------------------------|------------------------|
| | Notes | £ | £ |
| GROSS PROFIT | | 489,657 | 1,643,859 |
| Administrative expenses | | 540,257 | 1,738,865 |
| OPERATING LOSS | 3 | (50,600) | (95,006) |
| Interest receivable and similar income | | 1,437 | - |
| | | (49,163) | (95,006) |
| Interest payable and similar charges | 4 | 11,641 | 55,966 |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (60,804) | (150,972) |
| Tax on loss on ordinary activities | 5 | (6,066) | (29,069) |
| LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION | | (54,738) | (121,903) |
| Retained profit brought forward | | 1,203,920 | 1,325,823 |
| RETAINED PROFIT CARRIED FORWARD | | <u>£1,149,182</u> | <u>£1,203,920</u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current period or previous year.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

The notes form part of these financial statements

Perimax (Scotland) Limited

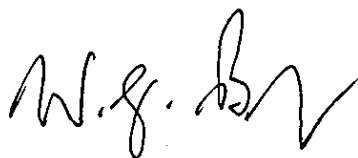
Abbreviated Balance Sheet

2nd April 2000

| | | 2000 | | 1999 | |
|--|-------|-----------|-------------------|-----------|-------------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS: | | | | | |
| Tangible assets | 6 | | 549,041 | | 589,929 |
| CURRENT ASSETS: | | | | | |
| Stocks | 7 | 90,483 | | 77,298 | |
| Debtors | 8 | 2,137,562 | | 1,481,579 | |
| Cash at bank and in hand | | 1,001 | | 1,391 | |
| | | 2,229,046 | | 1,560,268 | |
| CREDITORS: Amounts falling due within one year | 9 | 1,154,724 | | 488,412 | |
| NET CURRENT ASSETS: | | | 1,074,322 | | 1,071,856 |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | | 1,623,363 | | 1,661,785 |
| CREDITORS: Amounts falling due after more than one year | 10 | | 374,181 | | 357,865 |
| | | | <u>£1,249,182</u> | | <u>£1,303,920</u> |
| CAPITAL AND RESERVES: | | | | | |
| Called up share capital | 15 | | 100,000 | | 100,000 |
| Profit and loss account | | | 1,149,182 | | 1,203,920 |
| SHAREHOLDERS' FUNDS: | 18 | | <u>£1,249,182</u> | | <u>£1,303,920</u> |

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



W G Braide - DIRECTOR

Approved by the Board on 22nd December 2000

The notes form part of these financial statements

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|-----------------------|---------------------------|
| Freehold property | - 5% on reducing balance |
| Plant and machinery | - 10% on cost |
| Fixtures and fittings | - 10% on cost |
| Motor vehicles | - 25% on reducing balance |

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

Financial Reporting Standard Number 1

The company has not prepared a cash flow statement under the exemption given by FRS1 in respect of a wholly owned subsidiary.

2. STAFF COSTS

| | Period | |
|-----------------------|----------------|-------------------|
| | 1.1.00 | Year Ended |
| | to | 31.12.99 |
| | 2.4.00 | |
| | £ | £ |
| Wages and salaries | 146,764 | 486,958 |
| Social security costs | 11,331 | 40,948 |
| Other pension costs | 4,517 | 4,393 |
| | <hr/> | <hr/> |
| | 162,612 | 532,299 |
| | <hr/> | <hr/> |

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

2. STAFF COSTS - continued

The average monthly number of employees during the period was as follows:

| | Period 1.1.00 to 2.4.00 | Year Ended 31.12.99 |
|---------------------------|----------------------------------|------------------------|
| Production and laboratory | - | 35 |
| Administration | - | 6 |
| | <u>-</u> | <u>—</u> |
| | - | 41 |
| | <u>-</u> | <u>—</u> |

3. OPERATING LOSS

The operating loss is stated after charging:

| | Period 1.1.00 to 2.4.00 £ | Year Ended 31.12.99 £ |
|--|---------------------------------------|-----------------------------|
| Depreciation - owned assets | 74,210 | 315,483 |
| Depreciation - assets on hire purchase contracts | 1,288 | 845 |
| Loss on disposal of fixed assets | - | 527 |
| Auditors' remuneration | 1,250 | 6,000 |
| | <u>-</u> | <u>—</u> |
| Directors' emoluments | - | - |
| | <u>-</u> | <u>—</u> |

