

BOOKER OVERSEAS TRADING LIMITED
DIRECTORS' REPORT AND ACCOUNTS
YEAR ENDED 28 MARCH 2003



BOOKER OVERSEAS TRADING LIMITED
REPORT OF THE DIRECTORS
FOR THE 52 WEEKS ENDED 28 MARCH 2003

The directors present their report and financial statements for the 52 weeks ended 28 March 2003.

PRINCIPAL ACTIVITIES

The company did not trade during the period. However, during the period it subscribed for 18% of the shares in another group company and subsequently sold the shares to a fellow subsidiary company.

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 neither a profit nor a loss for the year (2002: profit of £533,005). The directors do not recommend the payment of a dividend (2002: £Nil).

DIRECTORS AND THEIR INTERESTS

The directors of the company during the period were:

WJ Hoskins

SG Chase

Neither of the directors had any interest in the shares of the company during the period. 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

	28.03.03	30.03.02
SG Chase	1,000	1,000

2) Ordinary Share Options

	Scheme	28.03.03	Granted during the period	30.03.02
SG Chase	a)	14,388	14,388	-
	b)	194,136	118,269	75,867

a) SAYE Share Option Scheme

b) 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.

AUDITORS

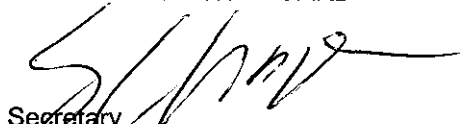
Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 27 March 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. The company has passed an elective resolution 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: 29 May 2003

BOOKER OVERSEAS TRADING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 28 MARCH 2003

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 28 MARCH 2003**

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.

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 28 March 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans

Date: 29 May 2003

BOOKER OVERSEAS TRADING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE 52 WEEKS ENDED 28 MARCH 2003

	Note	2003 £	2002 £
TURNOVER	2	-	571,546
COST OF SALES		-	(117,194)
GROSS PROFIT		-	454,352
ADMINISTRATIVE EXPENSES		-	(241,071)
OPERATING PROFIT	3	-	213,281
INTEREST RECEIVABLE AND SIMILAR INCOME	5	-	181,724
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	395,005
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	-	138,000
RETAINED PROFIT FOR THE FINANCIAL PERIOD	11	-	533,005

All activities relate to discontinued operations.

The company had no recognised gains and losses other than those included in the profit and loss account above.

The notes on pages 6 to 11 form part of these financial statements.

BOOKER OVERSEAS TRADING LIMITED**BALANCE SHEET AS AT 28 MARCH 2003**

	Note	2003 £	2002 £
INVESTMENTS	7	-	-
CURRENT ASSETS			
Debtors	8	3,563,681	3,492,409
Cash at bank and in hand		-	159,938
		3,563,681	3,652,347
CREDITORS			
Amounts falling due within one year	9	-	(88,666)
		3,563,681	3,563,681
TOTAL ASSETS LESS CURRENT LIABILITIES		3,563,681	3,563,681
NET ASSETS		3,563,681	3,563,681
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	3,563,581	3,563,581
		3,563,681	3,563,681
EQUITY SHAREHOLDERS' FUNDS	12	3,563,681	3,563,681

The notes on pages 6 to 11 form part of these financial statements.

Approved by the Board of Directors on 29 May 2003 and signed on its behalf by:



W J HOSKINS (DIRECTOR)

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2003

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.

(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).

2. TURNOVER

Turnover represents the commissions receivable for marketing services provided.

3. OPERATING PROFIT

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible fixed assets	-	5,279

Auditors' remuneration in both this and the prior year was borne by another group company.

4. STAFF COSTS

(a) Employee information

The average monthly number of persons employed by the company during the year was nil (2002:6).

	2003	2002
	£	£
Staff costs (including Directors) consist of:		
Wages and salaries	-	175,202
Social security costs	-	21,228
Pension costs	-	5,680
	-	202,110

(b) Directors' emoluments

	2003	2002
	£	£
Aggregate emoluments (including benefits in kind)	-	136,134

No remuneration or fees were paid by the company to any of its directors during the year (2002: £118,853).

No director was a member of the company pension schemes.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2003

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2003 £	2002 £
Bank interest receivable	-	156,368
From group undertakings	-	25,356
	<u>-</u>	<u>181,724</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of credit in the period

	2003 £	2002 £
Current tax		
Adjustments in respect of prior periods	-	(138,000)
	<u>-</u>	<u>(138,000)</u>
Tax credit for the period	<u>-</u>	<u>(138,000)</u>

(b) Reconciliation of the current taxation charge

The tax assessed for the previous period is higher than the standard rate of tax in the UK (30%).

