

**Maldome Limited**

**Directors' Report and Financial Statements**

**Period Ended 2 April 2006**

**Company Reference Number 2913976**



# **Maldome Limited**

## **Directors' Report and Financial Statements Period Ended 2 April 2006**

### **Table of Contents**

	<b><u>Page</u></b>
Directors and Other Information	2
Report of the Directors	3 - 4
Directors' Responsibilities Statement for the Financial Statements	5
Independent Auditors' Report	6 - 7
Profit and Loss Account	8
Statement of Movement in Retained Profits	9
Balance Sheet	10
Statement of Accounting Policies and Estimation Techniques	11 - 12
Notes to the Financial Statements	13 - 16

# **Maldome Limited**

**Period Ended 2 April 2006**

## **Directors and Other Information**

### **Directors**

R. Cracknell  
L. Goodman  
D. Murphy

### **Registered Auditors**

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Wilton Place  
Dublin 2  
Ireland

### **Secretary and Registered Office**

J. McLaughlin  
Battlefield Road  
Harlescott  
Shrewsbury  
Shropshire  
SY1 4AH  
England

### **Solicitors**

Clyde & Company  
51 Eastcheap  
London  
EC3M 1JP  
England

### **Companies Office Number**

2913976

# Maldome Limited

## Report of the Directors

### in respect of the period ended 2 April 2006

The directors submit their report together with the audited financial statements for the period ended 2 April 2006.

#### Results and Dividends

The results for the period are set out on pages 8 and 9 of the financial statements. The directors do not recommend the payment of a dividend.

#### Business Review

The company is an investment company which invests in companies trading in the meat processing industry. The company is also involved in the leasing of assets to other companies within the group. There were no significant changes to the business during the period.

The directors are of the view that there are no significant risks or uncertainties facing the company.

The following key indicators are relevant in reviewing the development, performance and position of the business:

- i) *Profit before tax:*  
During the period ended 2 April 2006 the company's profit before tax amounted to €0.546m (2005: €0.579m). The directors believe that this was a satisfactory outturn.
- ii) *Net assets:*  
At 2 April 2006 the company's net assets amounted to €1.116m (2005: €0.168m).  
The directors are satisfied with the year end position of the company.

#### Directors

The names of the persons who were directors at any time during the period ended 2 April 2006 are set out below. Unless indicated otherwise they served as directors for the entire period.

L. Goodman  
D Murphy  
R. Cracknell  
D. Benson (resigned 3 October 2005)

The directors are not required by the Articles of Association to retire by rotation.

# **Maldome Limited**

## **Report of the Directors**

**in respect of the period ended 2 April 2006 (continued)**

### **Interests of Directors and Secretary**

Mr. L. Goodman, or entities connected with or controlled by him, have a beneficial interest in 100% of the share capital of the company and its holding companies. This interest remained unchanged during the period.

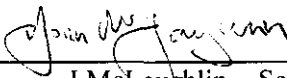
None of the directors nor the company secretary have any other beneficial interest in the share capital of the company or its ultimate parent company.

No contracts of significance in relation to the company existed at any time during the period ended 2 April 2006, in which the directors of the company had any material interest.

### **Auditors**

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

**By order of the Board:**

  
\_\_\_\_\_  
J. McLaughlin - Secretary

21 November 2006

# **Maldome Limited**

**Period Ended 2 April 2006**

## **Directors' Responsibilities Statement for the Financial Statements**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

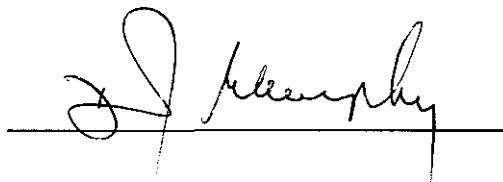
The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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 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 company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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

**Approved on behalf of the Board:**

A handwritten signature in black ink, appearing to read 'J. Murphy', is written over a horizontal line.

**Director**

21 November 2006

## **Independent Auditors' Report to the members of Maldome Limited**

We have audited the financial statements on pages 8 to 16 of Maldome Limited for the period ended 2 April 2006 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 in the statement of accounting policies on page 11.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also 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) issue 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 2 April 2006 and of its 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.



