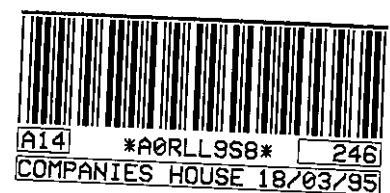


FAIRMAY LIMITED
FINANCIAL STATEMENTS
FOR YEAR ENDED
31 MAY 1994

Company No. 2593483

06118.AC4



FAIRMAY LIMITED
REPORT OF THE DIRECTORS

The Directors present their Report and Financial Statements for the year ended 31 May 1994.

The company trades as Bay of Bengal Restaurant.

DIRECTORS

The Directors who served during the year were:

LUKMAN MIAH
NAHER BEGUM

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company is that of a restaurateur.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

FIXED ASSETS

Details of the fixed assets are shown in the attached Financial Statements.

DIRECTORS' INTERESTS

The Directors had the following interests in the shares of the Company at the beginning and end of the year:

LUKMAN MIAH	50
NAHER BEGUM	<u>50</u>
	<u>100</u>

DIVIDENDS

The Directors do not recommend the payment of a dividend.

26 Greek Street
London
W1

4 January 1995

BY ORDER OF THE BOARD

α *N. begum*
NAHER BEGUM
Secretary

DIRECTORS' RESPONSIBILITIES & ACCOUNTANT'S REPORT

TO THE SHAREHOLDERS OF FAIRMAY 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 affairs of the company and of the profit or loss of the company for that year.

In preparing those financial statements, the directors are required to select suitable accounting policies and then apply them consistently; make judgement and estimates that are reasonable and prudent; and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 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.

Accountants' Report to the Members on the Unaudited Accounts of Fairmay Limited

We report on the accounts for the year ended 31 May 1994 set out on pages 5 to 11.

Respective responsibilities of directors and reporting accountants

As described above, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.


Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting record kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the provisions specified in section 249C (6) of the Act; and

**DIRECTORS' RESPONSIBILITIES & ACCOUNTANT'S REPORT
TO THE SHAREHOLDERS OF FAIRMAY LIMITED**

- (ii) the company satisfied the requirements for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)(a)-(f).


(HABIB RAHMAN & CO)
CHARTERED ACCOUNTANTS

235 Whitechapel Road
London E1 1DB

Tel: 0171-247 4945
0171-247 4946

Fax: 0171-375 2966

4 January 1995

FAIRMAY LIMITED
PROFIT AND LOSS ACCOUNT
FOR YEAR ENDED 31 MAY 1994

	Note	1994 £	1993 £
TURNOVER	2	120389	108791
COST OF SALES		<u>42719</u>	<u>34854</u>
GROSS PROFIT		77670	73937
OPERATING EXPENSES	3	<u>65328</u> 12342	<u>66162</u> 7775
INTEREST PAYABLE AND SIMILAR CHARGES	4	<u>3959</u>	<u>5310</u>
OPERATING PROFIT BEFORE TAXATION	5	8383	2465
TAX ON RESULTS ON ORDINARY ACTIVITIES	6	<u>3721</u>	<u>2242</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		4662	223
RETAINED LOSS AT 1 JUNE 1993		<u>(4235)</u>	<u>(4458)</u>
RETAINED LOSS AT 31 MAY 1994		<u>427</u>	<u>4235</u>

FAIRMAY LIMITED
BALANCE SHEET AT 31 MAY 1994

	Note	1994 £	1993 £
FIXED ASSETS			
Intangible assets	7	7000	8000
Tangible assets	8	<u>39635</u>	<u>45513</u>
		46635	53513
CURRENT ASSETS			
Stocks	9	2600	1750
Debtors	10	1408	1759
Cash at bank and in hand		<u>1681</u>	<u>784</u>
		5689	4293
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>51797</u>	<u>61941</u>
NET CURRENT LIABILITIES		46108	(57648)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>527</u>	<u>(4135)</u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and Loss Account		<u>427</u>	<u>(4235)</u>
		527	(4135)

We directors hereby confirm the following points:

- a) For the year ending 31 May 1994 the company was entitled to the exemption from an audit conferred by subsection (2) of Section 249A of Companies Act 1985.
- b) That no notice has been deposited under S249B (2) of the Act in relation to the accounts for the financial year.
- c) That 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 31 May 1994 and of its profit for the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the 1985 Act relating to accounts, so far as applicable to the company.

LUKMAN MIAH 
NAHER BEGUM  Directors

Approved by the board on
4 January 1995

FAIRMAY LIMITED
CASH FLOW STATEMENT
FOR YEAR ENDED 31 MAY 1994

	Note	1994 £	1993 £
Net cash inflow from			
Operating activities	13	8539	10999
Returns on investments and servicing of finance			
Interest paid		(3959)	(5310)
Taxation			
Corporation tax paid		-	(681)
Financing			
Loan repayment		<u>(5669)</u>	<u>(4865)</u>
Decrease in cash and cash equivalents (1993:Increase)		<u>(1089)</u>	<u>143</u>

FAIRMAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1994

1 ACCOUNTING POLICIES

(a) Accounting Convention

The Financial Statements have been prepared under the historical cost convention.

