

CATERING PARTNERSHIP LIMITEDDIRECTORS' REPORTRegistered Office

Bank House  
19 High Street  
Lutterworth  
Leicestershire

Company No

2108452

The directors present their annual report, together with the audited financial statements, for the year ended 30 June 1995.

1. Principal Activity and Review of Business

The principal activity of the company during the year continued to be the provision of contract catering services. A summary of the results for the year is set out in the Profit and Loss Account on page 4 of these financial statements. In the opinion of the directors, the company continues to make satisfactory progress.

2. Results and Dividend

The directors recommended the payment of a dividend of £138,000. It is proposed that the retained profit of £11,860 is transferred to reserves.

3. Fixed Assets

Full disclosure of all matters relating to fixed assets are set out in note 8 to the financial statements.

4. Directors

The directors who held office during the year, together with their beneficial interests in the shares of the company, were as follows:-

Ordinary Shares of £1 each

	<u>30 June 1995</u>	<u>1 July 1994</u>
Mr A D Olding	1,500	1,500
Mr H Gadsden	1,500	1,500

A statement of directors' responsibilities is set out on page 2.

5. Auditors

The auditors, Messrs Crowfoot and Company, will be proposed for re-appointment in accordance with Section 384 of the Companies Act 1985.

By Order of the Board

*H Gadsden*  
Secretary

7 August 1995



CATERING PARTNERSHIP LIMITED

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 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 judgments 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.

AUDITORS' REPORT TO THE MEMBERS OF

CATERING PARTNERSHIP LIMITED

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 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 financial statements and to report our opinion to you.

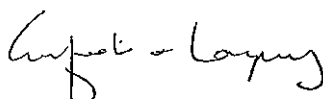
Basis of Opinion

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 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 at 30 June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Registered Auditor

7 August 1995

Chartered Accountants

CATERING PARTNERSHIP LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 30 JUNE 1995

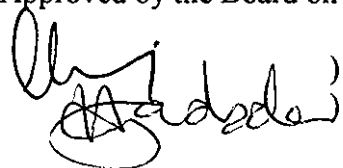
		<u>1995</u>	<u>1994</u>
	<u>Note</u>	<u>£</u>	<u>£</u>
<u>Turnover</u> - continuing activities	2	3,203,195	3,073,181
Cost of sales		2,598,276	2,467,678
		<hr/>	<hr/>
<u>Gross Profit</u>		604,919	605,503
Administrative expenses		298,922	270,834
Other operating charges		106,967	116,053
Other income		( 7,623)	( 3,952)
		<hr/>	<hr/>
		398,266	382,935
		<hr/>	<hr/>
<u>Operating Profit</u> - continuing activities	3	206,653	222,568
Interest payable		5,034	3,425
		<hr/>	<hr/>
Profit on ordinary activities before taxation		201,619	219,143
Taxation	6	51,759	55,553
		<hr/>	<hr/>
Profit on ordinary activities after taxation		149,860	163,590
Dividend	7	138,000	85,476
		<hr/>	<hr/>
Retained profit for the financial year		11,860	78,114
Retained profit at 1 July 1994		141,993	63,879
		<hr/>	<hr/>
Retained profit at 30 June 1995		153,853	141,993
		<hr/>	<hr/>

The company has made no recognised gains or losses in the year to 30 June 1995 or 30 June 1994 other than the profit for the year.

CATERING PARTNERSHIP LIMITEDBALANCE SHEET - 30 JUNE 1995

		<u>1995</u>		<u>1994</u>	
	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Tangible Fixed Assets</u>	8		64,898		68,696
<u>Current Assets</u>					
Stocks	9	17,475		17,226	
Trade debtors		286,091		305,223	
Amounts owed by Midland Catering Equipment		29,387		-	
Prepayments		4,088		4,002	
Cash at bank and in hand		278,532		239,707	
		<u>615,573</u>		<u>566,158</u>	
<u>Creditors: amounts falling due within one year</u>					
Bank overdraft		116,330		61,770	
Obligations under hire purchase contracts	10	21,880		19,596	
Trade creditors		155,777		154,205	
Corporation tax		25,259		30,669	
Other creditors		31,969		39,620	
Other taxes and social security		144,746		152,217	
Accruals		8,542		8,674	
		<u>504,503</u>		<u>466,751</u>	
<u>Net Current Assets</u>			111,070		99,407
			<u>175,968</u>		<u>168,103</u>
<u>Creditors: amounts falling due after more than one year</u>					
Obligations under hire purchase contracts	10		19,115		23,110
			<u>156,853</u>		<u>144,993</u>
<u>Capital and Reserves</u>					
Called up share capital	11		3,000		3,000
Profit and loss account			153,853		141,993
<u>Shareholders' Funds</u>	12		<u>156,853</u>		<u>144,993</u>

