

BET CATERING SERVICES LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27TH MARCH 1993



REGISTERED NUMBER: 2505731

BET CATERING SERVICES LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 27TH MARCH 1993

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BET CATERING SERVICES LIMITED
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DIRECTORS' REPORT

The directors submit their report and audited financial statements for the year ended 27th March 1993.

BUSINESS AND FINANCIAL REVIEW

The Company's principal activity is the provision of catering services and the directors do not envisage any change in the activity of the Company in the next financial year.

DIRECTORS

The directors who served during the period under review were:-

Mr I M Allan (Chairman) (appointed 22nd April 1992)
 M. K Barnes
 Mr N Dreghorn
 Mr J H N Gibson
 Mr P B Rhodes (resigned 22nd April 1992)
 Mr J K Walker

On 28th April 1993, Mr K Barnes resigned as a "B" director and Mr P Griffiths was appointed as a "B" director.

DIRECTORS' INTERESTS

None of the directors had any beneficial interest in the share capital of the Company. The beneficial interest of the directors in the ordinary shares of BET Public Limited Company at 28th March 1992 or the date of appointment, if later, and 27th March 1993 were:

	<u>Ordinary Shares</u>		<u>Executive Option Scheme*</u>		<u>Sharesave Scheme +</u>	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
Mr K Barnes	nil	nil	70,041	58,000	nil	2,726
Mr N Dreghorn	nil	nil	nil	nil	nil	nil
Mr J H N Gibson	nil	nil	nil	nil	nil	nil
Mr J K Walker	nil	nil	48,654	47,000	nil	nil

Changes in options during the year - Mr K Barnes *granted 10,000, rights issue 2,041; +lapsed 2,726;
 Mr J K Walker: *rights issue 1,654.

Mr J M Allan is a director of BET Public Limited Company, the Company's ultimate holding company and his beneficial interests are set out in that Company's annual accounts.

BET CATERING SERVICES LIMITED

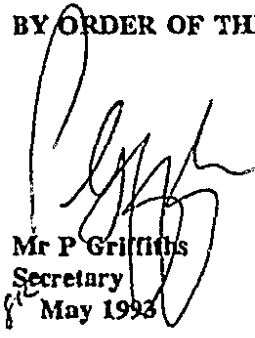
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AUDITORS

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

BY ORDER OF THE BOARD

A large, stylized handwritten signature in black ink, appearing to read 'P Griffiths', is written over the typed name and date.

Mr P Griffiths
Secretary
18th May 1993

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REPORT OF THE AUDITORS TO THE MEMBERS OF BET CATERING SERVICES LIMITED

We have audited the financial statements on pages 6 to 16 in accordance with Auditing Standards.

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company at 27th March 1993 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

COOPERS & LYBRAND

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

London

Dated 8 June 1993

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 27TH MARCH 1993

		<u>1993</u> £000	<u>1992</u> £000
	<u>Notes</u>		
Turnover	2	24,375	4,893
Cost of Sales		22,045	4,455
		<hr/>	<hr/>
Gross Profit		2,330	438
Administrative Expenses		1,236	922
Distribution Costs		497	54
		<hr/>	<hr/>
Operating Profit/(Loss)		597	(538)
Interest receivable	3	9	38
		<hr/>	<hr/>
		606	(500)
Interest payable	4	(13)	(83)
		<hr/>	<hr/>
Profit/(Loss) on ordinary activities before taxation	5	593	(583)
Taxation	7	(205)	191
		<hr/>	<hr/>
Profit/(Loss) for the year	15	388	(392)
		<hr/>	<hr/>
		==	==

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BALANCE SHEET AS AT 27TH MARCH 1993

		<u>1993</u>	<u>1992</u>
	<u>Notes</u>	<u>£000</u>	<u>£000</u>
Fixed Assets	8		
Tangible Assets		168	119
		—	—
		168	119
Current Assets			
Stock	9	865	179
Debtors	10	2698	977
Cash at Bank and in hand		2666	858
		—	—
		6229	2014
Current Liabilities			
Creditors:			
Amounts falling due within one year	11	6382	2506
		—	—
Net Current Liabilities		(153)	(492)
		—	—
Net assets/(liabilities)		15	(373)
		==	==
Capital and Reserves			
Called up Share Capital	14	100	100
Reserves	15	(85)	(473)
		—	—
		15	(373)
		==	==

The financial statements on pages 6 to 16 were approved by the Board of Directors on and signed on their behalf by:



)
)
DIRECTOR

May 1993

BET CATERING SERVICES LIMITED**REPORT AND FINANCIAL STATEMENTS****YEAR ENDED 27TH MARCH 1993****CASH FLOW STATEMENT****YEAR ENDED 27TH MARCH 1993**