(b) Deferred Taxation

Provision is made for deferred taxation except where the directors consider that, in the foreseeable future, the tax liability will not arise.

(c) Depreciation

Depreciation of fixed assets is provided at the following annual rates:

Leasehold land and Buildings	10% - straight line
Fixtures and fittings	25% - reducing balance
Goodwill	10% - straight line

(d) Stocks

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

(e) Turnover

Turnover represents the invoiced value of goods and services sold.

2 TURNOVER

Turnover represents the company's activity in United Kingdom.

3 OPERATING EXPENSES

	1994 £	1993 £
Administrative expenses	<u>65328</u>	<u>66162</u>

4 INTEREST PAYABLE AND
SIMILAR CHARGES

Bank interest payable	<u>3959</u>	<u>5310</u>
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5 PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION

After charging:

Accountants' remuneration	1786	2111
Depreciation	6878	7004
Directors' remuneration	<u>6240</u>	<u>6120</u>

FAIRMAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1994

6	TAX ON PROFIT ON ORDINARY ACTIVITIES	1994	1993	
		£	£	
	Corporation tax based on the results for the year at a rate of 25%	<u>3721</u>	<u>2242</u>	
7	INTANGIBLE ASSETS			
	<u>Goodwill</u>			
	COST			
	At 1 June 1993 and retained at 31 May 1994.	<u>10000</u>	<u>10000</u>	
	DEPRECIATION			
	At 1 June 1993	2000	1000	
	Charge for year	<u>1000</u>	<u>1000</u>	
	At 31 May 1994	<u>3000</u>	<u>2000</u>	
	NET BOOK VALUE			
	At 31 May 1994	<u>7000</u>	<u>7000</u>	
	At 31 May 1993	<u>8000</u>	<u>8000</u>	
8	TANGIBLE ASSETS			
		Leasehold Premises £	Furniture Fixtures & Equipment £	Total £
	COST			
	At 1 June 1993 and retained at 31 May 1994	<u>55000</u>	<u>2689</u>	<u>57689</u>
	DEPRECIATION			
	At 1 June 1993	11000	1176	12176
	Charge for the year	<u>5500</u>	<u>378</u>	<u>5878</u>
	At 31 May 1994	<u>16500</u>	<u>1554</u>	<u>18054</u>
	NET BOOK VALUE			
	At 31 May 1994	<u>38500</u>	<u>1135</u>	<u>39635</u>
	At 31 May 1993	<u>44000</u>	<u>1513</u>	<u>45513</u>
9	STOCKS	1994	1993	
		£	£	
	Raw materials and consumables	<u>2600</u>	<u>1750</u>	

FAIRMAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1994

10	DEBTORS	1994	1993
		£	£
	Amounts falling due within one year:		
	Prepayments and accrued income	<u>1408</u>	<u>1759</u>
11	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Bank loan and overdraft	26043	29726
	Trade creditors	4661	7166
	Corporation tax	5963	2242
	Other creditors	15039	21632
	Accruals and deferred income	<u>91</u>	<u>1175</u>
		<u>51797</u>	<u>61941</u>
12	CALLED UP SHARE CAPITAL		
	Authorised:		
	Ordinary shares of £1 each	<u>1000</u>	<u>1000</u>
	Issued and fully paid:		
	Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS		
	Profit for the financial year	4662	223
	Opening shareholders' funds	<u>(4135)</u>	<u>(4358)</u>
	Closing shareholders' funds	<u>527</u>	<u>(4135)</u>
13	NOTES TO THE CASH FLOW STATEMENTS		
a)	Reconciliation of operating profit, to net cash inflow from operating activities.		
	Operating profit	8383	2465
	Interest paid	3959	5310
	Depreciation charges	6878	7004
	Increase in stocks (1993:Decrease)	(850)	450
	Decrease in debtors (1993:Increase)	351	(111)
	Decrease in creditors	<u>(10182)</u>	<u>(4119)</u>
	Net cash inflow from operating activities	<u>8539</u>	<u>10999</u>

FAIRMAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1994

- b) Analysis of changes in cash and cash equivalents during the year:

	1994 £	1993 £
Balance at 1 June 1993	2383	(2526)
Net cash outflow	<u>(1089)</u>	<u>143</u>
Balance at 31 May 1994	<u>(3472)</u>	<u>2383</u>

- c) Analysis of the balances of cash and cash equivalents as shown in the Balance Sheet:

			Charge in Year £
Cash at bank and in hand	1681	784	897
Bank overdrafts	<u>(5153)</u>	<u>(3167)</u>	<u>(1986)</u>
	<u>(3472)</u>	<u>(2383)</u>	<u>(1089)</u>

14 EMPLOYEE INFORMATION

The average number of persons employed by the Company including directors during the year were:

	Number	Number
Selling and distribution	3	3
Administration	2	2

Their total remuneration was:

	£	£
Salaries and wages	14040	18216
Social security costs	<u>543</u>	<u>905</u>
	<u>14583</u>	<u>19121</u>

15 LEASEHOLD BUILDINGS

The leasehold land and buildings shown in Note 8 to the accounts was taken over from and is now held in trust for the Company by Mr L Miah, a director of the Company and Mr S Miah who resigned as a director on 1 March 1992.