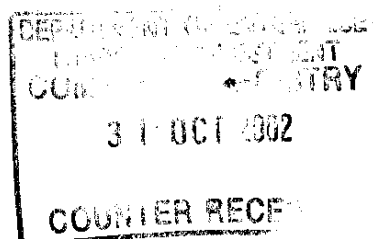


FINANCIAL STATEMENTS OF
DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2001
Registered number : NI 10530



DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Year ended 31 December 2001

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DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Directors and other information

Directors

M. HALE
S. MCADAM

Secretary

S. McADAM

Auditors

KPMG
Chartered Accountants,
Stokes House,
College Square East,
Belfast.

Bankers

First Trust Bank,
High Street,
Belfast.

Solicitors

Agnew, Andress, Higgins
High Street
Belfast

Registered office

Balmoral Market,
Balmoral Road,
Belfast

Registered number

NI 10530

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Report of the directors for the year ended 31 December 2001

The directors have pleasure in submitting their report together with the audited financial statements for the year ended 31 December 2001.

1. **Profit and dividends**
Details of the results for the year are set out in the profit and loss account on page 6 and the related notes.
2. **Principal activity and business review**
The principal activity of the company continues to be that of fruit importers, wholesalers and distributors.
The directors consider that both the results for the year and trading prospects are satisfactory.
3. **Buildings**
In the opinion of the directors, the open market value of the company's buildings does not differ materially from that shown in the balance sheet.
4. **Charitable donations**
The company made charitable donations amounting to £357 (2000: £427).
There were no political donations made during the year.
5. **Directors**
The members of the Board during the year were:

M. Hale
S. McAdam

None of the directors have had any interest in the shares of the company during the year.
6. **Auditors**
Our auditors, KPMG, have expressed their willingness to continue in office and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

25th October 2002

S. McAdam



Secretary

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Statement of directors' responsibilities
in respect of the preparation of financial statements
for the year ended 31 December 2001

Company law requires directors to prepare financial statements for each financial year which give, in accordance with applicable Northern Ireland law and accounting standards, a true and fair view of the state of the 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 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 disclosed and explained in the financial statements;
- 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 maintaining 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 (Northern Ireland) Order 1986. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By Order of the Board

25th October 2002

S. McAdam



Secretary

KPMG
Stokes House,
College Square East,
Belfast.

Independent auditor's report to the members of
Daniel P. Hale and Company (Fruit Importers) Limited

We have audited the financial statements on pages 6 to 15.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the director's report and, as described on page 4, the financial statements in accordance with the applicable Northern Ireland law and accounting standards. Our responsibilities, as independent auditors, are established in Northern Ireland by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 (Northern Ireland) Order 1986. As also required by the Order, we report to you if, in our opinion

- the directors' report is not consistent with the financial statements;
- the company has not kept proper accounting records;
- we have not received all the information and explanations we require for our audit; or
- information specified by law regarding directors' remuneration and transactions with the company is not disclosed.


Basis of 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 affairs of the company at 31 December 2001 and of the profit for the year then ended, and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.



KPMG
Chartered Accountants
Registered Auditors

25th October 2002

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

**Profit and loss account
for the year ended 31 December 2001**

	<u>Note</u>	<u>31 December</u> <u>2001</u> <u>(12 months)</u> <u>£</u>	<u>31 December</u> <u>2000</u> <u>(14 months)</u> <u>£</u>
TURNOVER - continuing operations	2	7,221,877	8,045,270
Cost of sales		<u>(6,199,141)</u>	<u>(6,846,619)</u>
GROSS PROFIT		1,022,736	1,198,651
Other operating expenses	3	(588,426)	(644,887)
Other operating income		<u>2,977</u>	<u>3,675</u>
OPERATING PROFIT - continuing operations		437,287	557,439
Interest receivable and similar income	6	0	112
Interest payable and similar charges	7	<u>(106,633)</u>	<u>(127,576)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	8	330,654	429,975
Tax	9	<u>(104,406)</u>	<u>(767)</u>
RETAINED PROFIT FOR THE YEAR		<u>226,248</u>	<u>429,208</u>
Earnings per ordinary share	10	<u>301.7p</u>	<u>572.3p</u>

The notes on pages 8 to 15 form part of the financial statements.

A statement of movement on reserves is given in note 21.

The company has no recognised gains or losses other than those included above, and therefore no separate summary of total recognised gains and losses has been presented.

