

KAYKEM FAST FOODS LIMITED

Company No: 2034313

FINANCIAL STATEMENTS

- for the year ended -

31st August 1994

MUNIR TATAR & ASSOCIATES  
Certified Accountants  
40 Willoughby Road  
Hornsey, London N8 OJG



**KAYKEM FAST FOODS LIMITED**

**DIRECTORS**

Mr K Ahmet  
Mrs B Ahmet

**SECRETARY**

Mrs B Ahmet

**BUSINESS ADDRESS**

11B High Street  
Colchester  
Essex  
CO1 1DA

**REGISTERED OFFICE**

11B High Street  
Colchester  
Essex  
CO1 1DA

**AUDITORS**

Munir Tatar & Associates  
Certified Accountants  
40 Willoughby Road  
Hornsey  
London N8 0JG

**SOLICITORS**

Ellison & Co  
Headgate Court  
Head Street  
Colchester  
CO1 1NP

**PRINCIPAL BANKERS**

National Westminster Bank  
25 High Street  
Colchester  
Essex CO1 1DG

KAYKEM FAST FOODS LIMITED

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## KAYKEM FAST FOODS LIMITED

### REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 August 1994.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was to carry on the business as caterers. The company also made investments in buying novelty motor cars.

#### **DIVIDEND AND TRANSFER TO RESERVES**

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £64,341 is transferred to reserves.

#### **FIXED ASSETS**

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

#### **DIRECTORS AND THEIR INTERESTS**

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment if later), were as follows:

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1994</u>	<u>1993</u>
Mr K Ahmet	Ordinary shares class 1	500	500
Mrs B Ahmet	Ordinary shares class 1	500	500

#### **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 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 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.

#### **CLOSE COMPANY**

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

KAYKEM FAST FOODS LIMITED

REPORT OF THE DIRECTORS (Continued)

**AUDITORS**

The auditors, Munir Tatar & Associates, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

Date: ..15/01/1995....

By Order of the Board  
*Bilal Ahmet*  
Mrs B Ahmet  
Secretary

KAYKEM FAST FOODS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF KAYKEM FAST FOODS LIMITED

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

**Respective responsibilities of the directors and auditors**

As described in the Directors' Report 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 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 as at 31 August 1994 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Munir Tatar*

MUNIR TATAR & ASSOCIATES  
Registered Auditors  
Certified Accountants

40 Willoughby Road  
Hornsey  
London N8 0JG

Date: .25/01/1995.....

**KAYKEM FAST FOODS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st August 1994**

	Notes	1994 £	1993 £
TURNOVER		787,881	857,377
Cost of sales		(240,715)	(276,567)
GROSS PROFIT		547,166	580,810
Distribution costs		(255,541)	(268,546)
Administrative expenses		(172,597)	(176,538)
OPERATING PROFIT	2	119,028	135,726
Interest receivable	3	3,285	166
Interest payable	4	(7,930)	(13,393)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		114,383	122,499
Tax on profit on ordinary activities	7	(29,449)	(26,928)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		84,934	95,571
Extraordinary items	8	(20,593)	(94,052)
PROFIT FOR THE FINANCIAL YEAR	18	64,341	1,519

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 7 to 14 form part of these financial statements.

KAYKEM FAST FOODS LIMITED

BALANCE SHEET AT 31st August 1994

	Notes	£	1994 £	£	1993 £
<b>FIXED ASSETS</b>					
Intangible assets	9		89,900		89,900
Tangible assets	10		402,673		409,697
Investments	11		96,702		82,178
			<u>589,275</u>		<u>581,775</u>
<b>CURRENT ASSETS</b>					
Stocks	12	11,752		5,420	
Debtors	13	14,291		123,555	
Cash at bank and in hand		209,454		61,472	
		<u>235,497</u>		<u>190,447</u>	
<b>CREDITORS:</b> Amounts falling due within one year	14	(152,429)		(141,933)	
<b>NET CURRENT ASSETS</b>			<u>83,068</u>		<u>48,514</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			672,343		630,289
<b>CREDITORS:</b> Amounts falling due after more than one year	15		(47,004)		(69,291)
			<u>625,339</u>		<u>560,998</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		1,000		1,000
Profit and loss account	18		624,339		559,998
			<u>625,339</u>		<u>560,998</u>

The financial statements were approved  
by the board on ..15/01/1995.... and  
signed on its behalf by

Mr K Ahmet.....)  
Mrs B Ahmet.....) Directors

The notes on pages 7 to 14 form part of these financial statements.

