

Weston Foods Limited

Directors' report and financial statements

14 September 1996

Registered number 346959



Weston Foods Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1-2
Statement of directors' responsibilities	3
Auditors' report	4
Balance sheet	5
Notes	6-8

Weston Foods Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 14 September 1996.

Principal activities

In the course of the period the principal activities was the holding of shares in subsidiary companies and the principal activities of the subsidiaries 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 will be related to this activity.

Trading results, dividends and transfer to reserves

There was no income for the current or the previous period and no transfer to reserves. Dividends paid and proposed for both periods were £Nil.

Fixed assets

There were no changes in fixed asset investments during the year.

Directors and directors' interests

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

Garry H Weston (Chairman)
P Telford
PE Patchett

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 Garry H Weston was not required because at the end of the period he was also a director of a company of which this company is a wholly owned subsidiary undertaking.

PE Patchett and P Telford had the following interests in the ordinary shares of 5p each of Associated British Foods plc, as recorded in the register of directors' interests.

	Interest at 14 September 1996	Interest at 16 September 1995
PE Patchett	28,000	14,000
P Telford	2,000	1,000

Weston Foods Limited

Directors' report *(continued)*

Directors and directors' interests *(continued)*

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.

United Kingdom charitable and political contributions

No contributions were made to charitable or political organisations.

By order of the board



WB Wright



MR Gore

Joint Secretaries

68 Knightsbridge
London
SW1X 7LR

17 October 1996

Weston Foods Limited

Statement of directors' responsibilities in respect of the preparation of financial statements

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;
- 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 safeguard the assets of the company and have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.



PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Report of the auditors to the members of Weston Foods Limited

We have audited the financial statements on pages 5 to 8.

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 of 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 14 September 1996 and of its result for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

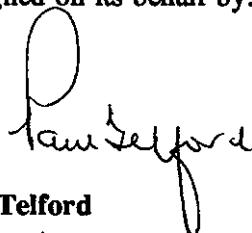
17 October 1996

Weston Foods Limited

Balance sheet at 14 September 1996

	Note	14 September 1996		16 September 1995	
		£	£	£	£
Fixed assets					
Investments	5		188,314		188,314
Current assets					
Debtors	6	37,035,796		44,342,249	
Creditors: amounts falling due within one year	7		<u>(33,603,825)</u>		<u>(40,910,278)</u>
Net current assets			<u>3,431,971</u>		<u>3,431,971</u>
Net assets			<u>3,620,285</u>		<u>3,620,285</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>1,070,285</u>		<u>1,070,285</u>
Shareholders' funds - equity and non-equity			<u>3,620,285</u>		<u>3,620,285</u>

These financial statements were approved by the board of directors on 17 October 1996 and were signed on its behalf by:



P Telford
Director

Weston Foods 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 14 September 1996.

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.

Profit and loss account

During this financial period and the preceding period the company did not trade and received no income and incurred no expenditure. Consequently, the company made neither a profit nor a loss. There are no recognised gains or losses in the period (1995: £Nil).

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 Administrative expenses

Administrative costs (including audit fees) have been borne by the holding company in the current and the previous period.

Weston Foods Limited

Notes (continued)

5 Fixed asset investments

<i>Shares</i>	Subsidiary undertakings £
<i>Cost</i>	
At 16 September 1995 and 14 September 1996	<u>188,314</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
Subsidiary undertakings				
Burtons Gold Medal Biscuits Limited*	England	Trading	Ordinary	100%
Walters Biscuits Limited*	England	Non-trading	Ordinary	100%
The Weston Biscuit Company Limited*	England	Non-trading	Ordinary	100%
Burtons Biscuits Limited	England	Non-trading	Ordinary	100%
Caledonia Biscuits Limited	England	Non-trading	Ordinary	100%

* Directly owned by Weston Foods Limited.

Group financial statements have not been prepared as the company is a wholly owned subsidiary undertaking of ABF Investments plc and therefore exempt under S228 Companies Act 1985. ABF Investments plc, which is registered in England, prepares group financial statements which include this company.

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.

6 Debtors

	14 September 1996 £	16 September 1995 £
Amounts owed by group undertakings:		
Subsidiary undertakings	<u>37,035,796</u>	<u>44,342,249</u>

Weston Foods Limited

Notes (continued)

7	Creditors: amounts falling due within one year	14 September 1996	16 September 1995
		£	£
	Amounts owed to group undertakings:		
	Parent and fellow subsidiary undertakings	32,993,150	40,299,603
	Subsidiary undertakings	610,675	610,675
		<hr/>	<hr/>
		33,603,825	40,910,278
		<hr/>	<hr/>
8	Called up share capital		
		Number	£
	<i>Authorised</i>		
	At 16 September 1995 and 14 September 1996		
	Ordinary shares of 50p each	3,992,810	1,996,405
	6% cumulative preference shares of £1 each	3,595	3,595
		<hr/>	<hr/>
		3,996,405	2,000,000
		<hr/>	<hr/>
	<i>Allotted, called up and fully paid</i>		
	At 16 September 1995 and 14 September 1996		
	Ordinary shares of 50p each	3,600,000	1,800,000
	6% cumulative preference shares of £1 each	3,595	3,595
		<hr/>	<hr/>
		3,603,595	1,803,595
		<hr/>	<hr/>

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 the return of capital.

The dividends on these preference shares for the 52 weeks ended 14 September 1996 have been waived.

9 Holding company

The ultimate holding company 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.