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED
Balance Sheet
as at 31 December 2001

	<u>Note</u>	<u>December</u> <u>2001</u>	<u>December</u> <u>2000</u>
		£	£
FIXED ASSETS			
Tangible assets	11	83,891	102,544
Investments	13	<u>2</u>	<u>2</u>
		83,893	102,546
CURRENT ASSETS			
Stocks	14	58,113	40,208
Debtors	15	5,353,322	5,008,609
Cash at bank and in hand		<u>178</u>	<u>51,391</u>
		5,411,613	5,100,208
CREDITORS: Amounts falling due within one year	16	<u>(2,395,512)</u>	<u>(663,684)</u>
Net Current Assets		<u>3,016,101</u>	<u>4,436,524</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,099,994	4,539,070
CREDITORS: Amounts falling due after one year	17	<u>(9,301)</u>	<u>(1,674,625)</u>
NET ASSETS		<u>3,090,693</u>	<u>2,864,445</u>
CAPITAL AND RESERVES			
Called up share capital	19	75,000	75,000
Share premium	20	25,000	25,000
Profit and loss account	21	<u>2,990,693</u>	<u>2,764,445</u>
Equity shareholders' funds	22	<u>3,090,693</u>	<u>2,864,445</u>

The financial statements were approved by the Board of Directors on 25th October 2002 and signed on its behalf by:

S. McAdam



Director

The notes on pages 8 to 15 form part of the financial statements.

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Notes to the financial statements
for the year ended 31 December 2001

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) Basis of accounting

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost accounting rules. The company is exempt by virtue of Paragraph 5(a) of Financial Reporting Standard No.1 (Revised 1996) from the requirement to prepare a cash flow statement.

(b) Foreign exchange

Assets and liabilities arising in foreign currencies have been translated at rates ruling at the balance sheet date. Exchange differences arising from currency conversions in the normal course of trading are dealt with in the profit and loss account.

(c) Taxation

The charge for taxation is based on the results for the period and includes taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision for deferred taxation is made at rates expected to apply should the liability crystallise.

(d) Fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation less depreciation or provisions for any permanent diminution in value. Depreciation is provided so as to write off the cost or valuation, of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the asset concerned. The principal annual rates for this purpose are:

Leasehold buildings	2% per annum
Alterations to buildings	10% per annum
Plant, machinery and equipment	12 - 25% per annum
Motor vehicles	25% per annum

(e) Pensions

The company is a participating employer in the Fyffes Group Limited Pension Scheme, a defined benefit scheme. The pension contributions are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the company. The amounts of such contributions are determined following consultations with independent actuaries.

(g) Leased assets

The cost of assets held under finance leases is included in tangible assets. The corresponding leasing commitment is shown as obligations under finance leases and is included in creditors. The interest cost is charged to the profit and loss account in proportion to the reducing capital element outstanding.

(h) Stocks

Stocks are valued at the lower of cost and estimated net realisable value. Cost is determined by reference to invoice price, together with delivery costs where appropriate. Net realisable value represents proceeds of sale less all costs incurred in selling and distribution.

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Notes to the financial statements
for the year ended 31 December 2001

2. Turnover

Turnover represents amounts invoiced by the company in respect of goods sold during the year, excluding value added tax and trade discounts. All turnover relates to the wholesaling and distribution of fruit within Northern Ireland.

3. Other operating expenses

	<u>2001</u>	<u>2000</u>
	£	£
Other operating expenses comprise:		
Distribution costs	<u>588,426</u>	<u>644,887</u>

4. Employees

The average number of persons employed by the company during the year was:

	<u>2001</u>	<u>2000</u>
	Number	Number
Sales and distribution	10	11
Administration	<u>5</u>	<u>4</u>
Total	<u>15</u>	<u>15</u>

The total remuneration and associated costs of company employees during the year was:

	<u>2001</u>	<u>2000</u>
	£	£
Wages and salaries	327,162	366,118
Social security costs	31,427	32,066
Pension costs	<u>10,971</u>	<u>12,691</u>
	<u>369,560</u>	<u>410,875</u>

5. Directors' remuneration

Remuneration in respect of directors of the company during the year was:

	<u>2001</u>	<u>2000</u>
	£	£
Emoluments	112,726	110,877
Company contributions to defined benefit pension scheme	<u>2,885</u>	<u>3,281</u>
	<u>115,611</u>	<u>114,158</u>

Retirement benefits are accruing to one director under the defined benefit scheme.

