

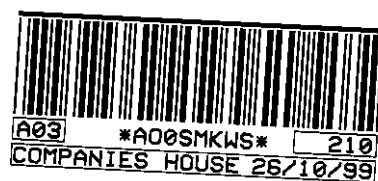
REPORTS AND FINANCIAL STATEMENTS OF:

**HENRY DENNY & SONS LIMITED**

For the year ended

31st December 1998

REGISTERED NO. 33524



# **HENRY DENNY & SONS LIMITED**

## **REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998**

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## **HENRY DENNY & SONS LIMITED**

### **GENERAL INFORMATION**

#### **DIRECTORS**

Denis Brosnan  
Hugh Friel  
Denis Cregan

#### **SECRETARY**

Brian Durran

#### **REGISTERED OFFICE**

Thorpe Lea Manor,  
Thorpe Lea Road,  
Egham, Surrey,  
TW20 8HY.

#### **AUDITORS**

Deloitte & Touche,  
Chartered Accountants,  
Deloitte & Touche House,  
Earlsfort Terrace,  
Dublin 2.

#### **SOLICITORS**

Legal Department,  
Kerry Group plc.,  
Prince's Street,  
Tralee,  
Co. Kerry.

## **HENRY DENNY & SONS LIMITED**

### **REPORT OF THE DIRECTORS**

The directors submit their annual report together with the audited financial statements for the year ended 31st December 1998.

### **BUSINESS REVIEW**

The company is an investment holding company. The company did not trade during the current or preceding year and made neither profit or loss, nor any other recognised gains or losses. Consequently, the directors have not presented a profit and loss account.

### **DIRECTORS' AND SECRETARY'S INTERESTS**

Details of the directors and secretary who served throughout the year are stated on page 2. The interests of the current directors and secretary of the company and their spouses and minor children, all of which is beneficial, in the share capital of Kerry Group plc, the ultimate holding company, at 31st December 1998 and 31st December 1997 were as follows:

	<b>NUMBER "A" ORDINARY SHARES</b>	
<b>DIRECTORS</b>	<b>1998</b>	<b>1997</b>
Denis Brosnan	308,000	278,000
Hugh Friel	325,000	298,211
Denis Cregan	262,500	237,500
<b>SECRETARY</b>		
Brian Durran	22,900	12,900

No change in the above shareholdings has occurred between 31st December 1998 and the date of this report.

There has not been any contract or arrangement with the company or any subsidiary during the year in which a director of the company was materially interested and which was significant in relation to the company's business.

The directors and secretary of the company who held office at 31st December 1998 had no beneficial interest in the shares of the company.

## **HENRY DENNY & SONS LIMITED**

### **REPORT OF THE DIRECTORS (CONTINUED)**

#### **YEAR 2000**

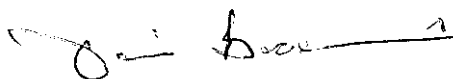
A determined programme is underway to ensure total Y2K compliance of all business systems and support technology.

#### **AUDITORS**

The auditors, Deloitte & Touche, Chartered Accountants, have expressed their willingness to continue in office and a resolution will be proposed at the annual general meeting to reappoint them as auditors and to authorise the directors to fix their remuneration.

Signed on behalf of the Board:

**DENIS BROSINAN, DIRECTOR.**



**HUGH FRIEL, DIRECTOR.**



**9th March 1999.**

## **HENRY DENNY & SONS LIMITED**

### **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 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; 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 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.

## **HENRY DENNY & SONS LIMITED**

### **REPORT OF THE AUDITORS TO THE MEMBERS OF HENRY DENNY & SONS LIMITED**

We have audited the financial statements on pages 7 to 9 which have been prepared under the accounting policies set out on page 8.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 5 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.

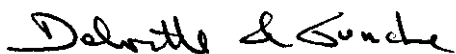
### **BASIS OF OPINION**

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 as at 31st December 1998 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**DELOITTE & TOUCHE,**  
Chartered Accountants and Registered Auditors,  
Deloitte & Touche House,  
Earlsfort Terrace,  
Dublin 2.