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | Period 1.1.00 to 2.4.00 £ | Year Ended 31.12.99 £ |
|--------------------|---------------------------------------|-----------------------------|
| Bank interest | 33 | 40 |
| Bank loan interest | 7,295 | 22,084 |
| Loan interest | 3,810 | 33,654 |
| Hire purchase | 503 | 188 |
| | <u>11,641</u> | <u>55,966</u> |

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

5. TAXATION

The tax credit on the loss on ordinary activities for the period was as follows:

| | Period 1.1.00 to 2.4.00 £ | Year Ended 31.12.99 £ |
|----------------------|---------------------------------------|-----------------------------|
| Over/under provision | - | 7,780 |
| Group relief | (6,066) | - |
| Deferred taxation | - | (36,849) |
| | <u>(6,066)</u> | <u>(29,069)</u> |

UK corporation tax has been charged at 30% (1999 - 30%).

6. TANGIBLE FIXED ASSETS

| | Freehold property | Plant and machinery | Fixtures and fittings | Motor vehicles | Totals |
|---------------------------|----------------------|------------------------|-----------------------------|-------------------|------------------|
| | £ | £ | £ | £ | £ |
| COST OR VALUATION: | | | | | |
| At 1st January 2000 | 416,761 | 1,566,397 | 35,184 | 15,896 | 2,034,238 |
| Additions | - | 27,110 | 7,500 | - | 34,610 |
| | <u>416,761</u> | <u>1,593,507</u> | <u>42,684</u> | <u>15,896</u> | <u>2,068,848</u> |
| At 2nd April 2000 | 416,761 | 1,593,507 | 42,684 | 15,896 | 2,068,848 |
| DEPRECIATION: | | | | | |
| At 1st January 2000 | 266,608 | 1,135,931 | 28,910 | 12,860 | 1,444,309 |
| Charge for period | 1,308 | 72,971 | 1,029 | 190 | 75,498 |
| | <u>267,916</u> | <u>1,208,902</u> | <u>29,939</u> | <u>13,050</u> | <u>1,519,807</u> |
| At 2nd April 2000 | 267,916 | 1,208,902 | 29,939 | 13,050 | 1,519,807 |
| NET BOOK VALUE: | | | | | |
| At 2nd April 2000 | <u>148,845</u> | <u>384,605</u> | <u>12,745</u> | <u>2,846</u> | <u>549,041</u> |
| At 31st December 1999 | <u>150,153</u> | <u>430,466</u> | <u>6,274</u> | <u>3,036</u> | <u>589,929</u> |

Included in land and buildings is freehold land valued at £45,500 (1999 - £45,500) which is not depreciated.

Cost or valuation at 2nd April 2000 is represented by:

| | Freehold property | Plant and machinery | Fixtures and fittings | Motor vehicles | Totals |
|-------------------|----------------------|------------------------|-----------------------------|-------------------|------------------|
| | £ | £ | £ | £ | £ |
| Valuation in 1998 | 275,000 | - | - | - | 275,000 |
| Cost | 141,761 | 1,593,507 | 42,684 | 15,896 | 1,793,848 |
| | <u>416,761</u> | <u>1,593,507</u> | <u>42,684</u> | <u>15,896</u> | <u>2,068,848</u> |

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

6. TANGIBLE FIXED ASSETS - continued

If the freehold property had not been revalued it would have been included at the following historical cost:

| | 2000 | 1999 |
|------------------------|----------------|----------------|
| | £ | £ |
| Cost | <u>626,755</u> | <u>626,755</u> |
| Aggregate depreciation | <u>497,940</u> | <u>496,309</u> |

Freehold land and buildings were valued on an existing use basis on 31st December 1998 by a professional valuer.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Plant and machinery |
|------------------------|--------------------------------|
| | £ |
| COST: | |
| At 1st January 2000 | 24,411 |
| Additions | <u>27,110</u> |
| At 2nd April 2000 | <u>51,521</u> |
| DEPRECIATION: | |
| At 1st January 2000 | 845 |
| Charge for period | <u>1,288</u> |
| At 2nd April 2000 | <u>2,133</u> |
| NET BOOK VALUE: | |
| At 2nd April 2000 | <u>49,388</u> |
| At 31st December 1999 | <u>23,566</u> |