The differences are explained below:

Profit on ordinary activities before taxation	-	395,005
Tax on total profits at 30% (UK standard rate)	-	118,502
Group relief received not paid for	-	(118,502)
Prior year tax	-	(138,000)
Current tax credit for the period	<u>-</u>	<u>(138,000)</u>

7. INVESTMENTS

	2003 £	2002 £
Cost		
At 30 March 2002	-	-
Additions	18	-
Disposals	(18)	-
	<u>-</u>	<u>-</u>
At 28 March 2003	<u>-</u>	<u>-</u>

8. DEBTORS

	2003 £	2002 £
Amounts due from group undertakings	<u>3,563,681</u>	<u>3,492,409</u>

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

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2003

9. CREDITORS – Amounts falling due within one year

	2003	2002
	£	£
Amounts owed to group undertakings	<u>-</u>	<u>88,666</u>

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

10. CALLED UP SHARE CAPITAL

	2003	2002
	£	£
Authorised, Allotted, Called up and Fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

11. PROFIT AND LOSS ACCOUNT

	2003	2002
	£	£
At 30 March 2002	3,563,581	3,030,576
Profit for the financial period	<u>-</u>	<u>533,005</u>
As at 28 March 2003	<u>3,563,581</u>	<u>3,563,581</u>

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the period	-	533,005
Opening Shareholders' funds	<u>3,563,681</u>	<u>3,030,676</u>
Closing Shareholders' funds	<u>3,563,681</u>	<u>3,563,681</u>

13. 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.

14. ULTIMATE PARENT UNDERTAKING

At 28 March 2003, the ultimate parent undertaking and ultimate controlling party 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 for the 52 week period ended 28 March 2003 are available from The Big Food Group plc, Second Avenue, Deeside Industrial Park, Deeside, Flintshire, CH5 2NW.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 28 MARCH 2003

15. PENSION SCHEMES

Pension schemes

The Group operates a defined benefit scheme and a number of defined contribution schemes to provide benefits to both full-time and part-time employees. 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 scheme

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 SSAP24 the principal actuarial assumptions adopted for the period were respectively: a long-term rate of return on investments of 6.4% per annum pre-retirement and 5.8% post-retirement, increases to pensions in payment of 2.5% per annum and salary growth of 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.

The June 2001 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 ceased to accrue under the defined benefit section of the scheme in respect of service after 31 July 2002 and employees were provided with defined contribution arrangements.

The Company had no employees during the period (2002: 6), and as a result there was no pension charge (2002: £5,680).

FRS 17 Disclosures for the year to 28 March 2003

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

The Group has continued to account for pensions in accordance with SSAP 24. However, FRS 17 "Retirement Benefits" requires the following transitional disclosures.

Independent qualified actuaries have updated the results of the most recent actuarial valuations for the defined benefit scheme from 30 June 2001 to 28 March 2003.

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 28 MARCH 2003

15. Pension schemes (continued)

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

	28 March 2003	29 March 2002
Discount rate	5.30%	5.80%
Rate of increase in salaries	4.00%	4.00%
Pension increases	2.50%	2.50%
Inflation	2.50%	2.50%

The assets in the schemes and the expected rates of return were:

	Long term rate of return expected at 28 March 2003	£m	Long term rate of return expected 29 March 2002	£m
Equity	6.00%	230.9	6.75%	364.4
Bonds	5.70%	182.3	5.50%	147.4
Other	3.75%	10.6	4.75%	12.7
		-----		-----
Total market value of assets		423.8		524.5
		=====		=====

The following amounts were measured in accordance with the requirements of FRS 17:

Total market value of assets	423.8	524.5
Present value of scheme liabilities	(644.3)	(560.4)
	-----	-----
Deficit in the scheme	(220.5)	(35.9)
Related deferred tax asset	66.2	10.8
	-----	-----
Net pension liability	(154.4)	(25.1)
	=====	=====

The effect on the Group's balance sheet and profit and loss account if FRS 17 had been implemented during the period are shown below:

Net assets and reserves

	At 28 March 2003 £m
Net assets excluding net pension liability under SSAP 24	410.8
Pension liability	(154.3)

Net assets including net pension liability under FRS 17	256.5
	=====
Profit and loss reserve excluding net pension liability under SSAP 24	28.4
Pension liability	(154.3)

Profit and loss account including net pension reserve under FRS 17	(125.9)
	=====

BOOKER OVERSEAS TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 28 MARCH 2003

15. Pension schemes (continued)

Profit and loss account

52 weeks ended
28 March 2003
£m

Amounts charged to operating profit	
Current service cost – defined benefit scheme	4.8
	=====
Amounts (credited)/charged to net interest payable	
Expected return on pensions schemes' assets	(32.9)
Interest on pensions schemes' liabilities	32.1

	(0.8)
	=====

Amounts to be recorded in the statement of total recognised gains and losses

Difference between actual and expected return on assets	(121.2)
Experience gains/(losses) on liabilities	-
Change in actuarial assumptions	(68.7)
Actuarial loss	<u>(189.9)</u>

Movement in deficit during the year

Deficit in the scheme at start of year	(36.0)
Total operating charge	(4.8)
Employer contributions	9.4
Total financing income	0.8
Actuarial loss	(189.9)
Deficit in the scheme at end of year	<u>(220.5)</u>

History of experience gains and losses

Difference between the expected and actual return on scheme assets

Amount	(121.2)
Percentage of scheme assets	(28.6%)

Experience gains and losses on scheme liabilities

Amount	-
Percentage of the present value of scheme liabilities	-

Total amount recorded in the statement of total recognised gains and losses

Amount	(189.9)
Percentage of the present value of the scheme liabilities	(29.5%)