

TRUSTHOUSE FORTE CATERING LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31 January 1990

234336

# TRUSTHOUSE FORTE CATERING LIMITED

## REPORT AND ACCOUNTS FOR THE FIFTEEN MONTHS ENDED 31 JANUARY 1990

### DIRECTORS' REPORT

The directors present herewith their Annual Report and Statement of Accounts for the fifteen months ended 31 January 1990.

### CHANGE OF YEAR END

In line with the change made by the ultimate holding company, Trusthouse Forte PLC, the Company has changed its year-end to 31 January. Therefore the Directors' Report and Accounts are for a fifteen month period.

### ACTIVITIES

The main activity of the company was that of the ownership and management of catering and allied business companies.

### ACCOUNTS

During the fifteen months the company has not traded but was in receipt of dividends from its investment in group companies. The profit on ordinary activities for the fifteen months ended 31 January 1990 was £4,233,045 (1988 £3,895,761).

### DIVIDEND

The directors do not recommend the payment of a dividend in respect of the fifteen months ended 31 January 1990.

### HOLDING COMPANY

The company's ultimate holding company is Trusthouse Forte PLC, which is incorporated in England.

### DIRECTORS

The following were directors of the company during the fifteen months ended 31 January 1990:

Mr RJV Forte	
Mr GB Chiandetti	
Mr AJ Forte	
Mr AE Engel	
Mr N Lovett	(resigned 24 April 1990)
Mr AJ Hearn	(resigned 5 February 1990)
Mr RA Burness	
Mr JC Knight	
Mr AL Monnickendam	
Mr PM Clack	(appointed 24 April 1990)

## DIRECTORS' INTERESTS

Those directors who are not also directors of Trusthouse Forte PLC had interests in that company's share and loan capital as follows:

	<u>As at 31 January 1990</u>		<u>As at 31 October 1988</u>	
	25p Ordinary Shares	Share Options	25p Ordinary Shares	Share Options
Mr AE Engel	100	50,000	100	50,000
Mr N Lovatt	NIL	57,068	NIL	57,068
Mr RA Burness	2,408,418	27,068	1,408,418	27,068
Mr AJ Forte	100	54,957	100	53,731
Mr JC Knight	NIL	54,215	NIL	53,479
Mr AL Monnickendam	NIL	52,283	NIL	52,283

The undermentioned directors are also directors of Trusthouse Forte PLC and as such their interests in that company are not required to be recorded in this company's Register of Directors' Interests:

Mr RJV Forte  
Mr GB Chiangetti  
Mr AJ Hearn

## AUDITORS

Pricewaterhouse have expressed their willingness to continue in office and a resolution for their re-appointment as Auditors will be proposed at the Annual General Meeting.

By Order of the Board

  
RJ Wilson  
Secretary

166 High Holborn  
London WC1V 6TT

9 August 1990

*Price Waterhouse*



**AUDITORS' REPORT TO THE MEMBERS OF  
TRUSTHOUSE FORTE CATERING LIMITED**

We have audited the financial statements on pages 4 to 9 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 January 1990 and of its profit for the fifteen month period then ended and have been properly prepared in accordance with the Companies Act 1985.

The financial statements do not include a statement of source and application of funds as required by Statement of Standard Accounting Practice No 10.

*Price Waterhouse*  
Chartered Accountants  
London

9 August 1990

TRUSTHOUSE FORTE CATERING LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE FIFTEEN MONTHS ENDED 31 JANUARY 1990

	Notes	Fifteen months ended 31 January 1990 £	Year ended 31 October 1988 £
TURNOVER AND TRADING PROFIT	1(b)	-	-
(Loss)/profit on sale of investments	6	(1,049,322)	32,771
Exceptional item	2	(2,805)	-
INCOME FROM SHARES IN GROUP COMPANIES		<u>5,285,172</u>	<u>3,862,990</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	4,233,045	3,895,761
TAXATION	5	<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	10	<u>4,233,045</u>	<u>3,895,761</u>

The annexed notes form a part of these accounts.

# TRUSTHOUSE FORTE CATERING LIMITED

## BALANCE SHEET AT 31 JANUARY 1990

	Notes	1990 £	1989 £
FIXED ASSETS			
Investments in subsidiaries	6	<u>140,909,776</u>	<u>130,881,415</u>
CURRENT ASSETS			
Debtors	7	<u>18,468,526</u>	<u>13,186,159</u>
NET CURRENT ASSETS		<u>18,468,526</u>	<u>13,186,159</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		159,378,302	144,067,574
CREDITORS - amounts falling due after more than one year	8	<u>(1,633,608)</u>	<u>(2,004,422)</u>
		<u>157,744,694</u>	<u>142,063,152</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,732,735	1,732,735
Share premium account	10	1,986,857	1,986,857
Revaluation reserve	10	132,889,019	121,440,522
Profit and loss account	10	<u>21,136,081</u>	<u>16,903,038</u>
		<u>157,744,694</u>	<u>142,063,152</u>

The annexed notes form a part of these accounts.

*[Signature]*  
*[Signature]*  
 ) DIRECTORS

Approved by the Board of directors on 9 August 1990.

# TRUSTHOUSE FORTE CATERING LIMITED

## NOTES TO THE ACCOUNTS - 31 JANUARY 1990

### 1 ACCOUNTING POLICIES

#### (a) Accounting Convention

The accounts are prepared under the historical cost convention as modified by the revaluation of investments.

#### (b) Turnover

The company has no sales; its main operation is that of a holding company and it does not trade in its own right.

