

NELSON PRESERVING COMPANY LIMITED

**Directors' report and financial statements
for the 52 week period ended
12 September 1998**

Registered number 390229



NELSON PRESERVING COMPANY LIMITED

Directors' report and financial statements

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NELSON PRESERVING COMPANY LIMITED

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 12 September 1998.

Principal activity

The principal activity is the holding of shares in companies in the food industry and in investment companies.

Business review and future developments

During the period the main activity of the company remained unchanged and the directors anticipate that any future developments would be related to this activity.

Trading results, dividends and transfer to reserves

The profit and loss account for the period is set out on page 4. Profit on ordinary activities after taxation amounted to £919,180 which has been transferred to reserves. The directors do not recommend the payment of a dividend (1997: £Nil).

Directors and directors' interests

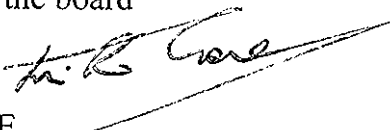
The directors who held office during the period were as follows:

P E Patchett
P Telford

Notification of an interest in, or right to subscribe for, the shares in this company and shares in or debentures of other group companies by the directors is not required because at the end of the period they were also directors of a company of which this company is a wholly owned subsidiary undertaking.

No director had at any time during the period any material interest in a contract with the company, other than service contracts.

By order of the board



M. R. GORE



W. B. WRIGHT
Joint Secretaries

68 Knightsbridge
London SW1X 7LQ

14 September 1998

NELSON PRESERVING COMPANY LIMITED

Statement of directors' responsibility

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 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, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

KPMG

KPMG Audit Plc
P O Box 695
8 Salisbury Square
London
EC4Y 8BB

Report of the auditors to the members of Nelson Preserving Company Limited

We have audited the financial statements on pages 4 to 7

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

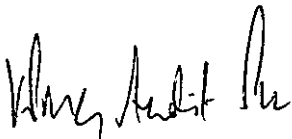
Basis of opinion

We conducted our audit in accordance with 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 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 the company's affairs at 12 September 1998 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

14 September 1998

NELSON PRESERVING COMPANY LIMITED

Profit and loss account
for the period ended 12 September 1998

	Note	52 week period ended 12 September 1998 £	52 week period ended 13 September 1997 £
Income from fixed asset investments	4	<u>919,180</u>	<u>-</u>
Profit on ordinary activities before taxation		919,180	-
Taxation - prior year adjustment		<u>-</u>	<u>49</u>
Profit on ordinary activities after taxation		919,180	49
Retained profit brought forward		<u>2,652,999</u>	<u>2,652,950</u>
Retained profit carried forward		<u>3,572,179</u>	<u>2,652,999</u>

There are no recognised gains or losses other than the profit for the period and the profit for the previous period.

There is no material difference between the company's results as reported and on an historical cost basis. Accordingly no note of historical costs profits and losses has been prepared.

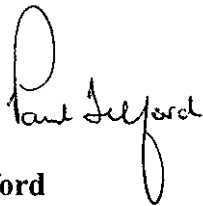
NELSON PRESERVING COMPANY LIMITED

Balance Sheet

at 12 September 1998

	Note	12 September 1998 £	13 September 1997 £
Fixed assets			
Investments	5	2	2
Current assets			
Debtors	6	<u>3,582,177</u>	<u>2,662,997</u>
Net assets		<u>3,582,179</u>	<u>2,662,999</u>
Capital and reserves			
Called up share capital	7	10,000	10,000
Profit and loss account		<u>3,572,179</u>	<u>2,652,999</u>
Shareholders Funds		<u>3,582,179</u>	<u>2,662,999</u>

These financial statements were approved by the board of directors on 14 September 1998 and were signed on its behalf by



P. Telford
Director

NELSON PRESERVING COMPANY LIMITED

NOTES (forming part of the financial statements)

1. Accounting reference date

The accounting reference date of the company is the Saturday nearest to 15 September. Accordingly these financial statements have been prepared for the 52 week period ended on 12 September 1998.

2. 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.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A group cash flow statement is included in the financial statements of ABF Investments plc.

Income from fixed asset investments

Dividend income is recognised on a cash receipts basis.

3. Directors' emoluments

The directors have received no emoluments in respect of their services as directors of the company for the current or the previous period.

4. Income from fixed asset investments

	52 week period ended 12 September 1998 £	52 week period ended 13 September 1997 £
Income from shares in group undertakings	919,180	—

5. Fixed asset investments

	12 September 1998 £	13 September 1997 £
Shares in group undertakings		
<i>Cost</i>		
At beginning of period and end of period	2	2

There are no investments in which the company's interest is more than 10%.

In the opinion of the directors the investments in the shares of group undertakings are worth at least the amounts they are stated in the balance sheet.

NELSON PRESERVING COMPANY LIMITED

Notes (continued)

6. Debtors - amounts falling due within one year

	12 September 1998 £	13 September 1997 £
Amounts due from group undertakings:		
Parent and fellow subsidiary undertakings	<u>3,582,177</u>	<u>2,662,997</u>

7. Called up share capital

	12 September 1998		13 September 1997	
	Number	£	Number	£
<i>Authorised</i>				
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

8. Holding company

The ultimate holding company, and controlling party as defined by FRS 8, is Wittington Investments Limited which is incorporated in Great Britain and registered in England.

The largest group in which the results of the company are consolidated is that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that headed by ABF Investments plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Weston Centre, Bowater House, 68 Knightsbridge, London, SW1X 7LQ.

9. Reconciliation of movement in shareholders' funds

	12 September 1998 £	13 September 1997 £
Profit on ordinary activities after taxation	919,180	49
Increase in share capital	<u>-</u>	<u>6,900</u>
Net addition to shareholders' funds	919,180	6,949
Opening shareholders' funds	<u>2,662,999</u>	<u>2,656,050</u>
Closing shareholders' funds	<u>3,582,179</u>	<u>2,662,999</u>