

Weston Foods Limited

Directors' report and financial statements

18 September 1999
Registered number 346959



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Directors' report and financial statements
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Directors' report

The directors present their annual report and the audited financial statements for the 53 week period ended 18 September 1999.

Principal activities

The company is a holding company and the principal activities of the subsidiary were the manufacture and sale of food.

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.

Dividend received amounted to £22,000,000 (1998: £Nil). The directors declared an interim dividend of £22,000,000 on 12 May 1999 (1998: £Nil). There was no transfer to reserves (1998: £Nil).

Directors and directors' interests

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

G H Weston (Chairman)
P Telford
P E Patchett (resigned 10 September 1999)
J G Bason (appointed 10 September 1999)
P J Jackson (appointed 10 September 1999)
L Rendall (appointed 10 September 1999)

Notification of an interest in, or a right to subscribe for, the shares of this company and shares in or debentures of other group companies by G H Weston, P J Jackson, J G Bason and L Rendall was not required because at the end of the period each was also a director of a company of which this company is a wholly owned subsidiary undertaking.

P Telford had the following interests in the ordinary shares of Associated British Foods plc, as recorded in the register of directors' interests.

	Interest at 18 September 1999	Interest at 12 September 1998
	Shares of 5¹⁵/₂₂ p each	Shares of 5p each
P Telford	880	2,000

Directors' report (*Continued*)

Directors and directors' interests (*Continued*)

The following director had the following outstanding options to acquire ordinary shares in Associated British Foods plc.

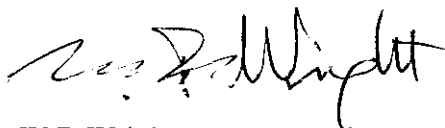
		Number of shares		Exercise Price	Date from which exercisable	Expiry Date
		of 5p each at 12.09.98	of 5 ¹⁵ / ₂₂ p each at 18.09.99			
P Telford	-	15,000	15,000	561.5p	28 April 2003	28 April 2008

No other director had share options.

The number of shares held has been reduced by a factor of 88/100 as a result of a special dividend and share consolidation. There is no effect on share options.

No director had at any time during the period any material interest in a contract with the company, being a contract of significance to either party, other than his service contract.

By order of the board



W B Wright
Secretary

Weston Centre
Bowater House
68 Knightsbridge
London
SW1X 7LQ

21 October 1999

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.

Report of the auditors to the members of Weston Foods Limited

We have audited the financial statements on pages 5 to 9.

Respective responsibilities of directors and auditors

As described on page 3 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.

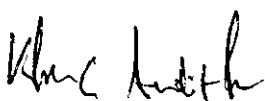
Basis of opinion

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 18 September 1999 and of its result 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

21 October 1999

Profit and loss account
for the period ended 18 September 1999

	Note	53 week period ended 18 September 1999 £	52 week period ended 12 September 1998 £
Income from fixed asset investments	4	22,000,000	-
Profit on ordinary activities before taxation		22,000,000	-
Tax on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		22,000,000	-
Dividend	5	(22,000,000)	-
Retained result for the financial period		-	-
Retained profit brought forward		1,570,459	1,570,459
Retained profit carried forward		<u>1,570,459</u>	<u>1,570,459</u>

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

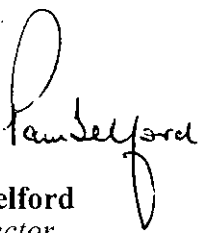
The profit on ordinary activities before taxation relates entirely to continuing activities.

Balance Sheet

at 18 September 1999

	Note	18 September 1999 £	12 September 1998 £
Fixed assets			
Investments	6	77,814	77,814
Current assets			
Debtors	7	<u>4,042,645</u>	<u>4,042,645</u>
Net assets		<u>4,120,459</u>	<u>4,120,459</u>
Capital and reserves			
Called up share capital	8	1,803,595	1,803,595
Capital redemption reserve		746,405	746,405
Profit and loss account		<u>1,570,459</u>	<u>1,570,459</u>
Shareholders' funds - equity and non-equity		<u>4,120,459</u>	<u>4,120,459</u>

These financial statements were approved by the board of directors on 21 October 1999 and were signed on its behalf by



P Telford
Director

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 53 week period ended on 18 September 1999.

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.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts.

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.

3. Directors' emoluments

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

4. Income from fixed asset investments

	53 week period ended 18 September 1999 £	52 week period ended 12 September 1998 £
Income from shares in group undertakings	<u>22,000,000</u>	<u>-</u>

Notes (continued)

5. Dividend

	53 week period ended 18 September 1999 £	52 week period ended 12 September 1998 £
Interim ordinary dividend	<u>22,000,000</u>	-

6. Fixed asset investments

	Subsidiary undertakings £
Shares	
<i>Cost</i>	
At 18 September 1999 and 12 September 1998	<u>77,814</u>

The investments in which the company's interest is more than 10% are as follows:

	Country of Registration or incorporation	Principal activity	Class of shares held	Percentage of shares held
<i>Subsidiary undertakings</i>				
Burtens Gold Medal Biscuits Limited	England and Wales	Trading	Ordinary	100

In the opinion of the directors the investments in and amounts due from, the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

7. Debtors: amounts falling due within one year

	18 September 1999 £	12 September 1998 £
Amounts owed by holding company	<u>4,042,645</u>	<u>4,042,645</u>

Notes (continued)

8. Called up share capital	Number	£
<i>Authorised</i>		
At 12 September 1998 and 18 September 1999		
Ordinary shares of 50p each	3,992,810	1,996,405
6% cumulative preference shares of £1 each	<u>3,595</u>	<u>3,595</u>
	<u>3,996,405</u>	<u>2,000,000</u>
 <i>Allotted, called up and fully paid</i>		
At 12 September 1998 and 18 September 1999		
Ordinary shares of 50p each	3,600,000	1,800,000
6% cumulative preference shares of £1 each	<u>3,595</u>	<u>3,595</u>
	<u>3,603,595</u>	<u>1,803,595</u>

The preference shares carry the right to a cumulative preference dividend of 6% per annum on the paid up capital and a preference over the ordinary shares as to a repayment of capital. In the event of a winding up, they are entitled to receive no more than the amount paid up, together with a 5 pence premium per share, plus any arrears of dividends (whether earned or declared or not) up to the date of return of capital.

The dividends on these preference shares for the 53 weeks ended 18 September 1999 have been waived.

9. 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 and Wales.

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 financial statements of these groups are available to the public and may be obtained from Weston Centre, Bowater House, 68 Knightsbridge, London, SW1X 7LQ.