

Company Registration No. 2034313 (England and Wales)

**KAYKEM FAST FOODS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2002**



# KAYKEM FAST FOODS LIMITED

## COMPANY INFORMATION

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

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# KAYKEM FAST FOODS LIMITED

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# KAYKEM FAST FOODS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2002

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The directors present their report and audited financial statements for the year ended 31 August 2002.

### 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 2001:

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 2002	1 September 2001
Mr K Ahmet	500	500
Mrs B Ahmet	500	500

### Auditors

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

### Directors' responsibilities

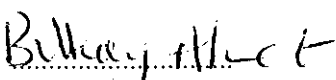
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

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



Mrs B Ahmet

Director

24/05/03

# KAYKEM FAST FOODS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KAYKEM FAST FOODS LIMITED

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

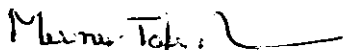
### Basis of audit opinion

We conducted our audit with United Kingdom Auditing Standards issued by 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 judgments 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 the company's affairs as at 31 August 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Munir Tatar & Associates  
Chartered Certified Accountants  
Registered Auditor

25/04/03

# KAYKEM FAST FOODS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2002

	Notes	2002 £	2001 £
Turnover		2,466,249	2,522,029
Cost of sales		(694,389)	(687,632)
<b>Gross profit</b>		<b>1,771,860</b>	<b>1,834,397</b>
Distribution costs		(971,588)	(936,255)
Administrative expenses		(524,709)	(466,293)
Other operating income		127,500	20,164
<b>Operating profit</b>	<b>2</b>	<b>403,063</b>	<b>452,013</b>
Investment income	<b>3</b>	723	790
Other interest receivable and similar income		8,809	13,328
Interest payable and similar charges		(127,609)	(66,933)
<b>Profit on ordinary activities before taxation</b>		<b>284,986</b>	<b>399,198</b>
Tax on profit on ordinary activities	<b>4</b>	(68,021)	(84,897)
<b>Profit on ordinary activities after taxation</b>		<b>216,965</b>	<b>314,301</b>
Dividends		(13,800)	(26,000)
<b>Retained profit for the year</b>	<b>14</b>	<b>203,165</b>	<b>288,301</b>

# KAYKEM FAST FOODS LIMITED

## BALANCE SHEET AS AT 31 AUGUST 2002

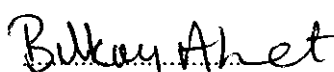
	Notes	2002 £	£	2001 £	£
<b>Fixed assets</b>					
Intangible assets	5	78,445		83,728	
Tangible assets	6	3,597,212		3,617,721	
Investments	7	162,093		162,093	
		<u>3,837,750</u>		<u>3,863,542</u>	
<b>Current assets</b>					
Stocks		17,348		13,423	
Debtors	8	51,214		27,565	
Investments	9	88,850		88,850	
Cash at bank and in hand		317,182		355,714	
		<u>474,594</u>		<u>485,552</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(680,746)</u>		<u>(693,932)</u>	
<b>Net current liabilities</b>		<u>(206,152)</u>		<u>(208,380)</u>	
<b>Total assets less current liabilities</b>		<u>3,631,598</u>		<u>3,655,162</u>	
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(1,649,824)</u>		<u>(1,876,552)</u>	
		<u>1,981,774</u>		<u>1,778,610</u>	
<b>Capital and reserves</b>					
Called up share capital	13	1,000		1,000	
Profit and loss account	14	1,980,774		1,777,610	
<b>Shareholders' funds</b>		<u>1,981,774</u>		<u>1,778,610</u>	

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 24/04/03...



Mr K Ahmet  
Director



Mrs B Ahmet  
Director

# KAYKEM FAST FOODS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2002

	2002 £	2001 £
<b>Operating profit</b>	403,063	452,013
Depreciation of tangible assets	68,506	72,130
Amortisation of intangible assets	5,282	5,282
Profit on disposal of tangible assets	-	(1,541)
(Increase)/decrease in stocks	(3,925)	6,447
Increase in debtors	(23,649)	(3,124)
Increase in creditors within one year	(12,273)	25,066
<b>Cash generated from operations</b>	437,004	556,273
<b>Cash from other sources</b>		
Interest received	8,809	13,328
Dividends received	723	790
Receipts from sales of tangible assets	-	21,000
New long term bank loan	131,854	1,655,839
	141,386	1,690,957
<b>Application of cash</b>		
Interest paid	101,552	53,194
Tax paid	95,295	95,326
Payments to acquire tangible assets	49,520	1,788,322
Dividends paid	13,800	26,000
Current asset investments	-	1,833
Repayment of long term bank loan	343,898	203,517
Capital element of hire purchase contracts	12,857	6,252
	(616,922)	(2,174,444)
<b>Net (decrease)/increase in cash</b>	(38,532)	72,786
Cash at bank and in hand less overdrafts at beginning of year	355,714	282,928
<b>Cash at bank and in hand less overdrafts at end of year</b>	317,182	355,714
Consisting of:		
Cash at bank and in hand	317,182	355,714
	317,182	355,714
<b>Major non-cash transactions</b>		
Depreciation	£69330 ( 2001: £77412)	



# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2002

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 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

	2002	2001
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	5,282	5,282
Depreciation of tangible assets	68,506	72,130
Auditors' remuneration	6,000	4,875
Directors' emoluments	62,570	55,921

# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2002

<b>3</b>	<b>Investment income</b>	<b>2002</b>	<b>2001</b>
		<b>£</b>	<b>£</b>
	Income from listed investments	723	790
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Taxation</b>	<b>2002</b>	<b>2001</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	57,977	85,527
	Adjustment for prior years	10,044	(630)
		<u>          </u>	<u>          </u>
	<b>Current tax charge</b>	<b>68,021</b>	<b>84,897</b>
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Intangible fixed assets</b>		
			<b>Goodwill</b>
			<b>£</b>
	<b>Cost</b>		
	At 1 September 2001 & at 31 August 2002		105,643
			<u>          </u>
	<b>Amortisation</b>		
	At 1 September 2001		21,916
	Charge for the year		5,282
			<u>          </u>
	At 31 August 2002		27,198
			<u>          </u>
	<b>Net book value</b>		
	At 31 August 2002		78,445
			<u>          </u>
	At 31 August 2001		83,728
			<u>          </u>

# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2002

### 6 Tangible fixed assets

	Land and buildings	Other tangible fixed assets	Total
	£	£	£
<b>Cost</b>			
At 1 September 2001	3,261,796	777,887	4,039,683
Additions	-	47,998	47,998
At 31 August 2002	3,261,796	825,885	4,087,681
<b>Depreciation</b>			
At 1 September 2001	-	421,963	421,963
Charge for the year	-	68,506	68,506
At 31 August 2002	-	490,469	490,469
<b>Net book value</b>			
At 31 August 2002	3,261,796	335,416	3,597,212
At 31 August 2001	3,261,796	355,925	3,617,721

The net book value of other tangible fixed assets includes £35,499 (2001 - £47,332) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £11,833 (2001 - £15,844) for the year.

The net book value of land and buildings represents : Freehold £2,688,471 (2001:£2688471) and Short leasehold £573,325 (2001:£573325)

# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2002

### 7 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost</b>			
At 1 September 2001 & at 31 August 2002	50,000	112,093	162,093
	Market value £	Directors' valuation £	Total £
At 31 August 2002	8,000	61,000	69,000
At 31 August 2001	10,200	58,000	68,200

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 10000 Ordinary shares in Pupil Line Limited, a private company.

8 Debtors	2002 £	2001 £
Other debtors and prepayments	51,214	27,565
9 Current asset investments	2002 £	2001 £
Other listed investments	88,850	88,850
Market valuation of listed investments	28,183	36,850

# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2002

10 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	337,341	336,247
Net obligations under hire purchase contracts	10,377	11,167
Trade creditors	108,238	120,006
Taxation and social security	161,694	178,825
Other creditors and accruals	63,096	47,687
	<u>680,746</u>	<u>693,932</u>

The loans are secured by a fixed and floating charge over the assets of the company.

11 Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loans	1,638,396	1,854,747
Net obligations under hire purchase contracts	11,428	21,805
	<u>1,649,824</u>	<u>1,876,552</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	1,975,737	2,190,994
Included in current liabilities	(337,341)	(336,247)
	<u>1,638,396</u>	<u>1,854,747</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 9.2.87 over 11B High Street, Colchester: Legal mortgage dated 19.7.2000 over Freeport  
DesignerOutletVillage,Chapel Hill, Braintree,Essex:Legal mortgageover37/31 High Street,  
Southend,Essex:Legal mortgage over 4 Rawstorn Road, Colchester,Essex.

## 12 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £11375 (2001 £11375) . All contributions were paid during the year.

# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2002

13 Share capital	2002 £	2001 £
<b>Authorised</b>		
1,000 Ordinary shares of £ 1 each	1,000	1,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £ 1 each	1,000	1,000
	<hr/>	<hr/>
14 Statement of movements on profit and loss account		<b>Profit and loss account £</b>
Balance at 1 September 2001		1,777,609
Retained profit for the year		203,165
		<hr/>
Balance at 31 August 2002		1,980,774
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