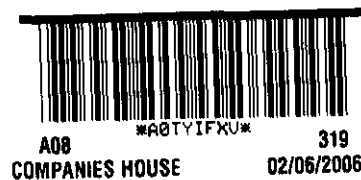


Hamer International Limited

Reports and financial statements

for the year ended 30 September 2005

Registered no: 2500300



Hamer International Limited

REPORTS AND FINANCIAL STATEMENTS for the year ended 30 September 2005

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Hamer International Limited

DIRECTORS' REPORT

for the year ended 30 September 2005

The directors present their report and the audited financial statements for the year ended 30 September 2005.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the processing and wholesaling of meat and the export of meat and meat products.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The profit and loss account is presented on page 4.

Turnover in the year has improved despite the loss of a major supermarket slaughter contract half way through the year. With the lengthening of the time when the United Kingdom supermarkets sell New Zealand chilled lamb, there are opportunities for the Company to sell good quality sheep meat to mainland European markets at reasonable margins.

Overheads were impacted adversely by large increases in the costs of disposal of offal and waste products. There appears to be no let up in this trend with further significant increases likely for tallow disposal.

The current year has begun in an encouraging way with the introduction of a replacement supermarket slaughter contract and with raw material prices a little below last year.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend for the year (2004: £301.41 per share amounting to £450,000). The surplus for the financial year of £353,000 (2004: deficit £111,000) has been transferred to reserves.

GROUP ACCOUNTS

The Company is a subsidiary of Randall Parker Food Group Limited for which group accounts are prepared. Copies of these can be obtained from The Old Rectory, Cold Higham, Towcester, NN12 8LR.

DIRECTORS

The directors of the Company at 30 September 2005, who have all served throughout the year, are as follows:-

R L Randall
D R Brady
R J Field
W J Parker

DIRECTORS' INTERESTS

Other than their interest in the parent company, none of the directors had any interest in the share capital of the Company or any other group Company at any time during the year. The directors are all directors of Randall Parker Food Group Limited, the parent company, and details of their shareholdings in the parent company are disclosed in the parent company accounts.

CHANGES IN FIXED ASSETS

The movements in fixed assets during the period are set out in note 10 to the financial statements. In the opinion of the directors the market value of the Company's property is not less than the amount shown in the financial statements.

EMPLOYEE INVOLVEMENT

The directors provide information including the financial and economic factors that affect performance of the Company to employees by means of management briefings and training. Managers are expected to be in touch with the views of employees and to consider such views seriously. It continues to be the policy of the Company to encourage employees' efforts and to reward employees accordingly.

RESEARCH AND DEVELOPMENT

The Company continues to increase the product range offered to customers.

Hamer International Limited

DIRECTORS' REPORT

for the year ended 30 September 2005 (continued)

EMPLOYMENT OF DISABLED PERSONS

The Company has continued its policy, which is:

- (a) to give full and fair consideration to applications for employment with the Company from disabled persons, having regard to their particular aptitudes and abilities and the working conditions that apply;
- (b) to endeavour always to continue the employment of any employee who becomes disabled while employed by the Company and, where possible and appropriate, to provide suitable retraining; and
- (c) to ensure that disabled employees shall have the same opportunities as all other employees for training, career development and promotion, having regard to their aptitudes and abilities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 30 September 2005. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AUDITORS

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the Annual General Meeting.

By order of the board


D R Brady F.C.A.
Secretary

30 March 2006

Independent auditors' report to the members of Hamer International Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

Basis of audit 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 30 September 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Liverpool

30 March 2006

Hamer International Limited

PROFIT AND LOSS ACCOUNT for the year ended 30 September 2005

	Note	Year ended 30 September 2005 £'000	Year ended 30 September 2004 £'000
TURNOVER	2	32,464	28,822
Cost of sales		(28,958)	(25,556)
GROSS PROFIT		3,506	3,266
Net operating expenses	3	(3,145)	(2,760)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		361	506
Net interest payable	6	(68)	(54)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	7	293	452
Taxation	8	60	(113)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		353	339
Dividends	9	-	(450)
PROFIT / (LOSS) RETAINED FOR THE YEAR	16	353	(111)

All results derive from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit / (loss) retained for the years stated above and their historical cost equivalents.

The Company has no recognised gains or losses other than the profit / (loss) carried forward for the accounting years stated above.