**PricewaterhouseCoopers**  
**Chartered Accountants and Registered Auditors**  
**Dublin**

**1 December 2006**



**Maldome Limited**

**Profit and Loss Account**

**for the period ended 2 April 2006**

		<b>Period Ended 2 April 2006 £'000</b>	<b>Period Ended 27 March 2005 £'000</b>
	<b>Notes</b>		
Interest receivable and similar income (net)	1	<u>546</u>	<u>579</u>
<b>Profit on ordinary activities before taxation</b>		546	579
Taxation credit/(charge) on profit on ordinary activities	2	<u>402</u>	<u>(428)</u>
<b>Profit retained for the period</b>		<u><u>948</u></u>	<u><u>151</u></u>

In arriving at the profit retained for the period, all amounts above relate to continuing operations.

# Maldome Limited

## Statement of Movement in Retained Profits

for the period ended 2 April 2006

	Period Ended 2 April 2006 £'000	Period Ended 27 March 2005 £'000
Retained profits at 27 March 2005	168	17
Profit retained for the period	<u>948</u>	<u>151</u>
Retained Profits at 2 April 2006	<u>1,116</u>	<u>168</u>

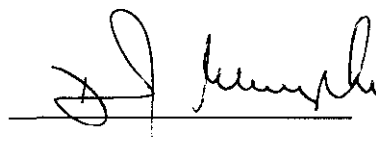
The company has no recognised gains and losses other than those included in the profit and loss account. There is no difference between the profit on ordinary activities before taxation and the profit retained for the period on an historical basis and the corresponding amount stated in the profit and loss account.

**Maldome Limited**

**Balance Sheet at 2 April 2006**

		<b>2 April 2006</b>		<b>27 March 2005</b>	
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fixed assets</b>					
Tangible fixed assets	3		445		-
Financial assets	4		-		-
			<u>445</u>		<u>-</u>
<b>Current assets</b>					
Debtors	5	6,443		8,082	
Cash at bank		<u>457</u>		<u>26</u>	
		6,900		8,108	
<b>Creditors:</b> Amounts falling due within one year	6	<u>(5,652)</u>		<u>(6,961)</u>	
<b>Net current assets</b>			<u>1,248</u>		<u>1,147</u>
<b>Total assets less current liabilities</b>			1,693		1,147
Provisions for liabilities and charges	7		<u>(577)</u>		<u>(979)</u>
<b>Net assets</b>			<u><u>1,116</u></u>		<u><u>168</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		-		-
Profit and loss account			<u>1,116</u>		<u>168</u>
<b>Equity shareholders' funds</b>	9		<u><u>1,116</u></u>		<u><u>168</u></u>

These financial statements were approved by the Board of Directors on 21 November 2006


**Director**

**Statement of Accounting Policies and Estimation Techniques**

**Period Ended 2 April 2006**

The significant accounting policies and estimation techniques adopted by the company are as follows:

**Basis of preparation**

The financial statements have been prepared in accordance with accounting standards generally accepted in the United Kingdom and United Kingdom statute comprising the Companies Act 1985. Accounting standards generally accepted in the United Kingdom in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in England and Wales and issued by the Accounting Standards Board. The financial statements are prepared in accordance with the historical cost convention.

The preparation of the financial statements requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts included in the profit and loss account for the period.

Actual results could differ from those estimates. Estimates are used principally when accounting for provisions required in respect of doubtful debts, provisions for liabilities and charges and taxation payable.

**Cash flow statement**

Advantage has been taken of the exemptions in Financial Reporting Standard ("FRS") 1 "Cash Flow Statements", which permits companies not to produce a cash flow statement, provided the consolidated financial statements in which the company is included are publicly available.

**Taxation**

Corporation tax is calculated on the profits for the period as adjusted for group relief. Tax losses utilised for group relief are transferred between group members. Charges for group relief are determined on a case by case basis.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Investments in subsidiaries**

Investments in subsidiaries are stated at cost less provision for any permanent diminution in value.

**Foreign currencies**

Transactions expressed in foreign currencies are translated into Pounds Sterling at the rate of exchange ruling at the date of the transaction. Foreign currency assets and liabilities are translated at the period end exchange rates, except in the case of contracts covered by forward exchange arrangements, where the contract rate is substituted. The resulting profits or losses are dealt with in the profit and loss account.

