

FORTE CATERING LIMITED

REPORT AND FINANCIAL STATEMENTS

31 January 1994

Registered No : 234336



FORTE CATERING LIMITED

DIRECTORS' REPORT

The Directors present their Annual Report and Financial Statements for the year ended 31 January 1994.

PRINCIPAL ACTIVITY

The Company is a catering management company. During the year, the Company transferred its business to a company within the Forte Group and ceased to trade.

TRADING RESULTS

The profit on ordinary activities before taxation for the year ended 31 January 1994 was £Nil (1993: £4,410,936).

DIVIDEND

The Directors recommended the payment of a dividend for the year of £182,334,290 (1993: £nil).

PARENT COMPANY

The Company's ultimate parent company is Forte Plc which is incorporated in England.

DIRECTORS

The Directors during the year ended 31 January 1994 were as follows:

Mr J G Edis-Bates
Mr J P Small
Mr R A Barness
Mr G B Chiandetti
Mr P M Clack
Mr R J V Forte
Mr A L Monnickendam

Mr J G Edis-Bates and Mr J P Small were appointed Directors on 20 December 1993. On 20 December 1993 Messrs. RA Barness, GB Chiandetti, PM Clack, RJV Forte and AL Monnickendam resigned as Directors.

DIRECTORS' INTERESTS

None of the Directors had a direct interest in the share capital of the Company during the year.

The Directors had the following interests in the share capital of Forte Plc:

	<u>As at 31 January 1994</u>		<u>As at 1 February 1993 or date of appointment</u>	
	<u>25p Ordinary Shares</u>	<u>Share Options</u>	<u>25p Ordinary Shares</u>	<u>Share Options</u>
Mr J G Edis-Bates	1,053	154,865	1,000	7,865
Mr J P Small	-	-	-	-

FORTE CATERING LIMITED

DIRECTORS' REPORT (CONTINUED)

During the year ended 31 January 1994 the Directors were granted or exercised the following share options:

	<u>Granted</u>	<u>Exercised</u>
	<u>Share</u>	<u>Share</u>
	<u>Executive</u>	<u>Executive</u>
	<u>save</u>	<u>save</u>
Mr J G Edis-Bates	147,000	-
Mr J P Small	-	-

STATEMENT OF 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:

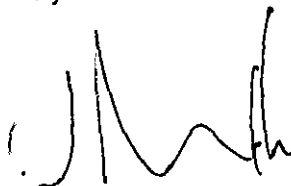
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 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.

AUDITORS

The auditors, Price Waterhouse, have expressed their willingness to continue in office and a resolution for their re-appointment will be submitted at the Annual General Meeting.

By Order of the Board



J M Mills
Secretary

17 November 1994

Registered Office:
166 High Holborn
London WC1V 6TT

Price Waterhouse



AUDITORS' REPORT TO THE MEMBERS OF FORTE CATERING LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 accounts, 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 accounts 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 accounts give a true and fair view of the state of the Company's affairs as at 31 January 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

17 November 1994

FORTE CATERING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 1994**

	<u>1994</u> £	<u>1993</u> £
Income from shares in Group undertakings	-	4,410,936
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION (Note 2, 4)	-	4,410,936
DIVIDENDS	<u>(182,334,290)</u>	<u>-</u>
(LOSS)/PROFIT FOR THE YEAR (Note 9)	<u>(182,334,290)</u>	<u>4,410,936</u>

The notes on pages 7 to 9 form part of these financial statements.

FORTE CATERING LIMITED**BALANCE SHEET - 31 JANUARY 1994**

	<u>1994</u> £	<u>1993</u> £
FIXED ASSETS		
Investments in subsidiary undertakings (Note 5)	-	183,934,034
CURRENT ASSETS		
Debtors (Note 6)	3,719,592	58,753,356
NET CURRENT ASSETS	3,719,592	58,753,356
TOTAL ASSETS LESS CURRENT LIABILITIES	3,719,592	242,687,390
CREDITORS - Amounts falling due after more than one year (Note 7)	-	(56,633,508)
	3,719,592	186,053,882
CAPITAL AND RESERVES		
Called up share capital (Note 8)	1,732,735	1,732,735
Share premium account (Note 9)	1,986,857	1,986,857
Revaluation reserve (Note 9)	-	175,955,179
Profit and loss account (Note 9)	-	6,379,111
	3,719,592	186,053,882

Debtors include amounts recoverable after one year of £3,719,592 (1993: £54,342,420).