#### (c) Investments in Subsidiaries

Investments in subsidiaries are stated in the balance sheet at 31 January 1990 at a valuation arrived at by reference to the cost of shares less amounts written off plus net retained profits of subsidiaries arising between acquisition and 31 January 1990.

#### (d) Change of year-end

In line with the change made by the ultimate holding company, Trusthouse Forte PLC, the company has changed its year-end to 31 January. Therefore the Directors' Report and Accounts are for a fifteen month period.

### 2 EXCEPTIONAL ITEMS

	Fifteen months ended 31 January 1990 £	Year ended 31 October 1988 £
Write off of amount due from group company	2,805	-
	<u>2,805</u>	<u>-</u>

### 3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration has been dealt with in the accounts of a fellow subsidiary.

### 4 EMOLUMENTS OF DIRECTORS AND HIGHER PAID EMPLOYEES

The salaries of the Chairman and other directors were paid by other group companies and no remuneration was paid or is payable to them by Trusthouse Forte Catering Limited. There are no employees receiving emoluments over £30,000 per annum.

# TRUSTHOUSE FORTE CATERING LIMITED

## NOTES TO THE ACCOUNTS - 31 JANUARY 1990 (continued)

### 5 TAXATION

The company's profit on ordinary activities before taxation related to transactions within the Trusthouse Forte PLC group and no taxation is payable on those transactions (1988: £Nil).

### 6 FIXED ASSETS - INVESTMENTS IN SUBSIDIARIES

#### Shares at cost or valuation

At 1 November 1988	£
Surplus on revaluation	130,881,415
Disposal	10,399,175
	<u>(370,814)</u>

At 31 January 1990	<u>140,909,776</u>
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#### Analysis of cost or valuation

At 1990 valuation	£
At cost	140,909,776
	<u>-</u>
	<u>140,909,776</u>

Assets included at valuation would have been included on an historical cost basis at £10,549,250 (1988: £11,969,386).

In previous years a provision of £1,049,322, made against the Company's investment in Gardner Merchant Keyline Travel Limited, was transferred to the revaluation reserve. This revaluation deficit was realised on the sale of the investment to another THF group company and has been transferred to the profit and loss account in the period.

Group accounts have not been prepared as the company is a wholly owned subsidiary of Trusthouse Forte PLC. In the opinion of the directors the value of the company's aggregate investment in its subsidiaries is not less than the amount at which they are stated in the balance sheet.



# TRUSTHOUSE FORTE CATERING LIMITED

## NOTES TO THE ACCOUNTS - 31 JANUARY 1990 (continued)

### 6 FIXED ASSETS - INVESTMENTS IN SUBSIDIARIES (continued)

The principal subsidiaries of the company at 31 January 1990 are listed below. The company owns all the issued ordinary shares and all are registered in England, except as otherwise noted.

- Forta's (Bournemouth) Limited
- Forte's Service Areas Limited
- + Trusthouse Forte Service Areas Limited
- GHMS Limited (formerly Gardner Merchant Management Services Limited)
- Henekey's Limited (in voluntary liquidation)
- National Sporting Club Limited
- \* Motorway Services Limited (91.67% owned by Trusthouse Forte Service Areas Limited)
- \* These companies are indirect subsidiaries of Trusthouse Forte Catering Limited.
- + The company owns 100% of the issued ordinary share capital of Trusthouse Forte Service Areas Limited 51.7% directly and 48.3% indirectly. The company owns none of the issued redeemable share capital of Trusthouse Forte Service Areas Limited.

### 7 DEBTORS

	<u>1990</u>	<u>1988</u>
	£	£
Amounts falling due within one year:		
Dividends receivable from subsidiaries	<u>5,285,172</u>	<u>3,862,990</u>
	5,285,172	3,862,990
Amounts falling due after more than one year:		
Amount due from group companies	<u>13,183,354</u>	<u>9,323,169</u>
	<u>18,468,526</u>	<u>13,186,159</u>

### 8 CREDITORS - amounts falling due after more than one year

	<u>1990</u>	<u>1988</u>
	£	£
Amount owed to group companies	<u>1,633,608</u>	<u>2,004,422</u>
	<u>1,633,608</u>	<u>2,004,422</u>

# TRUSTHOUSE FORTE CATERING LIMITED

## NOTES TO THE ACCOUNTS - 31 JANUARY 1990 (continued)

### 9 CALLED UP SHARE CAPITAL

Called up share capital in both 1990 and 1988 was as follows:

	<u>Authorised</u> £	<u>Allotted and fully paid</u> £
Cumulative preference shares of £1 each (5.25% plus related tax credit)	100,000	100,000
Ordinary shares of 25p each	<u>2,200,000</u>	<u>1,632,735</u>
	<u>2,300,000</u>	<u>1,732,735</u>

The dividend in respect of the cumulative preference shares was waived.

### 10 RESERVES

	<u>Share premium account</u> £	<u>Revaluation Reserve</u> £	<u>Profit and loss account</u> £
At 1 November 1988	1,986,857	121,440,522	16,903,038
Profit for the period	-	-	4,233,045
Surplus on revaluation of subsidiaries	-	10,399,175	-
Revaluation deficit on sale of investments	<u>-</u>	<u>1,049,322</u>	<u>-</u>
At 31 January 1990	<u>1,986,857</u>	<u>132,889,019</u>	<u>21,136,083</u>

### 11 EMPLOYEES

The average number of employees employed by the company during the fifteen months was Nil (1988: Nil).

### 12 ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Trusthouse Forte PLC, which is incorporated in England.