	<u>Note</u>	<u>1993</u> £000	<u>1992</u> £000
Net cash flow from operating activities			
Operating Profit/(Loss)		597	(538)
Depreciation		58	30
Loss on disposal of Tangible Fixed Assets		6	-
Increase in Stocks		(686)	(179)
Increase in Debtors		(1783)	(684)
Increase in Creditors		4455	1353
		<hr/>	<hr/>
		2,647	(18)
		===	==
Returns on Investments and servicing of Finance			
Interest received		9	38
Interest paid		(13)	(83)
		<hr/>	<hr/>
Net cash outflow from returns on Investments and servicing of Finance		(4)	(45)
		===	==
Taxation			
Tax Received		229	43
		===	==
Investing Activities			
Purchase of tangible fixed assets		(127)	(118)
Sale of tangible fixed assets		14	-
		<hr/>	<hr/>
Net cash outflow from investing activities		(113)	(118)
		===	===
Net cash flow before financing		2,759	(138)
		===	==
Financing			
(Decrease)/Increase in Group Funding	19(b)	(951)	896
		<hr/>	<hr/>
Net Cash (Outflow)/Inflow from Financing		(951)	896
		===	==
Increase in cash and cash equivalents			
Increase in cash at bank and in hand	19(a)	1,808	758
		===	==

BET CATERING SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 27TH MARCH 1993

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 27TH MARCH 1993

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

- a) Basis of Preparation of financial statements - The financial statements are prepared according to the historical cost convention.
- b) Turnover - Turnover represents the amount receivable for goods and services supplied to customers by the Company, excluding value added tax.
- c) Fixed Assets and Depreciation - Fixed assets are depreciated on a straight line basis by reference to cost, the anticipated useful lives of the assets concerned, and residual value. The following rates have been used:

Motor vehicles - 25% on cost.

Plant and Machinery - 20% on cost.

Fixtures and fittings - 20% on cost.
- d) Stocks - Stocks are valued on latest price, which is not materially different from the lower of cost and net realisable value.
- e) Pensions - The Company participates in group pension schemes operated by BET Public Limited Company. The pension schemes are of the defined benefit type and the assets are held in separate trustee administered qualified independent funds. The funds are valued every three years by a professionally qualified independent actuary, the rates of contribution being determined by the actuary. In the intervening years, the actuary reviews the continuing appropriateness of the rates. The latest actuarial assessment of the scheme was at 1st October 1991. Particulars of the valuation of the group schemes are contained in the financial statements of BET Public Limited Company.

The total pension cost for the company during the period was £29,000, (1992 - £10,000).
- f) Deferred Taxation - The charge for corporation tax is based on the profit for the year and takes into account taxation deferred because of differences between the treatment of certain items for taxation and accounting purposes. Full provision under the liability method is made in respect of accelerated depreciation allowances. Provision is made for other timing differences to the extent that it is probable that the liability or asset will crystallise.
- g) Termination provisions - Where contracts are entered into for a period of a year or more provision for termination costs is made where it is believed to be material.

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2 **Turnover**

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of catering services provided in the United Kingdom.

3 **Interest Receivable**

	<u>1993</u> £000	<u>1992</u> £000
Other Interest receivable	9	-
Inter-group interest receivable	-	38
	<u>9</u>	<u>38</u>
	<u>=</u>	<u>=</u>

4 **Interest Payable**

	<u>1993</u> £000	<u>1992</u> £000
Inter-group interest payable	13	72
Other interest payable	-	11
	<u>13</u>	<u>83</u>
	<u>=</u>	<u>=</u>

5 **Profit/(Loss) on Ordinary Activities Before Taxation**

Profit/(loss) on ordinary activities before taxation is stated after charging the following:

	<u>1993</u> £000	<u>1992</u> £000
Equipment hire under operating leases	134	28
Depreciation charge for the year	58	30
Auditors' remuneration	31	10
	<u>=</u>	<u>=</u>

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6 **Directors and Employees**

The average number of persons (excluding executive directors) employed by the Company during the year was:

	<u>1993</u> Number	<u>1992</u> Number
By activity:		
Catering	4145	1048
Administration	103	35
	<hr/>	<hr/>
	4248	1083
	==	==

The aggregate payroll of these persons was as follows:

	<u>1993</u> £000	<u>1992</u> £000
Wages and salaries	10,673	2,507
Pension scheme costs	29	11
Social Security costs	516	133
	<hr/>	<hr/>
	11,218	2,651
	====	==

Directors' Emoluments

	<u>1993</u> £000	<u>1992</u> £000
Fees	-	-
Other emoluments (including pension contributions and benefits in kind).	57	43
Directors' emoluments (excluding pension contributions) include amounts paid to:		
The Chairman	-	-
The highest paid Director	57	43