## **Maldome Limited**

### **Statement of Accounting Policies and Estimation Techniques (continued)**

#### **Period Ended 2 April 2006**

##### **Consolidation**

Consolidated financial statements have not been prepared as the company is a wholly owned subsidiary of Anglo Beef Processors Holdings Limited, a company incorporated in the United Kingdom which prepares consolidated financial statements. Anglo Beef Processors Holdings Limited will file its consolidated group financial statements with the Registrar of Companies at Cardiff, Wales.

##### **Finance lease**

The amount due under finance leases from group companies is recorded in the balance sheet as a debtor at the amount of the net investment in the lease.

The total gross earnings under finance leases are allocated to accounting periods to give a constant periodic rate of return on the lessor's net cash investment in the lease in each financial period.

##### **Tangible fixed assets**

Tangible fixed assets are carried at cost less accumulated depreciation.

##### **Depreciation**

Depreciation is calculated so as to write off the cost of each fixed asset over its expected useful life on a straight line basis over the following periods:

	<b>Period</b>
Buildings	30 years

# Maldome Limited

## Notes to the Financial Statements

### Period Ended 2 April 2006

<b>1. Interest receivable and similar income (net)</b>	<b>Period Ended 2 April 2006 £'000</b>	<b>Period Ended 27 March 2005 £'000</b>
Lease interest receivable from group companies	546	589
Bank deposit interest	-	1
Other interest	-	(11)
	<u>546</u>	<u>579</u>

<b>2. Taxation credit/(charge) on profit on ordinary activities</b>	<b>Period Ended 2 April 2006 £'000</b>	<b>Period Ended 27 March 2005 £'000</b>
---	--	---

#### (a) Analysis of credit/(charge) for period

Current Tax:		
Corporation tax on profits for the period	-	-
Payment to group company in respect of surrender of tax losses	-	525
	<u>-</u>	<u>525</u>
Deferred Tax:		
Origination and reversal of timing differences (note 7)	(402)	(97)
	<u>(402)</u>	<u>428</u>
<b>Tax (credit)/charge on profit on ordinary activities</b>	<b><u>(402)</u></b>	<b><u>428</u></b>

#### (b) Factors affecting current tax charge for the period

The tax assessed for the period differs from the tax charge that would result from applying the standard rate of corporation tax in the United Kingdom (30%) to the profit on ordinary activities. The difference is explained below:

	<b>Period Ended 2 April 2006 £'000</b>	<b>Period Ended 27 March 2005 £'000</b>
Profit on ordinary activities before taxation	<u>546</u>	<u>579</u>
Profit on ordinary activities multiplied by the average rate of corporation tax 30% (2005: 30%)	164	174
Effects of:-		
Capital allowances	(453)	(477)
Other taxable receipts	492	458
Net impact of tax losses surrendered by group companies	(203)	370
<b>Current tax charge for period (note 2(a))</b>	<b><u>Nil</u></b>	<b><u>525</u></b>

**Maldome Limited**

**Notes to the Financial Statements (continued)**

**Period Ended 2 April 2006**

**3. Tangible fixed assets**

	<b>Buildings £'000</b>
<b>Cost</b>	
At 27 March 2005	-
Additions	445
At 2 April 2006	<u>445</u>
<b>Depreciation</b>	
At 27 March 2005	-
Charge for the period	-
At 2 April 2006	<u>-</u>
<b>Net Book Value at 2 April 2006</b>	<u>445</u>
<b>Net Book Value at 27 March 2005</b>	<u>-</u>

<b>4. Financial assets</b>	<b>2 April 2006 £</b>	<b>27 March 2005 £</b>
<b>Investments</b>		
Shares in Anglo Beef Processors Limited (at cost)	<u>2</u>	<u>2</u>

Particulars of subsidiary undertakings:

<b>Name</b>	<b>Nature of Business</b>	<b>Shares Held</b>	<b>Percentage</b>	<b>Country of Registration</b>
Anglo Beef Processors Ltd	Meat Processing	2	100%	UK
Lurgan Chilling Ltd	Dormant	1,000,000	100%	Northern Ireland

Anglo Beef Processors Limited is a direct subsidiary of the company. Lurgan Chilling Limited is a subsidiary of Anglo Beef Processors Limited. Lurgan Chilling Limited transferred its trade to Anglo Beef Processors Limited on 27 March 2005 and is now dormant.