**KAYKEM FAST FOODS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st August 1994**

	Notes	1994 £	1993 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>20</b>	<b>205,491</b>	<b>(25,691)</b>
Return on investments and servicing of finance:			
Interest received		3,285	166
Interest paid		(7,930)	(13,393)
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>(4,645)</b>	<b>(13,227)</b>
Taxation:			
Corporation tax paid		(10,790)	(30,034)
<b>TAX PAID</b>		<b>(10,790)</b>	<b>(30,034)</b>
Investing activities:			
Purchase of tangible fixed assets		(5,264)	(3,199)
Purchase of other investments		(14,524)	-
Receipts from sale of intangible assets		-	45,000
Receipts from sale of tangible assets		-	120,152
<b>NET CASHFLOW FROM INVESTING ACTIVITIES</b>		<b>(19,788)</b>	<b>161,953</b>
<b>NET CASH INFLOW BEFORE FINANCING</b>		<b>170,268</b>	<b>93,001</b>
Financing:			
Receipts from other long term loans		(7,577)	(11,044)
Repayment of other long term loans		29,864	29,864
<b>NET CASH OUTFLOW FROM FINANCING</b>		<b>22,287</b>	<b>18,820</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>21</b>	<b>147,982</b>	<b>74,181</b>
		<b>170,269</b>	<b>93,001</b>

The notes on pages 7 to 14 form part of these financial statements.

## KAYKEM FAST FOODS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

##### 1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

##### 1.3 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Plant and machinery	15% Reducing balance
Motor vehicles	25% Reducing balance

No depreciation is provided on freehold buildings as it is the company's policy to maintain these so as to extend their useful lives.

##### 1.4 STOCKS

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

##### 1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

##### 1.6 PENSIONS

Pension contributions are charged to the profit and loss account so as to spread the cost of the pensions over the employees' working lives with the company. These contributions are invested separately from the company's assets.

#### 2. OPERATING PROFIT

The operating profit is stated after charging:-

	1994 £	1993 £
Depreciation	12,287	13,777
Auditors' remuneration	2,000	1,875

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

3.	INTEREST RECEIVABLE	1994 £	1993 £
	Bank and other interest receivable	3,285	166
		<u>3,285</u>	<u>166</u>

4.	INTEREST PAYABLE	1994 £	1993 £
	On bank loans and overdrafts and on loans repayable in full within five years	7,595	12,683
	On overdue tax	335	710
		<u>7,930</u>	<u>13,393</u>

5.	DIRECTORS AND EMPLOYEES	1994 £	1993 £
	Staff costs:-		
	Wages and salaries	218,314	218,758
	Other pension costs	13,962	15,256
		<u>232,276</u>	<u>234,014</u>

The average weekly number of employees during the year was made up as follows:

	Number	Number
Distribution	44	44
Administration	2	2
	<u>46</u>	<u>46</u>

Directors' emoluments:-

Remuneration for management services	£	£
	49,654	39,719

Other directors' remuneration fell within the following ranges:

	Number	Number
£5,001 - £10,000	-	1
£10,001 - £15,000	1	-
£25,001 - £30,000	-	1
£35,001 - £40,000	1	-
	<u>1</u>	<u>1</u>

# KAYKEM FAST FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

### 6. 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. Contributions payable by the company amounted to £13,962 (1993: £15,256). All contributions were paid in the year.

### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1994 £	1993 £
The taxation charge based on the profit before tax comprises:-		
U.K. corporation tax at 25% (1993 - 25%)	29,449	26,928
	<u>29,449</u>	<u>26,928</u>

### 8. EXTRAORDINARY ITEMS

	1994 £	1993 £
Loss on sale of La Piazza	-	(94,052)
Irrecoverable debts re sale of La Piazza	(20,593)	-
	<u>(20,593)</u>	<u>(94,052)</u>

### 9. INTANGIBLE ASSETS

	Goodwill £
<u>Cost</u>	
At 1 September 1993 and At 31 August 1994	<u>89,900</u>
<u>Net book value at 31 August 1994</u>	<u>89,900</u>
<u>Net book value at 31 August 1993</u>	<u>89,900</u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

