

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

Directors' report and consolidated financial statements

31 January 2008

Registered number 2533876

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MEAT CORPORATION OF NAMIBIA (UK) LIMITED

Directors' report and financial statements

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MEAT CORPORATION OF NAMIBIA (UK) LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 January 2008

PRINCIPAL ACTIVITIES

The group acts as a meat importer and a meat selling agent

BUSINESS REVIEW

Turnover amounted to £5,493,181 (2007 £2,653,005) and the profit for the year after taxation amounted to £1,470,913 (2007 £1,509,388)

PROPOSED DIVIDEND AND TRANSFER TO RESERVES

The profit for the year of £1,470,913 will be transferred to reserves after the payment of an interim dividend of £1,000,000 which was paid during the year and no final dividend is proposed. Therefore a net £470,917 will be transferred to reserves.

DIRECTORS

The Directors who held office during the year or have subsequently been appointed were as follows

J Du Plessis	
O K Nielsen	(resigned 12 November 2007)
H H Erasmus	
P N Biddle	(appointed 8 March 2008)

POLITICAL AND CHARITABLE DONATIONS

Neither the Company nor any of its subsidiaries made any disclosable political or charitable donations or incurred any disclosable political expenditure during the year.

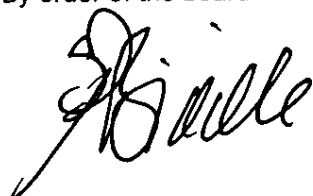
DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



P Biddle
Director

13 Hillcroft Road, London Industrial Park
Beckton, London E6 6LW

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The group and parent company financial statements are required by law to give a true and fair view of the state of affairs of the group and the parent company and of the profit or loss for that period

In preparing these 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities



KPMG LLP

Aquis Court
31 Fishpool Street
St Albans
AL3 4RF
United Kingdom

Independent auditors' report to the members of Meat Corporation of Namibia (UK) Limited

We have audited the financial statements of Meat Corporation of Namibia (UK) Limited for the year ended 31 January 2008 which comprise the Consolidated Profit and Loss Account, the Consolidated and Company Balance Sheets, the Consolidated Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 UK Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 January 2008 and of its group's profit for the year 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.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

25 APRIL 2008

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 31 January 2008

	Note	2008 £	2007 £
TURNOVER	1,2	5,493,181	2,653,005
Cost of sales		(3,309,967)	(376,760)
GROSS PROFIT		2,183,214	2,276,245
Administrative expenses		(388,238)	(159,512)
OPERATING PROFIT		1,794,976	2,116,733
Interest receivable and similar income	6	349,934	96,957
Interest payable and similar charges	7	(37,141)	(31,482)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3 - 5	2,107,769	2,182,208
Tax on profit on ordinary activities	8	(636,856)	(672,820)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT FOR THE FINANCIAL YEAR	13	1,470,913	1,509,388

All profits arise from continuing operations

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 January 2008

	2008 £	2007 £
Profit for the financial year	1,470,913	1,509,388
Net exchange differences on the retranslation of net investments	41,009	(6,061)
TOTAL RECOGNISED GAINS RELATING TO THE FINANCIAL YEAR	1,511,922	1,503,327

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

CONSOLIDATED BALANCE SHEET at 31 January 2008

	Note	2008 £	2007 £
CURRENT ASSETS			
Debtors	10	38,404	136,679
Cash at bank and in hand		3,241,961	2,809,305
		<u>3,280,365</u>	<u>2,945,984</u>
CREDITORS: amounts falling due within one year	11	(470,248)	(647,789)
NET CURRENT ASSETS		<u>2,810,117</u>	<u>2,298,195</u>
NET ASSETS		<u>2,810,117</u>	<u>2,298,195</u>
CAPITAL AND RESERVES			
Called up share capital	12	1,250,000	1,250,000
Profit and loss account	13	1,560,117	1,048,195
EQUITY	13	<u>2,810,117</u>	<u>2,298,195</u>

These financial statements were approved by the board of directors on 18th March 2008 and were signed on its behalf by