<b>5. Debtors</b>	<b>2 April 2006 £'000</b>	<b>27 March 2005 £'000</b>
<b>Debtors:</b> Amounts falling due within one year		
Finance lease receivables - group companies	1,735	1,639
Prepayments, sundry debtors and accrued income	<u>2</u>	<u>2</u>
	1,737	1,641
<b>Debtors:</b> Amounts falling due after more than one year		
Finance lease receivables - group companies	4,706	6,441
	<u>6,443</u>	<u>8,082</u>

**Maldome Limited**

**Notes to the Financial Statements (continued)**

**Period Ended 2 April 2006**

<b>6. Creditors: Amounts falling due within one year</b>	<b>2 April 2006</b>	<b>27 March 2005</b>
	<b>£'000</b>	<b>£'000</b>
Taxation - VAT payable	383	368
Amounts owed to group companies	5,269	6,593
	<u>5,652</u>	<u>6,961</u>

**7. Provisions for liabilities and charges**

	<b>2 April 2006</b>	<b>27 March 2005</b>
	<b>£'000</b>	<b>£'000</b>
At 27 March 2005	979	1,076
Charge for period	(402)	(97)
At 2 April 2006	<u>577</u>	<u>979</u>

The provision for deferred taxation arises as a result of timing differences in the recognition of capital allowances on plant and machinery held in respect of finance leases and the related income from those assets.

<b>8. Share Capital</b>	<b>2 April 2006</b>	<b>27 March 2005</b>
	<b>£</b>	<b>£</b>
<b>Authorised:</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid:</b>		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

**9. Reconciliation of movement in equity shareholders' funds**

	<b>2 April 2006</b>	<b>27 March 2005</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities after taxation	948	151
<b>Net increase in shareholders' funds</b>	948	151
Opening shareholders' funds at 27 March 2005	168	17
<b>Closing shareholders' funds at 2 April 2006</b>	<u>1,116</u>	<u>168</u>



**Notes to the Financial Statements (continued)**

**Period Ended 2 April 2006**

**10. Ultimate Parent Company and Ultimate Controlling Party**

The company is a subsidiary of Irish Food Processors, an unlimited company incorporated in the Republic of Ireland. Anglo Beef Processors Holdings Limited, a company incorporated in the United Kingdom, is the immediate parent company.

The smallest group into which the results of the company are consolidated is Anglo Beef Processors Holdings Limited. The consolidated financial statements of Anglo Beef Processors Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff.

Mr. L Goodman, or entities connected with or controlled by him, have a beneficial interest in 100% of the share capital of the company.

**11. Contingencies**

***Group borrowings***

In December 2005, Irish Food Processors, a group company, raised US\$125m (US\$97m (series A) and US\$28m (series B) respectively) and £9m (series C) of senior unsecured notes in a private placement with US institutional investors. The company and certain other group companies have guaranteed the repayment of these unsecured notes. The Series A notes are repayable by annual instalments of US\$13.85m commencing on 22 December 2009. The Series B and C notes are due and payable in full on their maturity dates of 22 December 2015 and 22 December 2017 respectively. The US dollar liability, and the related funds received, have been swapped into Euro at fixed rates. As a result, the group's repayment obligation has been effectively converted into a Euro obligation.

In February 2003, a fellow subsidiary raised US\$60m (€55.6m) of senior unsecured notes in a private placement with US institutional investors. These notes are repayable by annual instalments of US\$12m commencing on 14 February 2006. This liability, and the related funds received, have been swapped into sterling at a margin over LIBOR. As a result, the repayment obligation has been effectively converted into a sterling obligation. The first repayment installment of this private placement was made during the period (£7.6m).

Maldome Limited and certain other companies within the Irish Food Processors group have guaranteed the repayment of the US\$ senior unsecured notes.

**12. Related Party Transactions**

The group has availed of the exemption contained in FRS 8 "Related Party Disclosures" in respect of subsidiary undertakings, 90 per cent or more of whose voting rights, are controlled within a group. Consequently, the financial statements do not contain disclosure of transactions with entities in the Irish Food Processors group.

**13. Reporting Currency**

The currency used in these financial statements is the pound sterling denoted by the symbol £.

**14. Approval of Financial Statements**

The financial statements were approved by the directors on 21 November 2006.