10. TANGIBLE ASSETS

	Plant & machinery £	Land and buildings £	Motor vehicles £	Total £
<u>Cost</u>				
At 1 September 1993	161,674	337,341	27,204	526,219
Additions	5,264	-	-	5,264
	<u>166,938</u>	<u>337,341</u>	<u>27,204</u>	<u>531,483</u>
<u>Depreciation</u>				
At 1 September 1993	95,754	-	20,769	116,523
Charge for year	10,678	-	1,609	12,287
	<u>106,432</u>	<u>-</u>	<u>22,378</u>	<u>128,810</u>
<u>Net book value at 31 August 1994</u>	<u>60,506</u>	<u>337,341</u>	<u>4,826</u>	<u>402,673</u>
<u>Net book value at 31 August 1993</u>	<u>65,920</u>	<u>337,341</u>	<u>6,435</u>	<u>409,696</u>
			<b>1994</b>	<b>1993</b>
			£	£
Analysis of net book value of land and buildings:				
Freehold			75,000	75,000
Short leasehold			262,341	262,341
			<u>337,341</u>	<u>337,341</u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

11. INVESTMENTS - OTHER

<u>Cost</u>	Beginning of year £	Additions £	End of year £
Other investments other than loans	82,178	14,524	96,702
	<u>82,178</u>	<u>14,524</u>	<u>96,702</u>
<u>Net book value</u>	<u>82,178</u>		<u>96,702</u>
<u>Other investments other than loans</u>	1994	1993	
	Cost £	Cost £	
Unlisted	<u>96,702</u>	<u>82,178</u>	

Investments represent investments in novelty motor cars.

12. STOCKS

	1994 £	1993 £
Finished goods and goods for resale	11,752	5,420
	<u>11,752</u>	<u>5,420</u>

13. DEBTORS

	1994 £	1993 £
Other debtors	10,075	108,771
Prepayments and accrued income	4,216	14,784
	<u>14,291</u>	<u>123,555</u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

14.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1994 £	1993 £
	Bank loans and overdrafts	29,864	29,864
	Trade creditors	16,065	12,967
	Corporation tax	56,377	37,718
	Other taxes and social security costs	28,656	27,665
	Directors' current accounts	4,457	546
	Accruals and deferred income	17,010	33,173
		<u>152,429</u>	<u>141,933</u>
15.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1994 £	1993 £
	Loans	47,004	69,291
		<u>47,004</u>	<u>69,291</u>
16.	BORROWINGS	1994 £	1993 £
	<u>The company's borrowings are repayable as follows:</u>		
	In one year, or less or on demand	<u>29,864</u>	<u>29,864</u>
	<u>Details of security:</u>		
	Legal Mortgages dated 26.3.91 and 9.2.87 over 45 Northgate St, Colchester, given by the Company.		
17.	SHARE CAPITAL	1994 £	1993 £
	<u>Authorised</u>		
	Equity interests:		
	1,000 Ordinary shares class 1 of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>Allotted, called up and fully paid</u>		
	Equity interests:		
	1,000 Ordinary shares class 1 of £1 each	<u>1,000</u>	<u>1,000</u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

18. PROFIT AND LOSS ACCOUNT

	1994 £	1993 £
Retained profits at 1 September 1993	559,998	558,479
Profit for the financial year	64,341	1,519
	<hr/>	<hr/>
Retained profits at 31 August 1994	624,339	559,998
	<hr/>	<hr/>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994 £	1993 £
Profit for the financial year	64,341	1,519
Shareholders' funds at 1 September 1993	560,998	559,479
	<hr/>	<hr/>
Shareholders' funds at 31 August 1994	625,339	560,998
	<hr/>	<hr/>
Represented by:-		
Equity interests	625,339	560,998
	<hr/>	<hr/>
	625,339	560,998
	<hr/>	<hr/>

20. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994 £	1993 £
Operating profit	119,028	135,726
Depreciation	12,287	13,777
Increase in stocks	(6,332)	11,090
Decrease in debtors	109,264	(72,695)
Decrease in creditors due within one year	(8,163)	(19,537)
Extraordinary items not involving cashflow	(20,593)	(94,052)
	<hr/>	<hr/>
	205,491	(25,691)
	<hr/>	<hr/>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st August 1994

21. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	1994 £	1993 £
Cash at bank and in hand at 1 September 1993	61,472	7,576
Cash at bank and in hand at 31 August 1994	209,454	61,472
Net movement	147,982	53,896
Bank overdraft at 1 September 1993	-	(20,285)
Net movement	-	20,285
Total net movements	147,982	74,181