

Company No. 2994068 (England and Wales)

FLORIDA EXPORTS LIMITED

FINANCIAL STATEMENTS

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995



FLORIDA EXPORTS LIMITED

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FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995**

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FLORIDA EXPORTS LIMITED

OFFICERS AND FINANCIAL ADVISORS

DIRECTORS	D Shewring H L Parsons T Hollowell N J Fuller
SECRETARY	WSM Services Limited
REGISTERED OFFICE	Derwent House 35 South Park Road LONDON SW19 8RR
AUDITORS	Windsor Stebbing Marsh 35 South Park Road Wimbledon LONDON SW19 8RR
BUSINESS ADDRESS	3 Sovereign Close Sovereign Court The Highway LONDON E1 9HE
BANKERS	Barclays Bank plc Strand Business Centre Burleigh House P.O. Box 90 LONDON WC2R 0NX
COMPANY NUMBER	2994068 (England and Wales)

FLORIDA EXPORTS LIMITED

DIRECTORS' REPORT

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995

The directors present their first report and the financial statements for the fourteen months ended 31 December 1995.

PRINCIPAL ACTIVITIES

The principal activity of the company is blending and sale of organic and pesticide free orange juice from Florida, United States of America.

The company was incorporated on 18 November 1994 and commenced trading in March 1995.

DIRECTORS AND THEIR INTERESTS

The directors who served in the company during the fourteen months were as stated below.

	Date of appointment	Date of resignation
D Shewring	21 November 1994	-
H L Parsons	1 May 1995	-
T Hollowell	20 December 1994	-
N J Fuller	20 December 1994	-
C D Hatton	18 November 1994	21 November 1994

None of the directors had any interest in the share capital of the company during the period.

AUDITORS

Windsor Stebbing Marsh were appointed first auditors to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

FLORIDA EXPORTS LIMITED

DIRECTORS' REPORT

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995 - Continued

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 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 judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

SMALL COMPANY EXEMPTION

Advantage is taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

This report was approved by the Board on **23. August 1996**


For and on behalf of
WSM SERVICES LIMITED
WSM Services Limited
Secretary

FLORIDA EXPORTS LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 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, except that the scope of our work was limited as explained below.

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 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. However, the evidence available to us was limited because we have not been able to verify that the net realisable value of the stocks of refrigerated orange juice held at the year end, evidenced to sales after the year end, exceeds the historic cost of £574,307 shown in these financial statements. Any reduction in the carrying value of the stocks of orange juice would increase the loss shown in these financial statements.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

QUALIFIED OPINION ARISING FROM LIMITATION IN AUDIT SCOPE

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the net realisable value of stocks, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its loss for the fourteen months then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our audit work relating to stock:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.



Windsor Stebbing Marsh

**Chartered Accountants
Registered Auditor**

Date: **27 August 1996**

35 South Park Road
Wimbledon

FLORIDA EXPORTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995**

	<u>Notes</u>	<u>1995</u> <u>£</u>
TURNOVER	2	19,089
COST OF SALES		(64,729)
GROSS LOSS		(45,640)
Administrative expenses		(171,857)
OPERATING LOSS	3	(217,497)
Other interest receivable and similar income		328
Interest payable and similar charges		(10,526)
RETAINED LOSS FOR THE FOURTEEN MONTHS	10	<u>£(227,695)</u>

There are no recognised gains and losses other than those passing through the profit and loss account.

FLORIDA EXPORTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 1995

	Notes	1995 £	£
FIXED ASSETS			
Tangible assets	5		8,484
CURRENT ASSETS			
Stocks	6	574,307	
Debtors	7	292,291	
Cash at bank and in hand		266	
		<u>866,864</u>	
CREDITORS: amounts falling due within one year	8	<u>(605,043)</u>	
NET CURRENT ASSETS			<u>261,821</u>
			<u>£ 270,305</u>
CAPITAL AND RESERVES			
Called up share capital	9	498,000	
Profit and loss account	10	(227,695)	
SHAREHOLDERS' FUNDS	11	<u>270,305</u>	

Advantage is taken in the preparation of the financial statements of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions as a small company.

The financial statements were approved by the Board on 23/8/96...

D Shewring
Director

David Shewring

FLORIDA EXPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are acquisitions.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided stated net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	-	20% Straight line
Office furniture	-	20% Straight line

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2. TURNOVER

The total turnover of the company for the fourteen months has been derived from its principal activity all of which related to export markets.

FLORIDA EXPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995 - Continued

3. <u>OPERATING LOSS</u>	<u>1995</u>
	£
Operating loss is stated after charging:	
Depreciation of tangible assets	2,123
Auditors' remuneration	1,750
Profit on foreign currencies	1,994
	<u> </u>

4. <u>DIRECTORS' EMOLUMENTS</u>	<u>1995</u>
	£
Remuneration	17,164
	<u> </u>

5. <u>TANGIBLE ASSETS</u>	Office	Office	
	equipment	furniture	Total
	£	£	£
Cost			
Additions	9,260	1,347	10,607
	<u> </u>	<u> </u>	<u> </u>
At 31 December 1995	9,260	1,347	10,607
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
Charge for fourteen months	1,853	270	2,123
	<u> </u>	<u> </u>	<u> </u>
At 31 December 1995	1,853	270	2,123
	<u> </u>	<u> </u>	<u> </u>
Net book values			
At 31 December 1995	£ 7,407	£ 1,077	£ 8,484
	<u> </u>	<u> </u>	<u> </u>

6. <u>STOCKS</u>	<u>1995</u>
	£
Finished goods and goods for resale	574,307
	<u> </u>

FLORIDA EXPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995 - Continued

7. <u>DEBTORS</u>	<u>1995</u> £
Amounts owed by group undertaking	183,588
Other debtors including taxation and social security	106,528
Prepayments and accrued income	2,175
	<u>£ 292,291</u>

8. <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>1995</u> £
Bank loans and overdrafts	543,294
Trade creditors	35,965
Taxes and social security costs	5,233
Other creditors	3,035
Accruals and deferred income	17,516
	<u>£ 605,043</u>

9. <u>SHARE CAPITAL</u>	<u>1995</u> £
Authorised	
10,000 Ordinary shares of £1 each	10,000
1,990,000 10% Redeemable preference shares of £1 each	1,990,000
	<u>2,000,000</u>
Allotted, called up and fully paid	
8,000 Ordinary shares of £1 each	8,000
490,000 10% Redeemable preference shares of £1 each	490,000
	<u>498,000</u>

During the fourteen months 8,000 ordinary shares of £1 each and 490,000 10% redeemable preference shares of £1 each were allotted and fully paid at par value to provide initial working capital.

The 10% redeemable preference shares rank pari passu in all respects with the ordinary shares except that the preference shares are redeemable on 31 December 2000 or such earlier date as the company may decide.

FLORIDA EXPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOURTEEN MONTHS ENDED 31 DECEMBER 1995 -- Continued

10. PROFIT AND LOSS ACCOUNT

1995
£

Retained loss for the fourteen months	(227,695)
Accumulated losses at 31 December 1995	<u>£(227,695)</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

1995
£

Loss for the fourteen months	(227,695)
New share capital subscribed	<u>498,000</u>
Net addition to shareholders' funds	<u>270,305</u>
Closing shareholders' funds	<u>£ 270,305</u>

12. ULTIMATE PARENT COMPANY

The ultimate parent company is United Foods International PLC, a company registered in England and Wales.