Approved by the Board on 7 August 1995



Directors

CATERING PARTNERSHIP LIMITEDCASHFLOW STATEMENTYEAR ENDED 30 JUNE 1995

	<u>1995</u>		<u>1994</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Net Cash Inflow from Operating Activities</u>		203,534		278,345
<u>Returns on Investments and Servicing of Finance</u>				
Interest received	7,623		3,952	
Interest paid	( 3,533)		( 3,425)	
Dividends paid	(138,000)		( 85,476)	
<u>Net Cash Outflow from Return on Investments and Servicing of Finance</u>		(133,910)		( 84,949)
<u>Corporation Tax paid</u>		( 57,169)		( 35,008)
<u>Investing Activities</u>				
Payments to acquire tangible fixed assets	( 34,330)		( 71,596)	
Receipts from sales of tangible fixed assets	7,850		14,650	
<u>Net Cash Outflow from Investing Activities</u>		( 26,480)		( 56,946)
<u>Net Cash (Outflow)/Inflow before Financing</u>		( 14,025)		101,442
<u>Financing</u>				
Capital element of hire purchase contracts		( 1,711)		( 22,074)
<u>(Decrease)/Increase in Cash and Cash Equivalents</u>		( 15,736)		79,368

CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 1995

1. Accounting Policies

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b. Turnover

Turnover represents net invoices sales of goods excluding value added tax.

c. Tangible Fixed Assets

Depreciation has been provided at the following annual rates in order to write off the cost of each asset over its estimated useful life:-

Computer equipment	25% on reducing balance
Office equipment, fixtures and fittings	15% on reducing balance
Motor vehicles	30% on reducing balance

d. Stocks

Stock has been valued by the directors at the lower of cost and net realisable value.

e. Accounting for Leases

Assets financed by leasing agreements which give rights approximating to ownership (finance leases) have been capitalised at amounts equal to the original cost of the assets to the lessors and depreciation provided on the basis of company depreciation policy. The capital elements of future obligations under finance leases are included as liabilities in the balance sheet and the current year's interest element is charged to the profit and loss account.

f. Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

g. Pensions

The company operates a defined contribution pension scheme for the directors and some staff. Payments are charged to the profit and loss account in the year in which they are incurred.

CATERING PARTNERSHIP LIMITEDNOTES TO THE FINANCIAL STATEMENTS

(Continued)

YEAR ENDED 30 JUNE 19952. Turnover

The turnover and profit is attributable to the one principal activity of the company.

All turnover is derived from the United Kingdom.

3. <u>Operating Profit</u>	<u>1995</u>	<u>1994</u>
is stated after charging:-	<u>£</u>	<u>£</u>
Depreciation of tangible fixed assets : owned assets	5,581	8,186
: assets held under hire		
purchase contracts	20,397	20,198
Directors' remuneration including pension contributions	53,522	38,555
Auditors' remuneration	2,600	2,650
	<u>          </u>	<u>          </u>
and after crediting:-		
Bank interest received	7,623	3,952
	<u>          </u>	<u>          </u>

4. Employment Costs

The average weekly number of employees (including the directors) during the year was as follows:-

	<u>Number</u>	<u>Number</u>
Catering staff	169	162
Head office staff	16	15
	<u>          </u>	<u>          </u>
	185	177
	<u>          </u>	<u>          </u>

CATERING PARTNERSHIP LIMITEDNOTES TO THE FINANCIAL STATEMENTS

(Continued)

YEAR ENDED 30 JUNE 1995

4. <u>Employment Costs</u> (continued)	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Wages and salaries	1,342,295	1,194,128
Social security costs	126,789	121,263
Other pension costs	28,406	25,722
	<hr/>	<hr/>
	1,497,490	1,341,113
	<hr/>	<hr/>
5. <u>Interest payable and similar Charges</u>	<u>£</u>	<u>£</u>
Bank loans and overdraft	1,501	-
Hire purchase	3,533	3,425
	<hr/>	<hr/>
	5,034	3,425
	<hr/>	<hr/>
6. <u>Taxation</u>	<u>£</u>	<u>£</u>
Corporation tax at 25% based on the taxable result for the year	51,759	57,284
Prior year adjustment	-	( 975)
Deferred taxation	-	( 756)
	<hr/>	<hr/>
	51,759	55,553
	<hr/>	<hr/>

The company is a close company under the terms of the Income and Corporation Taxes Act 1988.

7. <u>Dividend</u>	<u>£</u>	<u>£</u>
Paid during the year	138,000	85,476
	<hr/>	<hr/>

CATERING PARTNERSHIP LIMITEDNOTES TO THE FINANCIAL STATEMENTS

(Continued)

