

BOOKER OVERSEAS TRADING LIMITED
DIRECTORS' REPORT AND ACCOUNTS
52 WEEKS ENDED 29 MARCH 2002



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BOOKER OVERSEAS TRADING LIMITED

REPORT OF THE DIRECTORS

52 WEEKS ENDED 29 MARCH 2002

The directors present their report and financial statements for the 52 weeks ended 29 March 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was the operation of two sugar marketing agreements with the state-owned sugar industries in Guyana and St. Kitts. Due to the expiry of the sugar marketing agreements on the 31 December 2001, the company ceased to trade on that date.

REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

It is the intention of the directors that the company will remain dormant for the foreseeable future.

DIVIDENDS

The company made a profit for the year of £533,005 (2001: £225,143). The directors do not recommend the payment of a dividend (2001: £Nil).

DIRECTORS AND THEIR INTERESTS

The directors of the company during the period were:-

W J Hoskins	(appointed 17 April 2001)	A R Forster	(resigned 1 February 2002)
S G Chase	(appointed 4 September 2001)	A Y Luck	(resigned 1 February 2002)
P G Attwood		E C Robinson	(resigned 1 February 2002)
		J G Berry	(resigned 4 September 2001)

Company Secretary:

SG Chase

None of the directors had any interest in the shares of the company during the year.

The interests of the directors in the ordinary shares of The Big Food Group plc, the ultimate parent company, at the relevant dates were as follows:

1) Ordinary Shares

	29.03.02	31.03.01 or date of appointment if later
SG Chase	1,000	-

2) Ordinary Share Options

	Scheme	29.03.02	Granted during the period	Surrendered during the period	31.03.01 or date of appointment if later
PG Attwood	a)	883	883		
	b)	-	-	35,000	35,000
	c)	9,800	9,800		
SG Chase	c)	75,867	75,867		

a) SAYE Share Option Scheme

b) Executive Share Option Scheme

c) Long Term Incentive Plan

The interests of WJ Hoskins in the shares of The Big Food Group plc, the ultimate parent company, are disclosed in the financial statements of that company.

BOOKER OVERSEAS TRADING LIMITED
REPORT OF THE DIRECTORS (CONTINUED)
FOR THE 52 WEEKS ENDED 29 MARCH 2002

AUDITORS

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office. The company has passed an elective resolution dispensing with the requirement to appoint auditors annually.

LAYING OF REPORT AND ACCOUNTS

The company has passed an elective resolution dispensing with the requirement to lay reports and accounts before the company in general meeting.

Under the provisions of Section 253(2) Companies Act 1985 (as amended), a member has the right to require the reports and accounts to be laid before the company in general meeting. The member must deposit notice of intention to exercise such right at the registered office of the company within twenty-eight days of the date of this report.

BY ORDER OF THE BOARD



Secretary
SG Chase

Date: 18 June 2002

BOOKER OVERSEAS TRADING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

52 WEEKS ENDED 29 MARCH 2002

Company law requires the directors to prepare accounts for each financial year which 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 of the company for that period. In preparing those accounts, 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 being disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BOOKER OVERSEAS TRADING LIMITED FOR THE 52 WEEKS ENDED 29 MARCH 2002

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

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.

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.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

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 29 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
10 Bricket Road
St Albans
Hertfordshire, AL1 3JX

Date: 18 June 2002

BOOKER OVERSEAS TRADING LIMITED
PROFIT AND LOSS ACCOUNT
52 WEEKS ENDED 29 MARCH 2002

	Note	2002 £	2001 £
TURNOVER	2	571,546	637,477
COST OF SALES		(117,194)	(140,198)
GROSS PROFIT		454,352	497,279
ADMINISTRATIVE EXPENSES		(241,071)	(303,134)
OPERATING PROFIT	3	213,281	194,145
EXCEPTIONAL ITEMS		-	(94,808)
INTEREST RECEIVABLE	5	181,724	262,918
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		395,005	362,255
TAX CREDIT/(CHARGE) ON PROFIT ON ORDINARY ACTIVITIES	6	138,000	(137,112)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	533,005	225,143

All activities relate to discontinued operations.

The company had no recognised gains and losses other than those included in the profit above and therefore no separate statement of total gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year above and their historical cost equivalents.

The notes on pages 8 to 14 form part of these financial statements.

BOOKER OVERSEAS TRADING LIMITED**BALANCE SHEET AS AT 29 MARCH 2002**

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	7	-	5,279
CURRENT ASSETS			
Debtors	8	3,492,409	588,355
Cash at bank and in hand		159,938	3,037,580
		3,652,347	3,625,935
CREDITORS			
Amounts falling due within one year	9	(88,666)	(600,538)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,563,681	3,025,397
NET ASSETS		<u>3,563,681</u>	<u>3,030,676</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	3,563,581	3,030,576
EQUITY SHAREHOLDERS' FUNDS	12	<u>3,563,681</u>	<u>3,030,676</u>

The notes on pages 8 to 14 form part of these financial statements.

