

Company Registration No. 2034313 (England and Wales)

KAYKEM FAST FOODS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2004



KAYKEM FAST FOODS LIMITED

COMPANY INFORMATION

Directors	Mr K Ahmet Mrs B Ahmet
Secretary	Mrs B Ahmet
Company number	2034313
Registered office	11B High Road Colchester Essex CO1 1DA
Accountants	Munir Tatar & Associates 32 Willoughby Road London N8 OJG
Business address	11B High Road Colchester Essex CO1 1DA
Solicitors	Ellison & Co, Solicitors Headgate Court, Head Street, Colchester Essex CO1 1NP

KAYKEM FAST FOODS LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 12

KAYKEM FAST FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2004

The directors present their report and audited financial statements for the year ended 31 August 2004.

Principal activities

The principal activity of the company during the year was to carry on the business as caterers. The directors consider the results for the year and the financial position at the end of the year to be satisfactory.

Directors

The following directors have held office since 1 September 2003:

Mr K Ahmet
Mrs B Ahmet

Directors' interests

The interests of the directors at the balance sheet date and at the beginning of the year were as follows:

	Ordinary shares of £ 1 each	
	31 August 2004	1 September 2003
Mr K Ahmet	500	500
Mrs B Ahmet	500	500

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

Bilkey Ahmet

Mrs B Ahmet

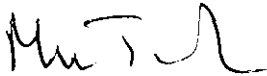
Director

11/05/05

KAYKEM FAST FOODS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF KAYKEM FAST FOODS LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 August 2004, set out on pages 3 to 12 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Munir Tatar & Associates
Chartered Certified Accountants

12/04/05

KAYKEM FAST FOODS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2004

	Notes	2004 £	2003 £
Turnover		2,600,745	2,615,963
Cost of sales		(710,559)	(724,536)
Gross profit		1,890,186	1,891,427
Distribution costs		(1,066,736)	(1,085,247)
Administrative expenses		(460,817)	(493,988)
Other operating income		214,669	147,667
Operating profit	2	577,302	459,859
Investment income	3	1,404	1,209
Other interest receivable and similar income		5,226	4,401
Amounts written off investments	4	(10,000)	-
Interest payable and similar charges	5	(181,106)	(125,732)
Profit on ordinary activities before taxation		392,826	339,737
Tax on profit on ordinary activities	6	(92,387)	(74,751)
Profit on ordinary activities after taxation		300,439	264,986
Dividends		(15,000)	(10,500)
Retained profit for the year	16	285,439	254,486

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

KAYKEM FAST FOODS LIMITED

BALANCE SHEET AS AT 31 AUGUST 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Intangible assets	7	67,881		73,163	
Tangible assets	8	6,043,515		4,506,401	
Investments	9	167,093		177,093	
		<u>6,278,489</u>		<u>4,756,657</u>	
Current assets					
Stocks		11,688		11,116	
Debtors	10	41,752		38,186	
Investments	11	89,370		89,159	
Cash at bank and in hand		152,104		214,550	
		<u>294,914</u>		<u>353,011</u>	
Creditors: amounts falling due within one year	12	<u>(864,418)</u>		<u>(754,300)</u>	
Net current liabilities		<u>(569,504)</u>		<u>(401,289)</u>	
Total assets less current liabilities		5,708,985		4,355,368	
Creditors: amounts falling due after more than one year	13	<u>(3,187,285)</u>		<u>(2,119,108)</u>	
		<u>2,521,700</u>		<u>2,236,260</u>	
Capital and reserves					
Called up share capital	15	1,000		1,000	
Profit and loss account	16	2,520,700		2,235,260	
Shareholders' funds - equity interests	17	<u>2,521,700</u>		<u>2,236,260</u>	

KAYKEM FAST FOODS LIMITED

BALANCE SHEET (CONTINUED) AS AT 31 AUGUST 2004

In preparing these financial statements:

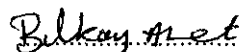
- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 11/04/05.



Mr K Ahmet
Director



Mrs B Ahmet
Director

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.4 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	Nil
Land and buildings Leasehold	Nil
Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

No depreciation is provided in respect of freehold and leasehold land and buildings as it is company's policy to maintain these assets in a continual state of sound repair and accordingly the directors consider that the lives of these assets are so long and residual values so high, based on prices prevailing at the time of acquisition, that their depreciation is insignificant. However, any permanent diminution in the value of such properties below cost is charged to the profit and loss account as appropriate.

1.5 Investments

Investments are stated at cost.

2 Operating profit

	2004 £	2003 £
Operating profit is stated after charging:		
Amortisation of intangible assets	5,282	5,282
Depreciation of tangible assets	58,890	57,442
Auditors' remuneration	-	6,000
Directors' emoluments	68,000	67,269
and after crediting:		
Profit on disposal of tangible assets	(7,639)	-

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

3	Investment income	2004	2003
		£	£
	Income from listed investments	1,404	1,209
		<u> </u>	<u> </u>
4	Amounts written off investments	2004	2003
		£	£
	Amounts written off fixed asset investments:		
	Shares in Pupil line Limited (in liquidation)	10,000	-
		<u> </u>	<u> </u>
5	Interest payable	2004	2003
		£	£
	Included in interest payable is the following amount:		
	Hire purchase interest	1,805	1,315
		<u> </u>	<u> </u>
6	Taxation	2004	2003
		£	£
	Domestic current year tax		
	U.K. corporation tax	92,387	74,751
		<u> </u>	<u> </u>
	Current tax charge	92,387	74,751
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	392,826	339,737
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 30.00%)	117,848	101,921
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	3,133	236
	Depreciation add back	16,960	18,817
	Capital allowances	(15,247)	(14,494)
	Dividends and distributions received	47	40
	Other tax adjustments	(30,354)	(31,769)
		<u> </u>	<u> </u>
		(25,461)	(27,170)
		<u> </u>	<u> </u>
	Current tax charge	92,387	74,751
		<u> </u>	<u> </u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