YEAR ENDED 30 JUNE 19958. Tangible Fixed Assets

	<u>Office Equipment</u>			
	<u>Computer</u>	<u>Fixtures</u>	<u>Motor</u>	
	<u>Equipment</u>	<u>and</u>	<u>Vehicles</u>	<u>Total</u>
		<u>Fittings</u>		
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
As at 1 July 1994	15,472	10,104	97,416	122,992
Additions	3,991	489	29,850	34,330
	-----	-----	-----	-----
	19,463	10,593	127,266	157,322
Disposals	-	-	24,870	24,870
	-----	-----	-----	-----
As at 30 June 1995	19,463	10,593	102,396	132,452
	=====	=====	=====	=====
<u>Accumulated Depreciation</u>				
As at 1 July 1994	8,926	5,541	39,829	54,296
Charge for the year	2,634	758	22,586	25,978
	-----	-----	-----	-----
	11,560	6,299	62,415	80,274
Eliminated on disposals	-	-	12,720	12,720
	-----	-----	-----	-----
As at 30 June 1995	11,560	6,299	49,695	67,554
	=====	=====	=====	=====
<u>Net Book Value</u>				
As at 30 June 1995	7,903	4,294	52,701	64,898
	=====	=====	=====	=====
As at 30 June 1994	6,546	4,563	57,587	68,696
	=====	=====	=====	=====

The net book value of £64,898 includes £48,060 (1994 £47,120) in respect of assets held under finance leases and hire purchase agreements.

CATERING PARTNERSHIP LIMITEDNOTES TO THE FINANCIAL STATEMENTS

(Continued)

YEAR ENDED 30 JUNE 1995

9. <u>Stocks</u>	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Goods for re-sale	17,475	17,226
	<u>          </u>	<u>          </u>

If valued at replacement cost at 30 June 1995, the value of goods for re-sale would not be materially different from the balance sheet value.

10. <u>Obligations under Hire Purchase Contracts</u>	<u>£</u>	<u>£</u>
Falling due within one year	26,188	22,298
Falling due within two to five years	22,496	26,298
	<u>          </u>	<u>          </u>
	48,684	48,596
Less finance charges allocated to future periods	( 7,688)	( 5,890)
	<u>          </u>	<u>          </u>
	40,996	42,706
	<u>          </u>	<u>          </u>

Liabilities under hire purchase contracts are secured on related fixed assets.

11. <u>Called Up Share Capital</u>	<u>£</u>	<u>£</u>
<u>Authorised</u>		
5,000 ordinary shares of £1 each	5,000	5,000
	<u>          </u>	<u>          </u>
<u>Allotted, issued and fully paid</u>		
3,000 ordinary shares of £1 each	3,000	3,000
	<u>          </u>	<u>          </u>

CATERING PARTNERSHIP LIMITEDNOTES TO THE FINANCIAL STATEMENTS

(Continued)

YEAR ENDED 30 JUNE 1995

12.	<u>Reconciliation of Movements in Shareholders' Funds</u>	<u>1995</u>	<u>1994</u>
		<u>£</u>	<u>£</u>
	Opening shareholders' funds	144,993	66,879
	Profit for the year	149,860	163,590
	Dividends	(138,000)	( 85,476)
		<hr/>	<hr/>
	Closing shareholders' funds	156,853	144,993
		<hr/>	<hr/>
13.	<u>Reconciliation of Operating Profit to</u> <u>Net Cash Inflow from Operating Activities</u>	<u>£</u>	<u>£</u>
	Operating profit	199,030	218,615
	Depreciation	25,978	28,384
	Increase in stocks	( 250)	( 17,225)
	Increase in debtors	( 10,341)	(309,225)
	(Decrease)/increase in creditors	( 15,183)	354,716
	Loss on disposal of tangible fixed assets	4,300	3,080
		<hr/>	<hr/>
	<u>Net Cash Inflow from Operating Activities</u>	203,534	278,345
		<hr/>	<hr/>
14.	<u>Analysis of Changes in Cash and Cash Equivalents</u> <u>during the Year</u>	<u>£</u>	<u>£</u>
	Balance at 1 July 1994	177,937	98,569
	Net cash (outflow)/inflow	( 15,736)	79,368
		<hr/>	<hr/>
	Balance at 30 June 1995	162,201	177,937
		<hr/>	<hr/>

CATERING PARTNERSHIP LIMITEDNOTES TO THE FINANCIAL STATEMENTS

(Continued)

YEAR ENDED 30 JUNE 199515. Cash and Cash Equivalents as shown  
in the Balance Sheet

	<u>1995</u>	<u>1994</u>	<u>Change in</u> <u>Year</u>	<u>Change in</u> <u>Comparative</u> <u>Year</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cash at bank and in hand	278,532	239,707	38,825	239,707
Bank overdrafts and loans	(116,330)	( 61,770)	(54,560)	( 61,770)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	162,202	177,937	(15,735)	177,937
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

16. Analysis of Changes in Financing  
during the Year

	<u>Opening</u> <u>Balance</u>	<u>Net Cash</u> <u>Inflow</u> <u>from</u> <u>Financing</u>	<u>Closing</u> <u>Balance</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Ordinary share capital	3,000	-	3,000
Capital element of hire purchase contracts	42,706	( 1,711)	40,995
	<u>          </u>	<u>          </u>	<u>          </u>
Total for current year	45,706	( 1,711)	43,995
	<u>          </u>	<u>          </u>	<u>          </u>
Total for comparative year	8,171	37,535	45,706
	<u>          </u>	<u>          </u>	<u>          </u>