7. STOCKS

| | 2000 | 1999 |
|----------------|---------------|---------------|
| | £ | £ |
| Stock | 21,387 | 8,202 |
| Finished goods | <u>69,096</u> | <u>69,096</u> |
| | <u>90,483</u> | <u>77,298</u> |

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

| | 2000 | 1999 |
|-----------------------------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 340,071 | 334,663 |
| Other debtors | 15,554 | 79,540 |
| Prepayments | 14,342 | 21,551 |
| Amounts due to parent undertaking | <u>1,767,595</u> | <u>1,045,825</u> |
| | <u>2,137,562</u> | <u>1,481,579</u> |

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

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

| | 2000 £ | 1999 £ |
|--|------------------|----------------|
| Bank loans and overdrafts (see note 11) | 112,000 | 112,000 |
| Hire purchase contracts (see note 12) | 8,800 | 3,188 |
| Trade creditors | 175,695 | 255,395 |
| Amounts due to fellow subsidiaries | 735,955 | - |
| Other creditors | 20,243 | - |
| Social security & other taxes | 13,833 | 14,296 |
| Accrued expenses | 88,198 | 103,533 |
| | <u>1,154,724</u> | <u>488,412</u> |

**10. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

| | 2000 £ | 1999 £ |
|--|----------------|----------------|
| Bank loans (see note 11) | 336,000 | 336,000 |
| Deferred government grants | 5,447 | 5,719 |
| Hire purchase contracts (see note 12) | 32,734 | 16,146 |
| | <u>374,181</u> | <u>357,865</u> |

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

| | 2000 £ | 1999 £ |
|---|----------------|----------------|
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>112,000</u> | <u>112,000</u> |
| Amounts falling due between one and two years: | | |
| Bank loans | <u>112,000</u> | <u>112,000</u> |
| Amounts falling due between two and five years: | | |
| Bank loans | <u>224,000</u> | <u>224,000</u> |

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

| | 2000 £ | 1999 £ |
|------------------------------|---------------|---------------|
| Gross obligations repayable: | | |
| Within one year | 11,913 | 4,629 |
| Between one and five years | 41,194 | 20,149 |
| | <u>53,107</u> | <u>24,778</u> |
| Finance charges repayable: | | |
| Within one year | 3,113 | 1,441 |
| Between one and five years | 8,460 | 4,003 |
| | <u>11,573</u> | <u>5,444</u> |
| Net obligations repayable: | | |
| Within one year | 8,800 | 3,188 |
| Between one and five years | 32,734 | 16,146 |
| | <u>41,534</u> | <u>19,334</u> |

13. SECURED DEBTS

The following secured debts are included within creditors:

| | 2000 £ | 1999 £ |
|-------------------------|---------------|---------------|
| Hire purchase contracts | <u>41,534</u> | <u>19,334</u> |

The bank loan is guaranteed by the ultimate holding company. Interest is payable at 0.3% above LIBOR.

14. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:

| | Provided | | Not provided | |
|--------------------------------|----------|----------|--------------|----------|
| | 2000 | 1999 | 2000 | 1999 |
| | £ | £ | £ | £ |
| Accelerated capital allowances | - | 5,260 | - | - |
| Other timing differences | - | (5,260) | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

15. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2000 £ | 1999 £ |
|---------|----------|----------------|----------------|----------------|
| 100,000 | Ordinary | £1 | <u>100,000</u> | <u>100,000</u> |

Perimax (Scotland) Limited

Notes to the Abbreviated Financial Statements
for the Period 1st January 2000 to 2nd April 2000

16. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Perimax Meat Company Limited, which is registered in England. Perimax Meat Company Limited is a wholly owned subsidiary of Prosper De Mulder Limited, which is also registered in England. Copies of the group accounts are available from the Registrar of Companies, Crown Way, Maindy, Cardiff CF14 3UZ.

17. RELATED PARTY DISCLOSURES

The company trades with other group companies. Details of these transactions are not disclosed as the consolidated accounts in which this company is included are publicly available.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2000 | 1999 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Loss for the financial period | (54,738) | (121,903) |
| Net reduction of shareholders' funds | (54,738) | (121,903) |
| Opening shareholders' funds | 1,303,920 | 1,425,823 |
| Closing shareholders' funds | 1,249,182 | 1,303,920 |
| Equity interests | 1,249,182 | 1,303,920 |

19. CHANGE OF FORMAT

The company has adopted Profit and Loss Account Format Number 2 in order to be consistent with the format used by the Prosper De Mulder Group.