REGISTRAR'S COPY

Company Registration No. 3870621 (England and Wales)

SHEPHERD FOODS HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 28 DECEMBER 2003



SHEPHERD FOODS HOLDINGS LIMITED

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SHEPHERD FOODS HOLDINGS LIMITED

DIRECTORS' REPORT
FOR THE PERIOD ENDED 28 DECEMBER 2003

The directors present their report and financial statements for the period ended 28 December 2003.

Principal activities and review of the business
The principal activity of the company is the rental of investment property.

Results and dividends
The results for the period are set out on page 3.

Directors
The following directors have held office since 30 December 2002:

J.A.W. Shepherd
R.C.S. Shepherd, M.P.

Directors' interests
The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	28 December 2003	**30 December 2002**
J.A.W. Shepherd	45,100	45,100
R.C.S. Shepherd, M.P.	54,900	54,900

Auditors
In accordance with section 385 of the Companies Act 1985, a resolution proposing that Venthams be reappointed as auditors of the company will be put to the Annual General Meeting.

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 judgements 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.

By order of the board

J.A.T. Madziva
Secretary
27/8/04

SHEPHERD FOODS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO SHEPHERD FOODS HOLDINGS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 8, together with the financial statements of the company for the period ended 28 December 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 8 are properly prepared in accordance with that provision.

Venthams

31/8/04

Venthams

Chartered Accountants
Registered Auditor

Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

SHEPHERD FOODS HOLDINGS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 28 DECEMBER 2003

	Notes	2003 £	2002 £
Gross profit		98,864	90,200
Administrative expenses		(2,150)	(1,400)
Operating profit	**2**	96,714	88,800
Investment income	**3**	-	750,000
Profit on ordinary activities before taxation		96,714	838,800
Tax on profit on ordinary activities	**4**	(12,362)	-
Profit on ordinary activities after taxation	**10**	84,352	838,800

SHEPHERD FOODS HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET
AS AT 28 DECEMBER 2003

	Notes	2003 £	2003 £	2002 £	2002 £
Fixed assets					
Tangible assets	5 and		1,502,132		1,502,132
Investments	6		100,000		100,000
			1,602,132		1,602,132
Current assets					
Creditors: amounts falling due within one year		(556,480)		(640,832)	
Net current liabilities			(556,480)		(640,832)
Total assets less current liabilities			1,045,652		961,300
Capital and reserves					
Called up share capital	9		100,000		100,000
Profit and loss account	10		945,652		861,300
Shareholders' funds - equity interests	11		1,045,652		961,300

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 27 AUGUST 2004

J.A.W. Shepherd
Director

R.C.S. Shepherd, M.P.
Director

SHEPHERD FOODS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 28 DECEMBER 2003

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1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents rent receivable under operating leases.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Land and buildings Freehold	See below

No depreciation is provided in respect of investment properties in conjunction with SSAP 19.

No depreciation is provided in respect of freehold property as it would be immaterial due to the high residual values of the properties. In accordance with FRS11 the directors carry out impairment reviews at the end of each period to ensure the carrying value is not greater than the recoverable amount.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

1.6 Cash flow statement

The company has not prepared a cash flow statement as there were no cash movements during the current or prior period.

1.7 Prior year adjustment

The comparatives have been restated due to the reclassification of properties as freehold.

2 Operating profit

	2003	2002
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	2,150	1,400

3 Investment income

	2003	2002
	£	£
Income from shares in group undertakings	-	750,000

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 28 DECEMBER 2003

4 Taxation	2003 £	2002 £
Domestic current year tax		
U.K. corporation tax	12,362	-
Current tax charge	12,362	-
Factors affecting the tax charge for the period		
Profit on ordinary activities before taxation	96,714	838,800
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002: 30.00%)	18,376	251,640
Effects of:		
Tax losses utilised	(6,014)	(26,400)
Dividends and distributions received	-	(225,000)
Other tax adjustments	-	(240)
	(6,014)	(251,640)
Current tax charge	12,362	-

5 Tangible fixed assets

	Land and buildings Freehold £
Cost	
At 30 December 2002 & at 28 December 2003	1,327,561
Depreciation	
At 30 December 2002 & at 28 December 2003	-
Net book value	
At 28 December 2003	1,327,561
At 29 December 2002	1,327,561

Tangible fixed assets

	Investment properties £
Cost	
At 30 December 2002 & at 28 December 2003	174,571

6 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 30 December 2002 & at 28 December 2003	100,000

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Shepherd Foods (London) Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003 £	Profit for the year 2003 £
Shepherd Foods (London) Limited	345,985	(541,475)

Creditors: amounts falling due within one year	2003 £	2002 £
Amounts owed to subsidiary undertakings	539,318	638,182
Corporation tax	12,362	-
Other creditors	2,000	-
Accruals and deferred income	2,800	2,650
	556,480	640,832

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 28 DECEMBER 2003

9 Share capital

	2003 £	2002 £
Authorised		
1,000,000 Ordinary Shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
100,000 Ordinary Shares of £1 each	100,000	100,000

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 30 December 2002	861,300
Retained profit for the period	84,352
Balance at 28 December 2003	945,652

11 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial period	84,352	838,800
Opening shareholders' funds	961,300	122,500
Closing shareholders' funds	1,045,652	961,300

12 Capital commitments

	2003 £	2002 £
At 28 December 2003 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	-	23,578

13 Employees

Number of employees
There were no employees during the period apart from the directors.