

**Weddel Swift Limited**

**Reports and financial statements**

**for the year ended 30 September 2005**

Registered no: 4021321



**REPORTS AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2005**

	<b>Page</b>
<b>Directors' report</b>	<b>1 - 2</b>
<b>Report of the independent auditors</b>	<b>3</b>
<b>Profit and loss account</b>	<b>4</b>
<b>Balance sheet</b>	<b>5</b>
<b>Notes to the financial statements</b>	<b>6 - 13</b>

# Weddel Swift Limited

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## **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 import and export of meat and meat products.

### **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The profit and loss account is presented on page 4.

We have concentrated in the year upon securing margin, the effect has been a reduction in sales but an increase in profitability. There are clear signs of an increase in demand from the United Kingdom supermarket sector for imported beef brought about by the continuing reduction in domestic production.

The current year has started with an outbreak of Food and Mouth Disease in parts of Brazil and Argentina which has limited the availability of beef for importation, however, our widespread contacts in those Countries and elsewhere have enabled us to source adequate product.

### **DIVIDENDS AND TRANSFERS TO RESERVES**

The directors recommend the payment of a dividend for the year of £0.60 per share (2004: £0.625 per share) amounting to £1,200,000 (2004: £1,250,000). The remaining surplus for the financial year of £500,000 (2004: deficit £239,000) has been transferred to reserves.

### **GROUP ACCOUNTS**

The Company is a wholly owned 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, all of whom have served throughout the year, are as follows:-

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

### **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 9 to the financial statements.

### **RESEARCH AND DEVELOPMENT**

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

### **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.

# Weddel Swift Limited

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## 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 period and of the profit or loss for that period.

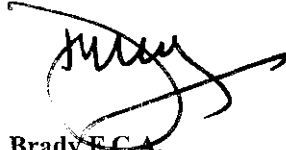
The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 September 2005. The directors also confirm that applicable accounting 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 Weddel Swift 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.

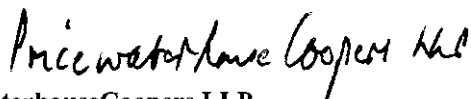
## **Basis of audit opinion**

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

# Weddel Swift Limited

## PROFIT AND LOSS ACCOUNT for the year ended 30 September 2005

	Notes	Year ended 30 September 2005 £'000	Year ended 30 September 2004 £'000
<b>TURNOVER</b>	<b>2</b>	<b>61,880</b>	<b>68,278</b>
Cost of sales		(57,167)	(64,664)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>4,713</b>	<b>3,614</b>
Administrative costs		(2,473)	(2,502)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		<b>2,240</b>	<b>1,112</b>
Interest receivable / (payable)	5	21	(82)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>6</b>	<b>2,261</b>	<b>1,030</b>
Taxation	7	(561)	(19)
		<hr/>	<hr/>
<b>PROFIT FOR THE YEAR</b>		<b>1,700</b>	<b>1,011</b>
Dividends	8	(1,200)	(1,250)
		<hr/>	<hr/>
<b>PROFIT / (LOSS) RETAINED FOR THE YEAR</b>	<b>15</b>	<b>500</b>	<b>(239)</b>
		<hr/> <hr/>	<hr/> <hr/>

All results derive from continuing operations.

There is no difference between the profits on ordinary activities before taxation and the retained profit / (loss) 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.

# Weddel Swift Limited

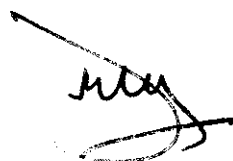
## BALANCE SHEET at 30 September 2005

	Notes	2005 £'000	2004 £'000
<b>FIXED ASSETS</b>			
Tangible assets	9	106	108
Investments	10	30	30
		<hr/>	<hr/>
		136	138
<b>CURRENT ASSETS</b>			
Stocks	11	2,597	2,584
Debtors	12	11,493	9,882
Cash at bank and in hand		242	136
		<hr/>	<hr/>
		14,332	12,602
<b>CREDITORS: amounts falling due within one year</b>	13	(11,254)	(10,026)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		3,078	2,576
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,214	2,714
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	2,000	2,000
Profit and loss account	15	1,214	714
		<hr/>	<hr/>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16	3,214	2,714
		<hr/>	<hr/>

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

# Weddel Swift Limited

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## 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.

#### **Group accounts**

The Company has taken advantage of Section 228(1)(a) of the Companies Act 1985 under which group accounts need not be prepared where the company itself is a wholly owned subsidiary undertaking of another company incorporated within the EC which prepares consolidated financial statements.

