

ASSOCIATED FAMILY BAKERS (SURREY) LIMITED

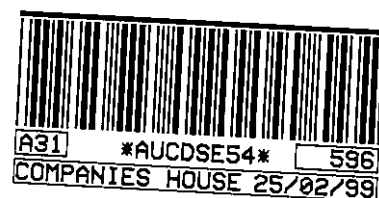
REPORT AND ACCOUNTS

2 MAY 1998

Registered number: 734900

PAGE

2. Directors' report
3. Statement of directors' responsibilities
3. Auditors' report
4. Profit and loss account
4. Statement of total recognised gains and losses
5. Balance sheet
6. Notes to the accounts



ASSOCIATED FAMILY BAKERS (SURREY) LIMITED
DIRECTORS' REPORT

The directors present their report and the financial statements for the fifty-two weeks ended 2 May 1998.

PRINCIPAL ACTIVITY

The company has not traded during the year.

DIVIDENDS AND APPROPRIATIONS

The right to dividends on the 6.5% cumulative preference shares has been waived by the shareholders.

DIRECTORS

R. N. Marchant, a director of the company, is a director of the ultimate parent company, Tomkins PLC.

The other director, and her interest in the ordinary shares of Tomkins PLC, is:

	Fully paid shares		2 May 1998	Options to purchase shares		3 May 1997
	2 May 1998	3 May 1997		Granted during year	Exercised during year	
D. P. Burton	121,158	116,416	135,792	21,000	3,881	118,673

No director had any material interest in any contract or arrangement subsisting during the year with the company.

STATUTORY DISPENSATION

The company has in force, under Section 379A of the Companies Act 1985, an election dispensing with the laying of accounts and reports before the company in General Meeting, the holding of Annual General Meetings and the obligation to appoint auditors annually.

Approved by the Board on 17 July 1998
and signed on its behalf by



D. P. BURTON
Secretary

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 of the result for the year. In preparing those financial statements, the directors are required to:

- i. select suitable accounting policies and apply them consistently;
- ii. make judgments and estimates that are reasonable and prudent;
- iii. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which 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.

AUDITORS' REPORT TO THE MEMBERS OF ASSOCIATED FAMILY BAKERS (SURREY) LIMITED

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policy set out on page 6.

Respective responsibilities of directors and auditors

As described above, 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 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 of the state of affairs of the company at 2 May 1998 and have been properly prepared in accordance with the Companies Act 1985.



ARTHUR ANDERSEN

Chartered Accountants and Registered Auditors

London

17 July 1998

ASSOCIATED FAMILY BAKERS (SURREY) LIMITED
PROFIT AND LOSS ACCOUNT

YEAR ENDED 2 MAY 1998

	1998 £000	1997 £000
Dividend - equity	-	(2,138)
Retained profits at 3 May 1997	-	2,138
Retained profits at 2 May 1998	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses in either year, other than the result for the year.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

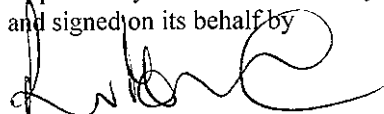
The results for 1998 and 1997 are reported under the historical cost convention.

ASSOCIATED FAMILY BAKERS (SURREY) LIMITED
BALANCE SHEET

AS AT 2 MAY 1998

	Notes	1998 £000	1997 £000
CURRENT ASSET			
Debtor - amount falling due after more than one year	2	892	892
CAPITAL AND RESERVES			
Called up share capital	3	890	890
Capital reserve		2	2
SHAREHOLDERS' FUNDS	4	892	892
Analysed as:			
Equity		843	843
Non-equity		49	49
		892	892

Approved by the Board on 17 July 1998
and signed on its behalf by



R. N. MARCHANT
Director

1 ACCOUNTING POLICY

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

The accounts are for the fifty-two weeks ended 2 May 1998. In 1997 the accounts were for the fifty-three weeks ended 3 May 1997.

2 DEBTOR - amount falling due after more than one year

This is the amount owing by the parent undertaking and is due after more than one year.

3 SHARE CAPITAL

	Number	£000
Authorised		
Ordinary shares of £1 each	950,000	950
6.5% cumulative preference shares of £1 each - non-equity	50,000	50
At 2 May 1998 and 3 May 1997	<u>1,000,000</u>	<u>1,000</u>
Allotted and fully paid		
Ordinary shares of £1 each	841,272	841
6.5% cumulative preference shares of £1 each - non-equity	48,397	49
At 2 May 1998 and 3 May 1997	<u>889,669</u>	<u>890</u>

Non-equity shareholders' funds relate entirely to the 6.5% cumulative preference shares. These shares carry an entitlement to dividend at the rate of 6.5% (net) per share per annum. The right to dividends on the 6.5% cumulative preference shares has been waived by the shareholders. Holders of the cumulative preference shares have the right on winding up to receive, in priority to any other classes of shares, the paid up capital on such shares together with any arrears of dividend.

4 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1998 £000	1997 £000
Dividend	-	(2,138)
Shareholders' funds at 3 May 1997	892	3,030
Shareholders' funds at 2 May 1998	<u>892</u>	<u>892</u>

5 RELATED PARTIES

Ranks Hovis McDougall Limited is the company's parent undertaking and Tomkins PLC is the company's ultimate parent company.

Tomkins PLC produces group accounts; copies may be obtained from The Secretary, Tomkins PLC, East Putney House, 84 Upper Richmond Road, London SW15 2ST.

As a wholly owned subsidiary undertaking of Tomkins PLC, in accordance with FRS 8 "Related party disclosures", the company is not required to disclose transactions with other members of the group.