Approved by the Board of Directors on 18 June 2002 and signed on its behalf by:



W J HOSKINS (DIRECTOR)

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared on a consistent basis in accordance with applicable Accounting Standards in the United Kingdom. A summary of the principal accounting policies is set out below.

(b) Basis of accounting

The financial statements are prepared under the historical cost convention.

The consolidated financial statements of The Big Food Group plc, the ultimate parent company, which controls 100% of the voting rights include a cash flow statement. No such statement is included in these accounts, as permitted by FRS 1 (Revised), paragraph 5 (a).

(c) Related party transactions

The company has made use of the exemption contained in paragraph 3(c) of FRS8, not to disclose related party transactions with other group companies, as it is a wholly owned subsidiary of a company for which financial statements incorporating those transactions are made publicly available.

(d) Fixed Assets and Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:-

Office equipment	3-8 years
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(e) Foreign Currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions during the year in foreign currencies are translated at the rate of exchange ruling at the date of transaction.

2. TURNOVER

Turnover represents the commissions receivable for marketing services provided.

3. OPERATING PROFIT

	2002 £	2001 £
Operating profit is stated after charging:		
Depreciation of tangible fixed assets	5,279	4,569
Auditors' remuneration - for audit work	-	4,500

Auditors' remuneration in the current year was borne by another group company.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

4. STAFF COSTS

(a) Employee information

The average monthly number of persons employed by the company during the year was 6 (2001:6).

	2002	2001
	£	£
Staff costs (including Directors) consist of:		
Wages and salaries	175,202	219,432
Social security costs	21,228	19,881
Pension costs	5,680	7,242
	<u>202,110</u>	<u>246,555</u>

(b) Directors' emoluments

	2002	2001
	£	£
Aggregate emoluments (including benefits in kind)	<u>136,134</u>	<u>99,381</u>

The total remuneration of the highest paid director was £118,853 (2001 £99,381).

No director was a member of the company pension schemes.

5. INTEREST RECEIVABLE

	2002	2001
	£	£
Bank interest receivable	156,368	223,329
From group undertakings	25,356	39,189
Other	-	400
	<u>181,724</u>	<u>262,918</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of (credit)/charge in period

	2002	2001
	£	£
Current tax		
UK Corporation tax	-	138,000
Adjustments in respect of prior periods	(138,000)	(888)
	<u>(138,000)</u>	<u>137,112</u>

(b) Factors affecting the tax (credit)/charge for the period

The tax assessed for the period is different than the standard rate of corporation tax in the UK (30%) because:

Profit before tax	<u>395,005</u>	<u>362,255</u>
Profit multiplied by the standard rate of corporation tax in the UK of 30%	118,502	108,676
Effects of:		
Expenses not deductible for tax purposes	-	29,324
Group relief received not paid for	(118,502)	-
Prior year tax	(138,000)	(888)
Current tax charge for the period	<u>(138,000)</u>	<u>137,112</u>

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

7. TANGIBLE FIXED ASSETS

Office equipment

Cost	£
At 31.03.01	51,577
Disposals	(51,577)
At 29.03.02	<u>0</u>
 Depreciation	
At 31.03.01	46,298
Provided during year	5,279
Disposals	(51,577)
At 29.03.02	<u>0</u>
 Net book value	
At 29.03.02	<u>0</u>
 At 31.03.01	<u>5,279</u>

8. DEBTORS

	2002	2001
	£	£
Amount due from ultimate holding company	3,492,409	500,000
Other debtors	-	9,186
Prepayments & accrued income	-	79,169
	<u>3,492,409</u>	<u>588,355</u>

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

9. CREDITORS – Amounts falling due within one year

	2002	2001
	£	£
Trade creditors	-	70,852
Amount due to group undertakings	88,666	257,656
Corporation tax	-	129,000
Accruals	-	143,030
	<u>88,666</u>	<u>600,538</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

10. CALLED UP SHARE CAPITAL

	2002 £	2001 £
Authorised, Allotted, Called up and Fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

11. PROFIT AND LOSS ACCOUNT

	2002 £	2001 £
At 1 April 2001	3,030,576	2,805,433
Profit for the financial year	<u>533,005</u>	<u>225,143</u>
As at 29 March 2002	<u>3,563,581</u>	<u>3,030,576</u>

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Profit for the year	533,005	225,143
Opening Shareholders' funds	<u>3,030,676</u>	<u>2,805,533</u>
Closing Shareholders' funds	<u>3,563,681</u>	<u>3,030,676</u>

13. PENSION SCHEMES

The company provides pension benefits to eligible employees through pension schemes operated by its ultimate parent company, The Big Food Group plc. With effect from 1 April 2001 all defined benefit schemes within the Group were merged and renamed the Iceland Group Pension Scheme. The assets of the schemes are held separately from those of the Group and are invested by independent fund managers appointed by the trustees.

