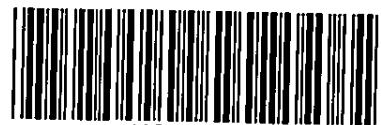


TURNERS TURKEYS LIMITED

Report and Financial Statements for the
financial period ended 30th December, 2007

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TURNERS TURKEYS LIMITED

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TURNERS TURKEYS LIMITED

DIRECTORS' REPORT

1 Trading Results and Dividends

During the financial period the Company purchased £56,875,000 of freehold land and buildings and plant and machinery from its parent company Bernard Matthews Limited. These assets were then leased back to the parent company.

The profit and loss account for the financial period ended 30th December, 2007 shows a profit of £1,731,701 (2006 £nil) before tax and a profit of £1,439,402 (2006 £nil) thereafter.

The Directors do not recommend the payment of a dividend for the financial period ended 30th December, 2007 (2006 £nil).

2 Principal Activities and Business Review

The Company did not previously trade. During the financial period the principal activity of the Company became that of holding property and other fixed assets which are leased back to its parent company.

3 Directors

Directors serving during the financial period were as follows:

N F Bartram
B T Matthews
N C Harrison

4 Financial risk management

Given that the status of the Company is that of a small company providing services to Bernard Matthews Limited, its parent company, it is exposed to limited financial risks. Those financial risks the group faces have been disclosed within the financial statements of Bernard Matthews Limited for the financial period ended 30th December, 2007. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the finance department of Bernard Matthews Limited.


5 Statement of disclosure of information to auditors

So far as each director is aware, there is no relevant information of which the Company's auditors are unaware. Each director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

6 Auditors

In accordance with Section 384, Companies Act 1985, a resolution to re-appoint PricewaterhouseCoopers LLP, as auditors to the Company, will be put to the Annual General Meeting.

By Order of the Board



D M Reger
Secretary
Great Witchingham Hall
Norwich
Norfolk
NR9 5QD
28th April, 2008

TURNERS TURKEYS LIMITED

PROFIT AND LOSS ACCOUNT

for the financial period ended 30th December, 2007

	Notes	2007 £	2006 £
Turnover	2	3,001,651	-
Operating profit	3	1,731,701	-
Profit on ordinary activities before taxation		1,731,701	-
Taxation on profit on ordinary activities	4	(292,299)	-
Profit for the financial period	12	1,439,402	-

All items dealt with in the profit and loss account for 2007 relate to continuing operations commenced during the period under review

The Company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented

TURNERS TURKEYS LIMITED

BALANCE SHEET

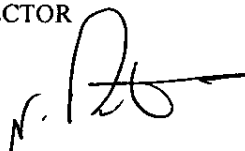
as at 30th December, 2007

	Notes	2007 £	2006 £
Fixed Assets			
Tangible Assets	6	55,605,050	-
Current assets			
Debtors	7	-	5,631,166
Deferred taxation (falling due after more than one year)	10	1,784,757	-
		1,784,757	5,631,166
Creditors Amounts falling due within one year	8	(2,394,079)	-
Net current assets		(609,322)	5,631,166
Total assets less current liabilities		54,995,728	5,631,166
Creditors Amount falling due after more than one year	9	(47,925,160)	-
Net assets		7,070,568	5,631,166
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	12	7,070,468	5,631,066
Shareholders' funds	13	7,070,568	5,631,166

The financial statements on pages 2 to 8 were approved by the Board of Directors on 28th April, 2008 and signed on its behalf by



N C HARRISON
DIRECTOR



N F BARTRAM
DIRECTOR

NOTES TO FINANCIAL STATEMENTS

1 Principal accounting policies

(a) Basis of financial statements

The Company prepares its financial statements in accordance with the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom. The Company's accounting periods end on the Sunday nearest to 31st December, which results in financial periods of either 52 or 53 weeks.

(b) Cashflow statement and related party disclosures

The Company is a wholly owned subsidiary of Bernard Matthews Limited. The ultimate parent undertaking for which Group financial statements are drawn up and of which the Company is a member is Bernard Matthews Holdings Limited. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard, 'FRS', 1 'Cash Flow Statements (revised 1996)'.

The Company is also exempt under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with entities that are part of the Bernard Matthews Holdings Limited Group or investees of the Bernard Matthews Holdings Limited Group.

(c) Deferred taxation

The Company accounts for deferred taxation in accordance with FRS 19 'Deferred Tax' which requires full provision to be made for deferred taxation assets and liabilities. Deferred taxation assets are not recognised if the future transfer of economic benefits is uncertain. Deferred taxation is measured on a non-discounted basis.

(d) Depreciation

Equipment leased to the immediate parent undertaking under operating leases is capitalised on acquisition.

Depreciation is first charged when fixed assets are brought into use and is calculated to write off the cost in equal annual instalments at the following principal rates:

Freehold land	Nil
Freehold buildings	2-10%
Poultry houses	2-3%
Plant, machinery, vehicles and other equipment	4-33%

(e) Turnover and leases

Income in respect of operating leases is recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the consideration and hence are recognised on the same, straight-line basis.

The Finance & Leasing Association SORP is fully complied with. There are no unguaranteed residual interests, contingent liabilities or uncertainties arising from leasing transactions.

2 Turnover

All turnover, net assets and profit before taxation originate from the UK and relate to customers based in the UK.

