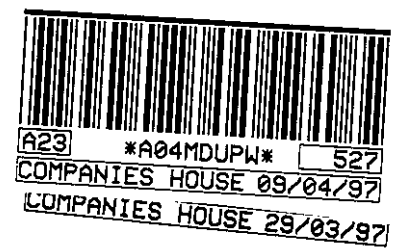


FAIRMAY LIMITED
FINANCIAL STATEMENTS
FOR YEAR ENDED
31 MAY 1996

Company No. 2593483



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FAIRMAY LIMITED
FINANCIAL STATEMENTS
FOR YEAR ENDED
31 MAY 1996

A handwritten signature in dark ink, appearing to be 'C. H. S.', is written to the right of the financial statements title.

Company No. 2593483

FAIRMAY LIMITED

REPORT OF THE DIRECTOR

The Director presents his Report and Financial Statements for the year ended 31 May 1996.

The company trades as Bay of Bengal Restaurant.

DIRECTOR

The Director who served during the year was:

LUKMAN MIAH

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 director who expects continued growth in the foreseeable future.

FIXED ASSETS

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

DIRECTOR'S INTERESTS

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

	Number
LUKMAN MIAH	90

DIVIDENDS

The Director does not recommend the payment of a dividend.

26 Greek Street
London
W1

13 February 1997

BY ORDER OF THE BOARD


LUKMAN MIAH

Director

**DIRECTOR'S RESPONSIBILITIES & ACCOUNTANTS' REPORT
TO THE SHAREHOLDERS OF FAIRMAY LIMITED**

Statement of director's responsibilities

Company law requires the director 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 director is required to select suitable accounting policies and then apply them consistently; make judgements 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 director is 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 1996 set out on pages 5 to 12.

Respective responsibilities of director and reporting accountants

As described above, the company's director is 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 records 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:

FAIRMAY LIMITED

DIRECTOR'S RESPONSIBILITIES & ACCOUNTANTS' REPORT TO THE
SHAREHOLDERS OF FAIRMAY LIMITED

(i) the accounts have been drawn up in a manner consistent with the provisions specified in section 249C (6) of the Act; and

(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

13 February 1997

FAIRMAY LIMITED
 PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31 MAY 1996

	Note	1996 £	1995 £
TURNOVER	2	124780	128241
COST OF SALES		<u>40158</u>	<u>41476</u>
GROSS PROFIT		84622	86765
OPERATING EXPENSES	3	<u>85784</u>	<u>77221</u>
		(1162)	9544
INTEREST PAYABLE AND SIMILAR CHARGES	4	<u>2671</u>	<u>2137</u>
OPERATING LOSS BEFORE TAXATION	5	(3833)	7407
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	<u>2081</u>	<u>3478</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		5914	3929
RETAINED PROFIT AT 1 JUNE 1995		<u>4356</u>	<u>427</u>
ACCUMULATED LOSS AT 31 MAY 1996		<u>(1558)</u>	<u>4356</u>

There are no recognised gains and losses in the year other than profit/loss for the year.

FAIRMAY LIMITED
BALANCE SHEET AT 31 MAY 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Intangible assets	7	5000	6000
Tangible assets	8	<u>28138</u>	<u>33851</u>
		33138	39851
CURRENT ASSETS			
Stocks	9	2000	2050
Debtors	10	2354	6834
Cash at bank and in hand		<u>3022</u>	<u>692</u>
		7376	9576
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>41972</u>	<u>44971</u>
NET CURRENT LIABILITIES		<u>34596</u>	<u>35395</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1458)</u>	<u>4456</u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and Loss Account		<u>(1558)</u>	<u>4356</u>
		<u>(1458)</u>	<u>4456</u>

FAIRMAY LIMITED
DIRECTOR'S STATEMENT ON ACCOUNTS FOR YEAR ENDED 31 MAY 1996

I the director hereby confirm the following points:

- a) For the year ending 31 May 1996 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 director acknowledges his 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 1996 and of its loss 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

