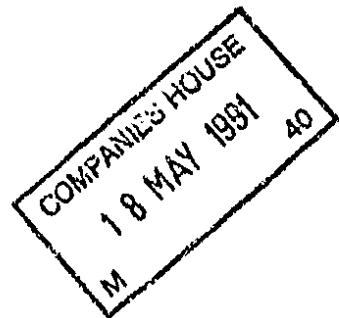


DIRECTORS' REPORT AND ACCOUNTS

1700147

NFT DISTRIBUTION LIMITED

31 MARCH 1990



NFT DISTRIBUTION LIMITED

DIRECTORS' REPORT

Directors: J L Boatman
J T Blackburn
Miss E J Moss

Secretary: D Frankish

Registered Office: Beverley House, St Stephen's Square, Hull

Company number: 1700147

The directors present their report and the accounts for the year ended 31 March 1990.

RESULTS AND DIVIDENDS

The company has not traded during the year and consequently the accounts consist of a balance sheet only.

SUBSEQUENT EVENTS AND FUTURE DEVELOPMENTS

On 1st April 1990, the assets and trade of a business operating under the name of NFT Distribution, a division of Dale Farm Dairy Group Limited were transferred into NFT Distribution Limited.

DIRECTORS

The directors of the company during the year ended 31 March 1990 were those listed above.

In accordance with the company's Articles of Association the directors are not required to retire by rotation.

DIRECTORS' INTERESTS

None of the directors has any beneficial interest in the shares of the company. The interests of the directors in the share capital of the ultimate holding company were as follows:

	At 31 March 1990	At 1 April 1989
	Ordinary	Ordinary
	shares of 25p	shares of 25p
	Fully paid	Fully paid
J T Blackburn	-	774
Miss E J Moss	6,922	6,015

NFT DISTRIBUTION LIMITED

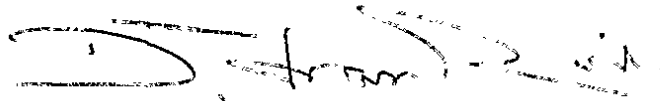
DIRECTORS' REPORT

AUDITORS

As the company ceased to remain dormant since the end of the financial year the directors have appointed Ernst & Young as auditors.

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the annual general meeting.

By order of the board

A handwritten signature in dark ink, appearing to read 'D. Frankish', is written over a faint, horizontal line.

D Frankish

Secretary

7 June 1990

REPORT OF THE AUDITORS TO THE MEMBERS OF
NFT DISTRIBUTION LIMITED

We have the accounts on pages 4 to 5 in accordance with
Auditing Standards.

In our opinion the accounts give a true and fair view of the
state of the affairs of the company at 31 March 1990 and have
been prepared in accordance with the Companies Act 1985.

Ernst & Young
Ernst & Young

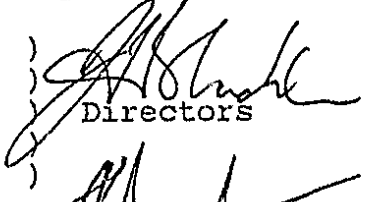
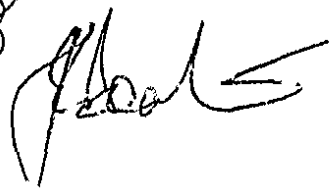
Chartered Accountants

HULL

7 June 1990

NFT DISTRIBUTION LIMITED

BALANCE SHEET
at 31 MARCH 1990

	Note	1990 £	1989 £
CURRENT ASSETS			
Debtors - amounts owed by group companies		1,000	1,000
		-----	-----
TOTAL ASSETS LESS LIABILITIES		£1,000	£1,000
		-----	-----
CAPITAL AND RESERVES			
Called up share capital	3	1,000	1,000
J T Blackburn	 Directors		
J L Boatman			
7 June 1990		£1,000	£1,000
		-----	-----

NFT DISTRIBUTION LIMITED

NOTES TO THE ACCOUNTS
at MARCH 31, 1990

1. ACCOUNTING POLICY

Accounting convention

The accounts are prepared under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

The company has not traded during the year, consequently the accounts consist of a balance sheet only.

3. CALLED UP SHARE CAPITAL

	1990	Authorised 1989	1990	Allotted and fully paid 1989
Ordinary shares of £1 each	£1,000	£1,000	£1,000	£1,000
	-----	-----	-----	-----

4. CONTINGENT LIABILITIES

The company together with Northern Foods plc and certain fellow subsidiaries, has entered into guarantees with Midland Bank plc and Barclays Bank plc in respect of net overdrafts due by other parties to the guarantee. At 31 March 1990 the company's contingent liability under the guarantee amounted to £20,154,425 (1989 - £3,787,770).

5. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Northern Foods plc which is incorporated in Great Britain.