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The number of directors (including the Chairman and the highest paid Director) who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	<u>1993</u> No of Directors	<u>1992</u> No of Directors
£0 - £5,000	5	4
£40,001 - £45,000	-	1
£55,001 - £60,000	1	-

7 **Taxation**

The taxation (charge)/credit based on the profit/(loss) for the year comprises:-

	<u>1993</u> £000	<u>1992</u> £000
UK Corporation Tax at 33%	(383)	192
Deferred tax	178	-
Prior Year Adjustment	-	(1)
	<hr/>	<hr/>
	(205)	191
	===	==

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8 Tangible Fixed Assets

	<u>Motor Vehicles</u> £000	<u>Plant & Machinery</u> £000	<u>Fixtures & Fittings</u> £000	<u>Total</u> £000
<u>Cost or Valuation</u>				
At 28th March 1992	97	48	31	176
Additions	15	92	20	127
Disposals	-	(24)	-	(24)
	—	—	—	—
	112	116	51	279
	==	==	==	==
<u>Depreciation</u>				
At 28th March 1992	47	5	5	57
Charge for year	28	22	8	58
Disposals	-	(4)	-	(4)
	—	—	—	—
	75	23	13	111
	==	==	==	==
<u>Net Book Value</u>				
At 27th March 1993	37	93	38	168
	==	==	==	==
At 28th March 1992	50	43	26	119
	==	==	==	==

9 Stocks

	<u>1993</u> £000	<u>1992</u> £000
Raw materials and consumables	715	146
Garments in use	127	33
Work in progress	23	-
	—	—
	865	179
	==	==

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10 Debtors: amounts falling due within on year

	<u>1993</u> £000	<u>1992</u> £000
Trade Debtors	1594	551
Amounts due from fellow subsidiaries	44	92
Other debtors	201	-
Tax receivable	-	192
Deferred Taxation	178	-
Prepayments and accrued income	681	142
	<hr/>	<hr/>
	2698	977
	==	==

11 Creditors: amounts falling due within one year

	<u>1993</u> £000	<u>1992</u> £000
Trade creditors	2877	785
Amounts owed to fellow subsidiaries	146	1145
Tax payable	420	-
Other taxation and social security	1209	370
Provisions for contract terminations	505	102
Accruals	1225	104
	<hr/>	<hr/>
	6382	2506
	==	==

12 Operating Leases

	<u>1993</u> Land and Buildings £000	<u>1992</u> Land and Buildings £000	<u>1993</u> Other Assets £000	<u>1992</u> Other Assets £000
Payments due in following year under operating leases with expiry dates:				
Within one year	-	13	4	53
Between one and two years	59	-	12	5
Between two and five years	-	33	22	28
After five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	59	46	38	86
	==	==	==	==

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13 Deferred Taxation

	<u>Amount Provided</u>		<u>Total Potential Asset</u>	
	<u>1993</u> £000	<u>1992</u> £000	<u>1993</u> £000	<u>1992</u> £000
Tax effect of timing differences because of:				
Excess of tax allowance over depreciation	1	-	1	-
Other	177	-	177	-
	—	—	—	—
	178	-	178	-
	==	==	==	==

The movements on the provision for deferred taxation account are as follows:

	£000
Provision at 1 April 1992	-
Utilised in the year	-
Transfer from Profit and Loss Account	178
	—
Asset at 31 March 1993	178
	==

The deferred tax asset arises as a result of providing for termination costs not yet paid.

14 Share Capital

	<u>1993</u> £000	<u>1992</u> £000
<u>Authorised</u>		
100,000 Ordinary shares of £1 each	100	100
	==	==
<u>Allotted, called up and fully paid:</u>		
100,000 Ordinary shares of £1 each	100	100
	==	==

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15 Reserves

Profit & Loss
Account

£000

At 28th March 1992
Profit for Year

(473)
388

At 27th March 1993

(85)
===

16 Capital Commitments

As at 27th March 1993, there were no capital commitments.

17 Contingent Liabilities

As at 27th March 1993, there were no contingent liabilities.

18 Ultimate Holding Company

The Company is a subsidiary of BET Public Limited Company, a company incorporated in Great Britain and registered in England and Wales. Copies of the ultimate holding company's financial statements may be obtained from:- The Secretary, BET PLC, Stratton House, Piccadilly, London, W1X 6AS.

19 Notes to the Cash Flow Statement

a) Analysis of changes in cash and cash equivalents during the year.

£

Balance at 28th March 1992
Net Cash Inflow

858
1808

Balance at 27th March 1993

2666
===

b) Analysis of changes in financing during the year.

Share Capital
£

Group Loans
£

Balance at 28th March 1992
Cash Outflow

100
-

1053
(951)

Balance at 27th March 1993

100
==

102
===