P N Biddle
Director

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

COMPANY BALANCE SHEET at 31 January 2008

	Note	2008		2007	
		£	£	£	£
FIXED ASSETS					
Investment in subsidiary undertaking	9		29,139		29,139
CURRENT ASSETS					
Debtors	10	214,991		310,474	
Cash at bank and in hand		2,751,235		1,934,028	
		<u>2,966,226</u>		<u>2,244,502</u>	
CREDITORS amounts falling due within one year	11	(439,268)		(273,004)	
NET CURRENT ASSETS			2,526,958		1,971,498
NET ASSETS			<u>2,556,097</u>		<u>2,000,637</u>
CAPITAL AND RESERVES					
Called up share capital	12		1,250,000		1,250,000
Profit and loss account	13		1,306,097		750,637
EQUITY	13		<u>2,556,097</u>		<u>2,000,637</u>

These financial statements were approved by the board of directors on 18th March 2008 and were signed on its behalf by



P N Biddle
Director

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

NOTES

(forming part of the financial statements)

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 January 2008. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

In the company's accounts, investments in subsidiary undertakings are stated at cost.

Under FRS 1 on the grounds of size, the company is exempt from the requirement to present a consolidated cash flow statement and in accordance with Section 230(4) of the Companies Act 1985 the company is exempt from the requirement to present its own profit and loss account. The amount of the profit/(loss) for the financial year dealt with in the financial statements of Meat Corporation of Namibia (UK) Limited is disclosed in note 13 to these financial statements.

The company is exempt under the terms of Financial Reporting Standard No. 8 from disclosing related party transactions (but not balances) with entities that are part of the group headed by Meat Corporation of Namibia Limited on the grounds that it is a wholly owned subsidiary.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

For consolidation purposes, the assets and liabilities and profit and loss accounts of overseas subsidiary undertakings are translated at the closing exchange rates. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

NOTES (continued)

1 ACCOUNTING POLICIES (continued)

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers during the year

Where the Group has exposure to all significant benefits and risks associated with a transaction or series of transactions, the Group acts as a principal and reports turnover as being the gross amount received or receivable in connection with its performance. Where the Group is not exposed to all significant benefits and risks, the Group acts as agent and records the profit element of the transaction/commission earned as turnover

Dividends on shares presented within equity

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 SEGMENTAL INFORMATION

In the opinion of the directors the group's turnover and profit occurred in the same class of business

	2008 £	2007 £
Turnover		
United Kingdom	-	2,453,475
Europe	5,106,005	199,530
Rest of the World	387,176	-
	<u>5,493,181</u>	<u>2,653,005</u>

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2008 £	2007 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting)</i>		
Auditors' remuneration		
Audit of these financial statements	33,100	15,305
Amounts receivable by auditors and their associates in respect of		
Audit of financial statements of subsidiaries pursuant to legislation	19,283	7,900
Other services pursuant to such legislation	2,306	16,267
Other services relating to taxation	21,724	6,395
Exchange (gains)/losses	<u>(105,457)</u>	<u>31,482</u>

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

NOTES (continued)

4 REMUNERATION OF DIRECTORS

	2008 £	2007 £
Directors' emoluments		
Fees	<u>4,285</u>	<u>10,240</u>

No directors were members of any pension scheme

5 STAFF NUMBERS AND COSTS

Excluding the directors' the company has no employees (2007 none)

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	2008 £	2007 £
Bank interest receivable	208,240	86,905
Foreign exchange gain	141,614	-
Loan interest	80	10,052
	<u>349,934</u>	<u>96,957</u>

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Foreign exchange loss	36,157	31,482
Other interest paid	984	-
	<u>37,141</u>	<u>31,482</u>

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

NOTES (continued)

8 TAXATION CHARGE

	2008 £	2007 £
UK corporation tax on the profit for the year		
On ordinary activities	580,074	595,836
Overseas tax	56,782	76,984
	<u>636,856</u>	<u>672,820</u>