Defined Benefit

The latest actuarial valuation of the defined benefit scheme was carried out by Messrs Punter Southall & Co., consulting actuaries, as at 30 June 2001. The results of the valuation have been used for the purposes of calculating the pension cost up to 31 December 2001. Thereafter an updated interim valuation has been adopted to reflect the major drop in equity values and switch of the fund portfolio towards bonds.

For the purposes of assessing pension costs under SSAP 24 the principal actuarial assumptions adopted for the periods from 1 April to 30 June 2001, 1 July to 31 December 2001 and 1 January to 29 March 2002 were respectively: a long-term rate of return on investments of 6.0%, 6.7%, 6.4% per annum pre-retirement and 6.0%, 5.2%, 5.8% post-retirement, increases to pensions in payment of 3.0%, 2.6%, 2.5% per annum and salary growth of 4.5%, 4.1%, 4.0% per annum.

Pension costs have been determined using the projected unit method. The surplus/deficit disclosed by the calculations is being amortised over employees' anticipated service lives as a level percentage of pensionable salaries.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

13. PENSION SCHEMES (continued)

The June valuation results show the market value of the assets of the defined section of the Iceland Group Pension Scheme was £580m and were sufficient to cover 102% of the benefits accrued to members after allowing for full pensionable salary projection and pension increases on the stated assumptions. The interim valuation showed a decline in cover to 89% and a market value of assets of £510m. The next valuation will be carried out in June 2004.

Benefits will cease to accrue under the defined benefit section of the scheme in respect of service after 31 July 2002 and employees will be provided with defined contribution arrangements. It is not expected that this will result in a significant change to pension costs in the year ended 31 March 2003.

FRS 17 Disclosures for the year to 29 March 2002

The Group has continued to account for pensions in accordance with SSAP 24. FRS 17 "Retirement Benefits" will not be mandatory for the Group until the year ending March 2004. However, the following transitional disclosures are required.

Independent qualified actuaries have updated the results of the most recent actuarial valuations for the defined benefit scheme from 30 June 2001 to 29 March 2002.

The main financial assumptions used in the valuation of the liabilities of the company's pension schemes under FRS 17 are:

	At 29 March 2002
Rate of increase in salaries	4.0%
Rate of increase in pensions in payment	2.5%
Discount rate	5.8%
Retail prices inflation assumption	2.5%

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected	Value at 29 March 2002 £m
Equities	6.75%	365
Bonds	5.50%	147
Other	4.75%	12

Total		524
		=====

The following amounts at 29 March 2002 were measured in accordance with the requirements of FRS 17:

	At 29 March 2002 £m
Total market value of assets	524
Present value of scheme liabilities	(560)

Deficit in the scheme	(36)
Related deferred tax asset	11

Net pension liability	(25)
	=====

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

13. PENSION SCHEMES (continued)

Net Assets and Reserves

	At 29 March 2002
	£m
Net assets excluding net pension liability under SSAP 24	416
Pension liability	(25)

Net assets including net pension liability under FRS 17	391
	=====
Profit and loss reserve excluding net pension liability under SSAP 24	15
Pension liability	(25)

Profit and loss account including net pension reserve under FRS 17	(10)
	=====
Contributions to the scheme by the Group	7
	=====

The company is in practice, unable to identify its share of the underlying assets and liabilities in the scheme on a reasonable and consistent basis and will be treating the scheme as a defined contribution scheme when FRS 17 becomes effective.

14. POST BALANCE SHEET EVENTS

Following the year end, the Group has obtained a new senior credit facility of £300m. Together with other members of the Group, the company is a guarantor to the facility on a joint and several basis.

15. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of The Big Food Group plc. In accordance with paragraph 3 (c) of FRS 8 'Related Party Transactions' the company is exempt from disclosing details of arrangements with other companies in The Big Food Group plc.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
52 WEEKS ENDED 29 MARCH 2002

16. ULTIMATE PARENT UNDERTAKING

At 29 March 2002, the ultimate parent undertaking was The Big Food Group plc, a company registered in England and Wales. The Big Food Group plc was the parent undertaking of the only group, of which the company was a member, to consolidate these financial statements. Copies of the group financial statements are available from The Big Food Group plc, Second Avenue, Deeside Industrial Park, Deeside, Flintshire, CH5 2NW.