TURNERS TURKEYS LIMITED**NOTES TO FINANCIAL STATEMENTS**
continued**3 Operating profit**

	2007 £	2006 £
Rental receivable under operating leases	3,001,651	-
Depreciation	(1,269,950)	-
Total operating profit	1,731,701	-

The auditors' remuneration of £1,900 (2006 £500) was borne by the parent company, Bernard Matthews Limited

4 Taxation on profit on ordinary activities

	2007 £	2006 £
Current Taxation		
UK corporation tax at 30%	2,077,056	-
Deferred Taxation		
Origination and reversal of timing differences	(1,784,757)	-
	292,299	-

The taxation assessed for the financial period is higher than the standard rate of corporation tax in the UK (30%)
The differences are explained below

	2007 £	2006 £
Profit on ordinary activities before taxation	1,731,701	-
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 30%	519,510	-
Excess of depreciation charges over capital allowances	92,249	-
Other timing differences	1,692,508	-
Other permanent differences	(227,211)	-
Current taxation charge for the financial period	2,077,056	-

Factors that may affect future charges

The standard rate of Corporation Tax in the UK changes to 28% with effect from 1 April 2008

TURNERS TURKEYS LIMITED

NOTES TO FINANCIAL STATEMENTS continued

5 Directors' emoluments

The Directors received no emoluments in the financial period to 30th December, 2007 (2006 £nil) There are no other employees of the Company

6 Fixed assets - Tangible assets

	Freehold land and buildings £	Plant and machinery (including poultry houses) £	Totals £
Cost at 1st January, 2007	-	-	-
Transfer from parent undertaking	36,430,332	20,444,668	56,875,000
Cost at 30th December, 2007	36,430,332	20,444,668	56,875,000
Depreciation at 1st January, 2007	-	-	-
Charge for the financial period	570,731	699,219	1,269,950
Depreciation at 30th December, 2007	570,731	699,219	1,269,950
Net book value at 30th December, 2007	35,859,601	19,745,449	55,605,050
Net book value at 31st December, 2006	-	-	-

7 Debtors

	2007 £	2006 £
Amounts falling due within one year		
Amounts owed by parent undertaking	-	5,631,166

8 Creditors: Amounts falling due within one year

	2007 £	2006 £
Other creditors	2,394,079	-

TURNERS TURKEYS LIMITED

NOTES TO FINANCIAL STATEMENTS
continued

9 Creditors: Amounts falling due after more than one year

	2007 £	2006 £
Amounts owed to parent company	44,274,566	-
Other creditors	3,650,594	-
	<u>47,925,160</u>	<u>-</u>

Amounts owed to parent company are unsecured, interest free and have no fixed date of repayment

10 Deferred tax

	2007 £	2006 £
At 1st January, 2007	-	-
Credited to the profit and loss account	1,784,757	-
	<u>1,784,757</u>	<u>-</u>
At 30th December, 2007	<u>1,784,757</u>	<u>-</u>

	2007 £	2006 £
Depreciation in excess of capital allowances	92,249	-
Other timing differences	1,692,508	-
	<u>1,784,757</u>	<u>-</u>
Total deferred tax	<u>1,784,757</u>	<u>-</u>

Deferred tax has been calculated at a rate of 28%

11 Called up share capital

	2007 £	2006 £
Authorised, allotted, called up and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

TURNERS TURKEYS LIMITED

NOTES TO FINANCIAL STATEMENTS continued

12 Profit and loss account

	2007 £	2006 £
Balance at 1st January, 2007	5,631,066	5,631,066
Retained profit for financial period	1,439,402	-
Balance at 30th December, 2007	7,070,468	5,631,066

13 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Shareholders' funds at 1st January, 2007	5,631,166	5,631,166
Retained profit for financial period	1,439,402	-
Shareholders' funds at 30th December, 2007	7,070,568	5,631,166

14 Contingent liabilities

At 30th December, 2007 the Company was guarantor with other group companies, of loans totalling **£41,912,000** (2006 **£37,424,432**), made by the Group's bankers

15 Ultimate parent company and ultimate controlling party

The Company is a wholly owned subsidiary of Bernard Matthews Limited, which is the parent undertaking of the smallest group to consolidate these financial statements, registered in England and Wales. The ultimate parent undertaking for which group financial statements are drawn up and of which the Company is a member is Bernard Matthews Holdings Limited, registered in England and Wales. Copies of that company's financial statements can be obtained from the registrar, Companies House, Crown Way, Mandy, Cardiff. For the purposes of FRS 8, the Directors consider the Bernard Matthews family to be the ultimate controlling party.

TURNERS TURKEYS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial period 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 financial period. In preparing these financial statements the Directors are required to -

- 1 Select suitable accounting policies and then apply them consistently
- 2 Make judgements and estimates that are reasonable and prudent
- 3 State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 4 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

By Order of the Board

D M Reger
Secretary
Great Witchingham Hall
Norwich
Norfolk
NR9 5QD
28th April, 2008

TURNERS TURKEYS LIMITED

INDEPENDENT AUDITORS' REPORT to the members of Turners Turkeys Limited

We have audited the financial statements of Turners Turkeys Limited for the financial period ended 30th December, 2007 which comprise the profit and loss account, the balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

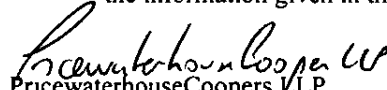
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30th December, 2007 and of its profit for the financial period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

1 Embankment Place
London WC2N 6NN

30 April 2008