Hamer International Limited

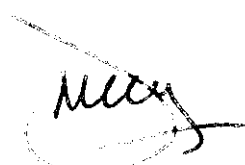
BALANCE SHEET at 30 September 2005

	Note	30 September 2005 £'000	30 September 2004 £'000
FIXED ASSETS			
Tangible assets	10	2,735	2,906
CURRENT ASSETS			
Stocks	11	283	145
Debtors	12	3,985	3,798
		4,268	3,943
CREDITORS: amounts falling due within one year	13	(4,901)	(5,003)
NET CURRENT LIABILITIES		(633)	(1,060)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,102	1,846
Creditors: amounts falling due after more than one year	14	(320)	(400)
Provisions for liabilities and charges	20	(263)	(280)
NET ASSETS		1,519	1,166
CAPITAL AND RESERVES			
Called up share capital	15	1	1
Reserves	16	1,518	1,165
EQUITY SHAREHOLDERS' FUNDS	17	1,519	1,166

The financial statements on pages 4 to 13 were approved by the board of directors on 30 March 2006 and were signed on its behalf by:



R L Randall
Director



D R Brady F.C.A.
Director

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important group accounting policies which have been applied consistently is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cashflow statement

The cash flows of the Company are included in the consolidated cash flow statements of Randall Parker Food Group Limited, the ultimate parent company which is established under the laws of an EC member state. This exempts the Company from having to prepare a cashflow statement.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition less any impairment in value.

Depreciation is calculated so as to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives.

The rates applicable are as follows:

Freehold buildings	-	2%	per annum
Plant and machinery	-	10%	per annum
Motor vehicles	-	20%	per annum

Hire purchase and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under the finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding.

Stock and work in progress

Stocks are stated at the lower of cost and net realisable value.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services provided and is recognised on delivery to customers.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year or the rate of forward cover at that date. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction or the date of forward cover. All foreign exchange differences are taken to the profit and loss account in the year in which they arise.

Deferred taxation

Deferred taxation is accounted for on an undiscounted basis at expected rates of tax on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is recognised when it is more likely than not that there will be suitable taxable profits from which the future reversal of timing differences can be deducted.

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

Pension scheme arrangements

The Company operates a defined contribution pension scheme, providing for benefits for employees additional to those provided by the State. The pension charge in the profit and loss account represents the contributions payable by the Company for the year.

	Year ended 30 September 2005 £'000	Year ended 30 September 2004 £'000
2. TURNOVER		

Turnover is attributable to one class of business and arose solely from operations in the United Kingdom. The following table provides an analysis of turnover by geographical destination.

United Kingdom	25,416	20,877
Rest of Europe	2,631	2,947
Intra group – United Kingdom	4,417	4,998
	<hr/>	<hr/>
	32,464	28,822
	<hr/>	<hr/>

	2005 £'000	2004 £'000
3. NET OPERATING EXPENSES		

Continuing operations

Distribution costs	1,627	1,295
Administrative costs	1,518	1,465
	<hr/>	<hr/>
	3,145	2,760
	<hr/>	<hr/>

4. DIRECTORS' EMOLUMENTS

All the directors are also directors of the parent company and their remuneration in respect of their services to the group, including Hamer International Limited, is paid by and disclosed in the accounts of the parent company.

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

	Year ended 30 September 2005 Number	Year ended 30 September 2004 Number
5. EMPLOYEE INFORMATION		
The average number of persons employed by the Company during the year was:		
Management and administration	16	15
Selling and distribution	28	20
Production	58	65
	<u>102</u>	<u>100</u>
Staff costs (for the above persons)	£'000	£'000
Wages and salaries	1,907	1,830
Social security costs	163	157
	<u>2,070</u>	<u>1,987</u>
	2005	2004
6. NET INTEREST PAYABLE	£'000	£'000
On bank loans, overdrafts repayable within 5 years not by instalments	66	53
On finance leases and hire purchase contracts	-	6
Interest payable to (receivable from) group companies	2	(5)
	<u>68</u>	<u>54</u>
	2005	2004
7. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	£'000	£'000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation on tangible fixed assets:		
Owned assets	162	172
Auditor's remuneration for:		
Audit	18	17
Hire of other assets - operating leases		
Other	25	18

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

	Year ended 30 September 2005 £'000	Year ended 30 September 2004 £'000
8. TAXATION		
a) Analysis of (credit) / charge in period:		
Current tax		
UK Corporation tax on profits for the period	75	120
Adjustments in respect of prior periods	(118)	(34)
	<hr/>	<hr/>
Total current tax	(43)	86
Deferred tax		
Origination and reversal of timing differences (note 20)	(17)	27
	<hr/>	<hr/>
Tax on profits on ordinary activities	(60)	113
	<hr/>	<hr/>
b) Factors affecting tax (credit) / charge for the period:		
Profit on ordinary activities before tax	292	452
	<hr/>	<hr/>
Corporation tax of 30% (2004: 30%) on profit on ordinary activities	88	135
Effects of:		
- Expenses not deductible for tax purposes	4	1
- Capital allowance in excess of depreciation	(15)	(16)
- Adjustments to tax charge in respect of prior periods	(118)	(34)
- Tax at marginal rates	(2)	-
	<hr/>	<hr/>
	(43)	86
	<hr/>	<hr/>
9. DIVIDENDS	2005 £'000	2004 £'000
Ordinary - £nil per share (2004: £301.407 per share)	-	450
	<hr/>	<hr/>