7 Intangible fixed assets

Goodwill

	£
Cost	
At 1 September 2003 & at 31 August 2004	105,643
Amortisation	
At 1 September 2003	32,480
Charge for the year	5,282
At 31 August 2004	37,762
Net book value	
At 31 August 2004	67,881
At 31 August 2003	73,163

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

8 Tangible fixed assets

	Land and buildings	Other tangible fixed assets	Total
	£	£	£
Cost			
At 1 September 2003	4,220,490	833,822	5,054,312
Additions	1,545,283	68,881	1,614,164
Disposals	-	(43,046)	(43,046)
At 31 August 2004	5,765,773	859,657	6,625,430
Depreciation			
At 1 September 2003	-	547,911	547,911
On disposals	-	(24,886)	(24,886)
Charge for the year	-	58,890	58,890
At 31 August 2004	-	581,915	581,915
Net book value			
At 31 August 2004	5,765,773	277,742	6,043,515
At 31 August 2003	4,220,490	285,911	4,506,401

The net book value of other tangible fixed assets includes £19,968 (2003- £26,624) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £6,656 (2003- £8,875) for the year.

In November 2003, the company purchased the freehold premises at 54 High Street, Brentwood, Essex for £1.3million.

The net book value of land and building represents: Freehold £550,5380 (2003:£397,1239) and Short leasehold £249,251 (2003:£249,251).

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

9 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost			
At 1 September 2003	50,000	127,093	177,093
Disposals	-	(10,000)	(10,000)
At 31 August 2004	50,000	117,093	167,093
	Market value £	Directors' valuation £	Total £
At 31 August 2004	12,375	80,000	92,375
At 31 August 2003	12,500	85,000	97,500

The listed investments represent the cost of 50000 ordinary shares in Dragon Oil Plc registered in Dublin, Ireland. The unlisted investments represent cost of vintage cars amounting to £102093 and the cost of 7500 ordinary shares in SilverCandy Ltd. a private company, amounting to £15000. During the year the company wrote off the 10000 shares in Pupil line Limited as the company went into liquidation.

10 Debtors	2004 £	2003 £
Other debtors and prepayments	41,752	38,186
11 Current asset investments	2004 £	2003 £
Other listed investments	89,370	89,159
Market valuation of listed investments	45,000	43,414

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

12 Creditors: amounts falling due within one year	2004 £	2003 £
Bank loans and overdrafts	496,343	428,076
Net obligations under hire purchase contracts	2,250	10,264
Trade creditors	83,118	59,444
Taxation and social security	188,796	196,645
Other creditors and accruals	93,911	59,871
	<u>864,418</u>	<u>754,300</u>
	<u><u>864,418</u></u>	<u><u>754,300</u></u>
13 Creditors: amounts falling due after more than one year	2004 £	2003 £
Bank loans	3,187,285	2,116,858
Net obligations under hire purchase contracts	-	2,250
	<u>3,187,285</u>	<u>2,119,108</u>
	<u><u>3,187,285</u></u>	<u><u>2,119,108</u></u>
Analysis of loans		
Not wholly repayable within five years by instalments	1,377,364	927,462
Wholly repayable within five years	2,276,696	1,605,566
	<u>3,654,060</u>	<u>2,533,028</u>
Included in current liabilities	(466,775)	(416,170)
	<u>3,187,285</u>	<u>2,116,858</u>
	<u><u>3,187,285</u></u>	<u><u>2,116,858</u></u>
Instalments not due within five years	-	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>

The loans are secured as follows:- Mortgage debenture dated 24.11.94 over fixed and floating assets: Legal mortgage dated 9.6.95 over Burger King and Drive Thru unit , Copdock Mill, Copdock, Ipswich: Legal mortgage dated 5.11.03 over 54 High Street, Brentwood: Legal mortgage dated 19.7.2000 over Freeport Designer Outlet Village, Chapel Hill, Braintree, Essex: Legal mortgage over 37/31 High Street, Southend, Essex: Legal mortgage over 4 Rawstorn Road, Colchester, Essex: Legal mortgage dated 12th December 2002 over Freehold property known as 11b High street, Colchester, Essex: Guarantee dated 24 July 2003 covering the liabilities of Silvercandy Limited.

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2004

14 Pension costs

Defined contribution

	2004 £	2003 £
Contributions payable by the company for the year	13,567	12,864

15 Share capital

Authorised

1,000 Ordinary shares of £1 each

2004 £	2003 £
-----------	-----------

1,000	1,000
-------	-------

Allotted, called up and fully paid

1,000 Ordinary shares of £1 each

1,000	1,000
-------	-------

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 September 2003	2,235,261
Retained profit for the year	285,439
Balance at 31 August 2004	2,520,700

17 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit for the financial year	300,439	264,986
Dividends	(15,000)	(10,500)
Net addition to shareholders' funds	285,439	254,486
Opening shareholders' funds	2,236,260	1,981,774
Closing shareholders' funds	2,521,700	2,236,260