9th March, 1999.

**HENRY DENNY & SONS LIMITED****BALANCE SHEET AS AT 31ST DECEMBER 1998**

	Notes	1998 STG£	1997 STG£
<b>FINANCIAL ASSETS</b>	2	1,000	1,000
<b>CURRENT ASSETS</b>			
Cash at bank		1,801	1,801
<b>CREDITORS: Amounts falling due within one year</b>	3	<u>(1,802)</u>	<u>(1,802)</u>
<b>NET CURRENT ASSETS</b>		<u>(1)</u>	<u>(1)</u>
		<u>999</u>	<u>999</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	4	<u>1,800,000</u>	<u>1,800,000</u>
Profit and loss account		<u>(1,799,001)</u>	<u>(1,799,001)</u>
		<u>999</u>	<u>999</u>

The financial statements were approved by the Board of Directors on 9th March, 1999 and signed on its behalf by:

**DENIS BROSNAN, DIRECTOR**



**HUGH FRIEL, DIRECTOR**





## **HENRY DENNY & SONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998**

#### **1. ACCOUNTING POLICIES**

- (a) The accounts are prepared under the historical cost convention as modified by the revaluation of the investment in the subsidiary, and are denominated in sterling.
- (b) The company did not trade during the year ended 31st December 1998, nor in the preceding year, and made neither profit or loss nor any other recognised gain or loss. Accordingly, no profit and loss account is presented.

#### **2. FINANCIAL ASSETS**

	<b>1998</b> <b>STG£</b>	<b>1997</b> <b>STG£</b>
Third party investments	<u><b>1,000</b></u>	<u><b>1,000</b></u>

##### **Investment in Subsidiary**

The investment in subsidiary is stated at directors' valuation. The company holds 100% of both the ordinary shares and the 10% Cumulative preference shares in Henry Denny & Sons (Ulster) Limited, registered in Northern Ireland.

##### **Unlisted Investment**

The cost of the unlisted investment at 31st December 1997 and at 31st December 1998 is £1,000. In the opinion of the directors the value of this investment is not less than cost.

#### **3. CREDITORS**

	<b>1998</b> <b>STG£</b>	<b>1997</b> <b>STG£</b>
Amounts falling due within one year:		
Accruals	<u><b>1,802</b></u>	<u><b>1,802</b></u>

## **HENRY DENNY & SONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998**

#### **4. SHARE CAPITAL**

	<b>1998 STG£</b>	<b>1997 STG£</b>
Authorised, issued and fully paid:		
4.2% preference shares of STG£1 each	<b>400,000</b>	400,000
Ordinary shares of STG£1 each	<b><u>1,400,000</u></b>	<u>1,400,000</u>
	<b><u>1,800,000</u></b>	<u>1,800,000</u>

#### **5. TAXATION MATTERS**

(a) Unrelieved losses and recoverable ACT:

	<b>1998 STG£</b>	<b>1997 STG£</b>
Unrelieved losses available to be offset against future taxable profits	7,000	7,000
Unrelieved CGT losses available to be offset against future taxable profits	63,000	63,000
ACT written off but recoverable against future tax liabilities	48,000	48,000

(b) There is no liability for deferred taxation.

(c) Henry Denny & Sons Limited is not a close company within the meaning of the Income and Corporation Taxes Act, 1970.

#### **6. GROUP MEMBERSHIP**

In the opinion of the directors, the company's ultimate parent company is Kerry Group plc, a company incorporated in the Republic of Ireland. The parent undertaking of the largest and smallest group which includes the company and for which group accounts are prepared is Kerry Group plc.

Copies of the group financial statements of Kerry Group plc. are available from:  
COMPANIES REGISTRATION OFFICE,  
Parnell House,  
14 Parnell Square,  
Dublin 1.

#### **7. RELATED PARTY TRANSACTIONS**

The company, a wholly owned subsidiary of Kerry Group plc, has elected to avail of the disclosure exemption available to subsidiary undertakings in accordance with FRS8.