APPROVED BY THE BOARD ON

DIRECTOR

Joseph M. Malt
7 November 1994

The notes on pages 7 to 9 form part of these financial statements.

FORTE CATERING LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 JANUARY 1994

	<u>1994</u>	<u>1993</u>
	£	£
Profit for the financial year	-	4,410,936
Unrealised surplus on revaluation of investments	-	14,065,343
Total recognised gains and losses	-	18,476,279

NOTE OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 31 JANUARY 1994

	<u>1994</u>	<u>1993</u>
	£	£
Reported profit on ordinary activities before taxation	-	4,410,936
Realisation of investment revaluation gains/deficits of previous years	175,955,179	(78)
Historical cost profit on ordinary activities before taxation	175,955,179	4,410,858
Historical cost (losses)/profit for the year retained after taxation and dividends	(6,379,111)	4,410,858

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 JANUARY 1994

	<u>1994</u>	<u>1993</u>
	£	£
Profit for the financial year	-	4,410,936
Dividends	(182,334,290)	-
Transfer (to)/from profit and loss account	(182,334,290)	4,410,936
Unrealised surplus on revaluation of investments	-	14,065,343
Net (deduction from)/addition to shareholders' funds	(182,334,290)	18,476,279
Opening shareholders' funds	186,053,882	167,577,603
Closing shareholders' funds	3,719,592	186,053,882

The notes on pages 7 to 9 form part of these financial statements.

FORTE CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 1994

1 ACCOUNTING POLICIES

(1) Basis of preparation

The accounts have been prepared under the historical convention as modified by the revaluation of investments, and in accordance with applicable accounting standards.

(2) Turnover

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

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration has been dealt with in the accounts of another Forte Group undertaking.

No amounts were paid in respect of non-audit services.

3 EMOLUMENTS OF DIRECTORS

The salaries of the Chairman and other Directors were paid by another Forte Group undertaking and no remuneration was paid or is payable to them by Forte Catering Limited (1993: £nil).

4 TAXATION

The Company has no liability to Corporation Tax (1993: £Nil).

FORTE CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 1994 (CONTINUED)

5 FIXED ASSETS - INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

<u>Shares at cost or valuation</u>	£
At 31 January 1993	183,934,034
Disposals	(183,934,034)
At 31 January 1994	-
<u>Net Book Amounts</u>	
At 31 January 1994	-
At 31 January 1993	183,934,034

Assets included at valuation would have been included on an historical cost basis at £nil (1993: £8,455,605).

Group accounts have not been prepared as the Company is a wholly owned subsidiary undertaking of Forte Plc.

All of the subsidiary undertakings of the Company were disposed of during the year to another Forte Group Company.

6 DEBTORS

	<u>1994</u> £	<u>1993</u> £
Amounts falling due within one year:		
Dividends receivable from Group undertakings	-	4,410,936
Amounts falling due after more than one year:		
Amount due from Group undertakings	<u>3,719,592</u>	<u>54,342,420</u>
	<u>3,719,592</u>	<u>58,753,356</u>

7 CREDITORS - amounts falling due after more than one year

	<u>1994</u> £	<u>1993</u> £
Amount owed to Group undertakings	-	56,633,508

FORTE CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JANUARY 1994 (CONTINUED)

8 CALLED UP SHARE CAPITAL

Called up share capital in both 1994 and 1993 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.

9 RESERVES

	<u>Share premium account</u> £	<u>Revaluation Reserve</u> £	<u>Profit and loss account</u> £
At 31 January 1993	1,986,857	175,955,179	6,379,111
Loss for the year	-	-	(182,334,290)
Transfer of revaluation surplus realised	-	<u>(175,955,179)</u>	<u>175,955,179</u>
At 31 January 1994	<u>1,986,857</u>	<u>-</u>	<u>-</u>

10 ULTIMATE PARENT COMPANY

The ultimate parent company is Forte Plc, which is registered in England. Copies of the Group financial statements can be obtained at the following address: 166 High Holborn, London WC1V 6TT.