#### **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:

Plant and machinery	-	10-33 %	per annum
Motor vehicles	-	20%	per annum
Office machines, fixtures and fittings	-	10-33 %	per annum
Computers	-	20%	per annum

#### **Investment income**

Income from investments is included, together with any related tax credit, in the profit and loss account on an accruals basis.

#### **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 of goods to customers.

# Weddel Swift Limited

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

### 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.

### Pension scheme arrangements

The Company is part of the group's defined contribution pension scheme. Pension costs are charged to the profit and loss account on an accruals basis.

	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	41,397	44,204
Rest of Europe	6,102	5,724
Asia Pacific and Africa	3,205	2,573
Rest of World	637	870
Intra group – United Kingdom	10,539	14,907
	<hr/>	<hr/>
	61,880	68,278
	<hr/>	<hr/>

### 3. DIRECTORS' EMOLUMENTS

All the Company's directors are also directors of the parent company. The directors' remuneration in respect of their services to the group, including Weddel Swift Limited, is paid by and disclosed in the account of the parent company.

# Weddel Swift 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
<b>4. EMPLOYEE INFORMATION</b>		
The average number of persons employed by the Company during the period was:		
Management and administration	16	15
Selling and distribution	10	8
	<u>26</u>	<u>23</u>
<b>Staff costs (for the above persons)</b>	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,198	1,097
Social security costs	150	131
Other pension costs (note 18)	65	52
	<u>1,413</u>	<u>1,280</u>
	<b>2005</b>	<b>2004</b>
<b>5. INTEREST RECEIVABLE / (PAYABLE)</b>	<b>£'000</b>	<b>£'000</b>
On bank loans, overdrafts repayable within 5 years not by instalments	24	24
Interest (receivable from)/payable to group companies	(45)	58
	<u>(21)</u>	<u>82</u>
	<b>2005</b>	<b>2004</b>
<b>6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible fixed assets for the period:		
Owned	29	31
Leased	-	-
Auditor's remuneration for:		
Audit	18	20
Other services	-	5
Hire of assets - operating leases		
Land and buildings	44	41
Other	38	38

# Weddel Swift 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
<b>7. TAXATION</b>		
a) Analysis of charge in period:		
<b>Current tax</b>		
UK Corporation tax on profits for the period	704	326
Adjustments in respect of prior periods	(118)	(310)
	<hr/>	<hr/>
<b>Total current tax</b>	586	16
<b>Deferred tax</b>		
Origination and reversal of timing differences (note 22)	(25)	3
	<hr/>	<hr/>
<b>Tax on profits on ordinary activities</b>	561	19
	<hr/>	<hr/>
b) Factors affecting tax charge for the period:		
Profit on ordinary activities before tax	2,261	1,030
	<hr/>	<hr/>
Corporation tax of 30% (2004: 30%) on profit on ordinary activities	678	309
Effects of:		
- Expenses not deductible for tax purposes	23	20
- Depreciation in the period in excess of capital allowances	3	(3)
- Adjustments to tax charge in respect of prior periods	(118)	(310)
	<hr/>	<hr/>
	586	16
	<hr/>	<hr/>
<b>8. DIVIDENDS</b>	2005 £000	2004 £000
Final paid £0.60 per £1 ordinary share (2004: £0.625 per £1 ordinary share)	1,200	1,250
	<hr/>	<hr/>

# Weddel Swift Limited

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

### 9. TANGIBLE FIXED ASSETS

	Plant Machinery and vehicles £'000	Fixtures and fittings £'000	Total £'000
<b>Cost</b>			
As at 1 October 2004	227	139	366
Additions	26	1	27
Disposals	(1)	-	(1)
<b>At 30 September 2005</b>	<b>252</b>	<b>140</b>	<b>392</b>
<b>Depreciation</b>			
As at 1 October 2004	194	64	258
Charge for period	18	11	29
Disposals	(1)	-	(1)
<b>At 30 September 2005</b>	<b>211</b>	<b>75</b>	<b>286</b>
<b>Net book value 30 September 2005</b>	<b>41</b>	<b>65</b>	<b>106</b>
Net book value 30 September 2004	33	75	108

Included in the above analysis is an amount of £nil (2004: £nil) which represents the written down value of assets acquired under hire purchase contracts.