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

10. TANGIBLE FIXED ASSETS	Freehold land and buildings £'000	Plant Machinery and vehicles £'000	Total £'000
Cost			
At 1 October 2004	1,626	2,713	4,339
Additions	7	-	7
Disposals	-	(16)	(16)
At 30 September 2005	1,633	2,697	4,330
Depreciation			
At 1 October 2004	86	1,347	1,433
Charge for period	18	144	162
Disposals	-	-	-
At 30 September 2005	104	1,491	1,595
Net book value 30 September 2005	1,529	1,206	2,735
Net book value 30 September 2004	1,540	1,366	2,906

11. STOCKS	2005 £'000	2004 £'000
Finished goods and goods for resale	283	145

12. DEBTORS	2005 £'000	2004 £'000
Trade debtors	3,099	3,231
Amounts owed by group companies	573	232
Amount owed by parent company	259	331
Prepayments and accrued income	35	4
Other debtors	19	-
	3,985	3,798

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

	2005	2004
	£'000	£'000
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank overdraft (secured)	1,241	1,096
Trade creditors	2,060	2,003
Amounts owed to group companies	1,210	1,278
Other taxation and social security	47	154
Accruals, provisions and deferred income	257	270
Bank loans – current (secured)	80	80
Corporation tax payable	6	124
	<u>4,901</u>	<u>5,005</u>
	2005	2004
	£'000	£'000
14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR		
Bank loans (secured)	320	400
	<u>320</u>	<u>400</u>

The bank loans and overdraft shown above and in note 13 are secured on assets of the Company and carry interest at commercial rates.

Maturity of Financial Liabilities

The maturity profiles of the carrying amounts of the Company's financial liabilities other than short term creditors such as trade creditors and accruals at 30 September 2005 and 30 September 2004 were as follows:-

	2005	2004
	Bank	Bank
	loans and	loans and
	overdraft	overdraft
	£'000	£'000
Within 1 year or on demand	1,321	1,176
Between 1 and 2 years	80	80
Between 2 and 5 years	240	320
After 5 years	-	-
	<u>1,641</u>	<u>1,576</u>

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

		2005	2004
		£	£
15.	CALLED UP SHARE CAPITAL		
Authorised, allotted, called-up and fully paid			
1,493 ordinary shares of £1 each		1,493	1,493
16.	RESERVES		
	Share premium	Profit & Loss	Total
	£'000	account	£000
		£'000	
At 1 October 2004		500	665
Retained profit for the year		-	353
At 30 September 2005		500	1,018
17.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
		2005	2004
		£'000	£'000
Retained profit / (loss) for the financial year		353	(111)
Opening shareholders funds		1,166	1,277
Shareholders funds at 30 September		1,519	1,166

18. PENSION AND SIMILAR OBLIGATIONS

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charged to profit and loss in the year amounted to £nil (2004: £nil).

19. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the available exemptions under Financial Reporting Standards No 8 not to disclose any transactions or balances with entities that are part of the group. This exemption is available because the consolidated financial statements of Randall Parker Food Group Limited of which the Company is a subsidiary are publicly available. Other related party transactions are disclosed in the financial statements of Randall Parker Food Group Limited.

Hamer International Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2005 (continued)

20. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation provided in the financial statements is as follows:

	Amount provided	
	2005	2004
	£'000	£'000
Accelerated capital allowances	269	287
Other timing differences	(6)	(7)
	<u>263</u>	<u>280</u>
Deferred tax liability		
	<u>263</u>	<u>280</u>
Movement in the period		
Provision at start of period	280	253
(Credit) / Charge to profit and loss account (note 8)	(17)	27
	<u>263</u>	<u>280</u>
Closing deferred tax liability	<u>263</u>	<u>280</u>

21. FINANCIAL COMMITMENTS

At 30 September 2005 and 2004 the Company had annual commitments under non-cancellable operating leases as follows:-

	Land & buildings	Other	Land & buildings	Other
	2005	2005	2004	2004
	£'000	£'000	£'000	£'000
Expiring within one year	-	15	-	20
Expiring between two and five years inclusive	-	8	-	7
	<u>-</u>	<u>23</u>	<u>-</u>	<u>27</u>

The Company had no capital commitments at 30 September 2005 (2004: nil).

22. PARENT COMPANY

The directors regard Randall Parker Food Group Limited, a company registered in England and Wales, as the immediate and ultimate parent company.

The consolidated financial statements of Randall Parker Food Group Limited can be obtained from The Old Rectory, Cold Higham, Towcester, NN12 8LR.