6. Interest receivable and similar income

	<u>2001</u>	<u>2000</u>
	£	£
Bank interest receivable	<u>0</u>	<u>112</u>
	<u>0</u>	<u>112</u>

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Notes to the financial statements
for the year ended 31 December 2001

7. Interest payable and similar charges

	<u>2001</u>	<u>2000</u>
	£	£
Interest payable on bank loan repayable within 5 years	105,243	126,902
Finance lease interest charges	1,390	674
	<u>106,633</u>	<u>127,576</u>

8. Profit on ordinary activities before taxation

	<u>2001</u>	<u>2000</u>
	£	£
The profit on ordinary activities before tax is stated after charging :		
Depreciation - on owned assets	32,151	34,135
- on leased assets	1,033	4,485
Hire of plant and machinery - rentals payable under operating leases	2,946	3,948
Auditors' remuneration - for audit work	4,362	4,600
and after (crediting):		
Profit on disposal of tangible assets	<u>(2,977)</u>	<u>(3,675)</u>

9. Taxation

The taxation charge based on the results for the year is as follows:

	<u>2001</u>	<u>2000</u>
	£	£
Corporation tax at 30%	104,406	0
Underprovision in previous years	0	767
Deferred taxation	0	0
	<u>104,406</u>	<u>767</u>

10. Earnings per ordinary share

The calculation of earnings per share is based on the profit after taxation of £226,248 (2000 : £429,208) and the number of ordinary shares in issue during the year of 75,000 (2000 : 75,000).

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Notes to the financial statements
for the year ended 31 December 2001

11. Tangible fixed assets

	<u>Premises and alterations</u>	<u>Plant and equipment</u>	<u>Motor vehicles</u>	<u>Leased motor vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost					
At 1 January 2001	89,297	117,511	48,700	15,295	270,803
Additions	0	660	16,000	0	16,660
Disposals	0	0	0	(15,295)	(15,295)
At 31 December 2001	89,297	118,171	64,700	0	272,168
Depreciation					
At 1 January 2001	40,526	99,685	15,915	12,133	168,259
Charge for year	2,354	14,930	14,867	1,033	33,184
Disposals	0	0	0	(13,166)	(13,166)
At 31 December 2001	42,880	114,615	30,782	0	188,277
Net Book Value					
At 31 December 2001	46,417	3,556	33,918	0	83,891
At 1 January 2001	48,771	17,826	32,785	3,162	102,544

The net book value of assets held under finance leases included in tangible assets amounts to £Nil (2000:£3,162). Depreciation charged in year on assets held under finance leases amounts to £1,033 (2000:£4,485).

12. Capital commitments

There were no capital commitments at the balance sheet date (2000 : £nil).

13. Investments

	<u>2001</u>	<u>2000</u>
	£	£
Trade investment at cost	2	2

14. Stocks

	<u>2001</u>	<u>2000</u>
	£	£
Stocks for resale	58,113	40,208
	58,113	40,208

The directors consider that the replacement cost of stock is not materially different from the amount shown in the accounts.

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

Notes to the financial statements
for the year ended 31 December 2001

15. Debtors

	<u>2001</u>	<u>2000</u>
	£	£
Amounts falling due within one year :		
Trade debtors	414,889	382,235
Amounts owed by group undertakings	4,906,111	4,604,954
Other debtors	18,896	15,060
Prepayments and accrued income	13,426	6,360
	<u>5,353,322</u>	<u>5,008,609</u>

16. Creditors: Amounts falling due within one year

	<u>2001</u>	<u>2000</u>
	£	£
Bank overdraft	65,662	0
Bank loan	1,674,625	0
Trade creditors	493,210	490,109
Amounts owed to group undertakings	14,834	61,698
Corporation tax	56,966	0
Other taxation and social security	23,529	21,120
Accruals and deferred income	63,070	80,312
Obligations under finance leases	3,616	10,445
	<u>2,395,512</u>	<u>663,684</u>

The bank overdraft and loan are secured by an unlimited group guarantee provided by the company's ultimate parent undertaking.

17. Creditors: Amounts falling due after one year

	<u>2001</u>	<u>2000</u>
	£	£
Bank loan (repayable 1 to 2 years)	0	1,674,625
Obligations under finance leases (repayable between 1 and 5 years)	9,301	0
	<u>9,301</u>	<u>1,674,625</u>

18. Lease commitments

Obligations under finance leases are repayable as follows:

	<u>2001</u>	<u>2000</u>
	£	£
Within one year	3,616	0
Between one and five years	9,301	0
	<u>12,917</u>	<u>0</u>

The annual commitments under operating leases are as follows:

	<u>2001</u>	<u>2000</u>
	£	£
Operating leases which expire:		
within one year	0	563
between one and two years	2860	0
between two and five years	0	0

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED

**Notes to the financial statements
for the year ended 31 December 2001**

19. Share capital

	<u>2001</u>	<u>2000</u>
	Number	Number
Authorised :		
'A' Ordinary shares of £1 each	25,000	25,000
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	<u>2001</u>	<u>2000</u>
	Number	Number
Issued and fully paid :		
'A' Ordinary shares of £1 each	25,000	25,000
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
	<u>75,000</u>	<u>75,000</u>