### 10. FIXED ASSET INVESTMENTS £'000

#### Investment in subsidiary companies

Cost at 1 October 2004 and 30 September 2005 **30**

#### Analysis of investment in subsidiary companies

Name of subsidiary	Description of shares held	% Holding	Country of incorporation
Weddel Meats Limited	Ordinary £1 shares	100	England
Meat Importer			
Weddel Swift Trading GmbH	Shares of DM 50,000	100	Germany
Meat Importer			
Weddel Swift (Australasia) PTY Limited	Ordinary Aus \$ 1 shares	100	Australia
Meat Exporter			

# Weddel Swift Limited

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

### 10. FIXED ASSET INVESTMENTS (continued)

The results for the year to 30 September 2005 and the shareholders' funds at the accounting date in the respective subsidiary companies are set out below:-

Subsidiary Company	Shareholders' Funds £'000	Profit for the year before taxation £'000
Weddel Meats Limited	6	-
Weddel Swift Trading GmbH	126	9
Weddel Swift (Australasia) PTY Limited	28	-
	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
11. STOCKS		
Finished goods and goods for resale	2,597	2,584
	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
12. DEBTORS		
Trade debtors	5,303	4,825
Amounts owed by group companies	-	83
Amount owed by parent company	6,001	4,574
Amount owed by related parties	-	273
Other debtors	40	20
Prepayments and accrued income	119	102
Deferred taxation (note 22)	30	5
	<b>11,493</b>	<b>9,882</b>
	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank overdraft (secured)	-	34
Trade creditors	3,118	3,032
Amounts owed to group companies	4,022	4,100
Amount owed by parent company	1	30
Other creditors	2,663	1,910
Corporation tax	670	329
Other taxation and social security	28	29
Accruals, provisions and deferred income	752	562
	<b>11,254</b>	<b>10,026</b>

Of the amount included in other creditors £2,663,000 (2004: £1,910,000) is fully secured by trade debtors outstanding at the accounting date and by a guarantee from the parent company and a fellow subsidiary. The Company is party to a group banking arrangement whereby there is a right of set off against certain bank balances within the group. The net overdraft of the group is secured on certain of the group assets.

# Weddel Swift Limited

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

<b>14. CALLED UP SHARE CAPITAL</b>	<b>£</b>	<b>£</b>
Authorised, allotted, called-up and fully paid 2,000,000 ordinary shares of £1 each.	<b>2,000,000</b>	<b>2,000,000</b>
<b>15. RESERVES</b>		<b>Profit &amp; Loss account £'000</b>
At 1 October 2004		714
Retained profit for the year		500
<b>At 30 September 2005</b>		<b>1,214</b>
<b>16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>		
For the period ended 30 September	<b>2005 £'000</b>	<b>2004 £'000</b>
Profit / (loss) for the financial year	<b>500</b>	<b>(239)</b>
Opening Shareholders funds	<b>2,714</b>	<b>2,953</b>
Shareholders funds at 30 September	<b>3,214</b>	<b>2,714</b>
<b>17. FINANCIAL COMMITMENTS</b>		

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

	<b>Land &amp; buildings 2005 £'000</b>	<b>Other 2005 £'000</b>	<b>Land &amp; buildings 2004 £'000</b>	<b>Other 2004 £'000</b>
Expiring within one year	-	24	-	1
Expiring between two and five years inclusive	43	13	43	32
	<b>43</b>	<b>37</b>	<b>43</b>	<b>33</b>

## 18. PENSION AND SIMILAR OBLIGATIONS

Eligible employees who chose to do so can join the Randall Parker Food Group Pension Scheme, which is a defined contribution scheme. The pension cost for the defined contributions scheme, which represents contributions payable by the Company, amounted to £65,000 (2004: £52,000). At the accounting date there are £nil (2004: £nil) outstanding contributions to the scheme.

# Weddel Swift Limited

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

### 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.

### 20. GUARANTEES

The Company has guaranteed certain borrowings of fellow subsidiaries and the parent company. At 30 September 2005 the total exposure was £9,101,000 (2004: £11,296,000).

### 21. CAPITAL COMMITMENTS

The Company has no capital commitments at 30 September 2005 or 30 September 2004.

### 22. DEFERRED TAXATION

Deferred taxation included in the financial statements, is as follows:

	Amount provided	
	2005	2004
	£'000	£'000
Accelerated capital allowances	3	5
Other timing differences	27	-
	<hr/>	<hr/>
Deferred tax asset (note 12)	30	5
	<hr/>	<hr/>
Movement in the period		
Asset at start of period	5	8
Credit (Charge) to profit and loss account (note 7)	25	(3)
	<hr/>	<hr/>
Closing deferred tax asset	30	5
	<hr/>	<hr/>

### 23. 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