Analysis of charge in the period

	2008 £	£	2007 £	£
<i>UK corporation tax</i>				
Current tax on income for the period	666,628	666,628	595,752	595,752
	<u>(86,554)</u>	<u>(86,554)</u>	<u>-</u>	<u>-</u>
<i>Double taxation relief</i>				
	<u>(86,554)</u>	<u>(86,554)</u>	<u>-</u>	<u>-</u>
<i>Foreign tax</i>				
Current tax on income for the period	56,736		76,984	
Adjustments in respect of prior periods	46		84	
	<u>56,782</u>	<u>56,782</u>	<u>77,068</u>	<u>77,068</u>
Total current tax		<u>636,856</u>		<u>672,820</u>
Tax on profit on ordinary activities		<u>636,856</u>		<u>672,820</u>

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2007 higher) than the standard rate of corporation tax in the UK (30%, 2007 30%) The differences are explained below

	2008 £	2007 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	<u>2,107,769</u>	<u>2,182,208</u>
Current tax at 30% (2007 30 %)	632,331	654,662
<i>Effects of</i>		
Higher tax rates on overseas earnings	4,525	18,158
Total current tax charge (see above)	<u>636,856</u>	<u>672,820</u>

Factors that may affect future current and total tax charges

The recent rate changes in German Corporation and Trade taxes have reduced the higher tax rates on overseas earnings, which if harmonisation of European taxation rates continue will further reduce this imbalance

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

NOTES (continued)

9 FIXED ASSET INVESTMENTS

At the year end there were the following subsidiary undertakings which have been included in the consolidated results and both of which carry on business as meat selling agents

Company Shares in group undertakings	Country of incorporation
Meat Corporation of Namibia (Deutschland) GmbH	Germany
Meat Corporation of Namibia (Nederland) BV	Holland

In the case of each of the above subsidiaries, 100% of the ordinary share capital is owned by the company

10 DEBTORS

	Group		Company	
	2008 £	2007 £	2008 £	2007 £
Amounts falling due within one year				
Amounts owed by parent company	-	-	194,653	198,539
Amounts owed by subsidiary undertakings	-	-	-	79,257
Other debtors	38,404	136,679	20,338	32,678
	<u>38,404</u>	<u>136,679</u>	<u>214,991</u>	<u>310,474</u>

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2008 £	2007 £	2008 £	2007 £
Trade creditors	-	97,434	-	74,742
Amounts owed to parent company	93,632	296,664	-	-
Amounts owed to subsidiary undertakings	-	-	22,494	-
Other creditors including taxation and social security				
Corporation tax	211,115	200,074	252,178	165,815
Other creditors	117,968	14,200	138,157	-
Accruals and deferred income	47,533	39,417	26,439	32,447
	<u>470,248</u>	<u>647,789</u>	<u>439,268</u>	<u>273,004</u>

12 CALLED UP SHARE CAPITAL

	2008 £	2007 £
Authorised		
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, called up and fully paid		
1,250,000 Ordinary shares of £1 each	<u>1,250,000</u>	<u>1,250,000</u>
Shares classified in shareholders' funds	<u>1,250,000</u>	<u>1,250,000</u>

MEAT CORPORATION OF NAMIBIA (UK) LIMITED

NOTES (continued)

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

Group	Share Capital £	Profit and loss account £	Total £
Opening shareholder's funds	1,250,000	1,048,195	2,298,195
Profit for the year	-	1,470,913	1,470,913
Exchange translation	-	41,009	41,009
Dividend paid	-	(1,000,000)	(1,000,000)
Closing shareholder's funds	<u>1,250,000</u>	<u>1,560,117</u>	<u>2,810,117</u>

Company	Share Capital £	Profit and loss account £	Total £
Opening shareholders' funds	1,250,000	750,637	2,000,637
Profit for the year	-	1,555,460	1,555,460
Dividend paid	-	(1,000,000)	(1,000,000)
Closing shareholder's funds	<u>1,250,000</u>	<u>1,306,097</u>	<u>2,556,097</u>

14 ULTIMATE PARENT COMPANY

The company's immediate and ultimate parent undertaking is the Meat Corporation of Namibia Limited

The largest and smallest group of undertakings for which group accounts are drawn up and of which the company is a member is that headed by the Meat Corporation of Namibia Limited which is incorporated in Namibia. The address of its principal place of business is Sheffield Street, P O Box 3881, Windhoek, 9000 Namibia. The consolidated financial statements of the group may be obtained from this address.