20. Share premium

	<u>2001</u>	<u>2000</u>
	£	£
At beginning of year	25,000	25,000
Premium on issue of shares	<u>0</u>	<u>0</u>
At end of year	<u>25,000</u>	<u>25,000</u>

21. Reserves

Profit and loss account

	<u>2001</u>	<u>2000</u>
	£	£
At beginning of year	2,764,445	2,335,237
Retained profit for the year	<u>226,248</u>	<u>429,208</u>
At end of year	<u>2,990,693</u>	<u>2,764,445</u>

22. Equity shareholders' funds

Statement of movement in equity shareholders' funds

	<u>2001</u>	<u>2000</u>
	£	£
Opening equity shareholders' funds	2,864,445	2,435,237
Profit for the financial year	<u>226,248</u>	<u>429,208</u>
Closing equity shareholders' funds	<u>3,090,693</u>	<u>2,864,445</u>

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED
Notes to the financial statements
for the year ended 31 December 2001

23. Pension

The company has continued to account for pensions in accordance with the accounting standard SSAP24 Accounting for pension costs and the disclosures given in (a) are those required by that standard. A new accounting standard on pensions, FRS 17 Retirement Benefits, was issued in November 2000 but will not be fully applicable to the company until the year ended 31 December 2003. The transitional disclosures required under the new standard to the extent not given in (a) are set out in (b).

(a) SSAP 24 disclosures

Daniel P. Hale and Company (Fruit Importers) Limited is a participating employer in the Fyffes Group Limited Pension Scheme, a defined benefit pension scheme. The assets of the scheme are held in externally managed unit trust funds.

The total pension cost for the company in respect of Fyffes Group Limited Pension Scheme was £10,971 (2000 : £12,691). The pension cost and provision are assessed in accordance with the advice of professionally qualified actuaries using the projected unit credit method. The latest actuarial assessment of the scheme took place at 31 October 2000. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increases in salaries and pensions. It was assumed that the long term investment return would exceed the rate of increase in pensionable earnings by 6.1% and the rate of increase in pensions in payment by 2.6%.

At the date of the latest actuarial valuation the market value of the assets was £87.9 million and the actuarial value of the assets was sufficient to cover 111% of the benefits that had accrued to members, after allowing for expected future increases in earnings. Pension costs accrued in the financial statements are £Nil (2000:£Nil).

The actuarial report is not available for public inspection.

(b) FRS 17 Retirement Benefits

The Fyffes group operates a multi-employer defined benefit scheme and the employer is unable to identify its share of the underlying assets and liabilities in the schemes on a consistent and reasonable basis.

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation, updated by our actuaries, which assessed the liabilities and the market value of the assets of the scheme at 31 December 2001.

The financial assumptions used to calculate scheme liabilities under FRS 17 are set out below:

Rate of general increase in salaries	4%
Rate of increase to pensions in payment	2.5%
Discount rate for scheme liabilities	5.9%
Inflation	2.4%

DANIEL P. HALE AND COMPANY (FRUIT IMPORTERS) LIMITED
Notes to the financial statements
for the year ended 31 December 2001

(b) FRS 17 Retirement Benefits (continued)

The expected long-term rate of returns and market values of the assets of the schemes at 31 December 2001 are as follows:

	Expected Long-term rate of return % at 31 December 2001	Value at 31 December 2001 £'000
Market value of assets		
Equities	8.5%	49,840
Bonds	5%	14,120
Property	7%	3,190
Other	3%	<u>2,150</u>
Total market value of scheme assets		69,300
Present value of scheme liabilities		<u>(66,800)</u>
Pension assets before deferred tax		2,500
Related deferred tax liability		<u>(970)</u>
Net pension asset		<u><u>1,530</u></u>

The current contribution rates are 5% of pensionable salaries. The impact of the surplus arising on the group scheme on the future pension costs of the company will be to reduce the future contribution rate to the scheme. Employees of the company represent 2.4% of the total employees entitled to benefit under the scheme.

24. Contingent liabilities

There were no contingent liabilities at 31 December 2001 (2000 : £Nil).

25. Group structure

The company is a subsidiary undertaking of Fyffes plc, which is incorporated and operating in the Republic of Ireland.

The largest and smallest group in which the results of the company are consolidated is that headed by Fyffes plc.

The consolidated financial statements of Fyffes plc are available to the public and may be obtained from The Secretary, Fyffes plc, 1 Beresford Street, Dublin 7, Ireland.

26. Related party transactions.

Since more than 90% of the company's voting rights are controlled within the Fyffes plc group of companies, of which it is a member, the company has taken advantage of the exemption not to disclose transactions with entities that are part of the group.