Director

Approved by the board on
13 February 1997

FAIRMAY LIMITED
CASH FLOW STATEMENT
FOR YEAR ENDED 31 MAY 1996

	Note	1996 £	1995 £
Net cash inflow from			
Operating activities	13(a)	12600	5374
Returns on investments and servicing of finance			
Interest paid		(2113)	(2137)
Taxation			
Corporation tax paid		(3967)	(1682)
Financing			
New loan		18500	6686
Loan repayment		<u>(25941)</u>	<u>(4408)</u>
		<u>(7441)</u>	<u>2278</u>
Decrease in cash and cash equivalents (1995:Increase)		<u>(921)</u>	<u>3833</u>

FAIRMAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1996

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	1996 £	1995 £
Administrative expenses	<u>85784</u>	<u>77221</u>

4 INTEREST PAYABLE AND
SIMILAR CHARGES

Interest on tax etc. payable	558	-
Bank interest payable	<u>2113</u>	<u>2137</u>
	<u>2671</u>	<u>2137</u>

5 PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION

After charging:		
Accountants' remuneration	2261	2043
Depreciation	6713	6784
Director's remuneration	<u>12740</u>	<u>14410</u>

FAIRMAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1996

6	TAX ON PROFIT ON ORDINARY ACTIVITIES	1996 £	1995 £	
	Corporation tax based on the results for the year at a composite rate of 24.8% (1995:25%)	894	3478	
	Prior year adjustments	<u>1187</u> <u>2081</u>	<u>-</u> <u>3478</u>	
7	INTANGIBLE ASSETS			
	<u>Goodwill</u>			
	COST			
	At 1 June 1995 and retained at 31 May 1996.	<u>10000</u>	<u>10000</u>	
	DEPRECIATION			
	At 1 June 1995	4000	3000	
	Charge for year	<u>1000</u>	<u>1000</u>	
	At 31 May 1996	<u>5000</u>	<u>4000</u>	
	NET BOOK VALUE			
	At 31 May 1996	<u>5000</u>	<u>6000</u>	
	At 31 May 1995	<u>6000</u>	<u>7000</u>	
8	TANGIBLE ASSETS			
		Leasehold Premises £	Furniture Fixtures & Equipment £	Total £
	COST			
	At 1 June 1995 and retained at 31 May 1996	<u>55000</u>	<u>2689</u>	<u>57689</u>
	DEPRECIATION			
	At 1 June 1995	22000	1838	23838
	Charge for the year	<u>5500</u>	<u>213</u>	<u>5713</u>
	At 31 May 1996	<u>27500</u>	<u>2051</u>	<u>29551</u>
	NET BOOK VALUE			
	At 31 May 1996	<u>27500</u>	<u>638</u>	<u>28138</u>
	At 31 May 1995	<u>33000</u>	<u>851</u>	<u>33851</u>
9	STOCKS	1996 £	1995 £	
	Raw materials and consumables	<u>2000</u>	<u>2050</u>	

FAIRMAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1996

10	DEBTORS	1996 £	1995 £
	Amounts falling due within one year:		
	Other debtors	83	5006
	Prepayments and accrued income	<u>2271</u>	<u>1828</u>
		<u>2354</u>	<u>6834</u>
	Other debtors represent overdrawn Directors Current Account.		
11	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Bank loan and overdraft	19309	23499
	Trade creditors	5467	4435
	Corporation tax and charges	6431	7759
	Other creditors	10253	8252
	Accruals and deferred income	<u>512</u>	<u>1026</u>
		<u>41972</u>	<u>44971</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	(5914)	3929
	Opening shareholders' funds	<u>4456</u>	<u>527</u>
	Closing shareholders' funds	<u>(1458)</u>	<u>4456</u>
13	NOTES TO THE CASH FLOW STATEMENTS		
a)	Reconciliation of operating profit, to net cash inflow from operating activities.		
	Operating loss (1995: Profit)	(3833)	7407
	Interest paid	2671	2137
	Depreciation charges	6713	6784
	Decrease in stocks	50	550
	Decrease in debtors (1995: Increase)	4480	(5426)
	Increase in creditors (1995: Decrease)	<u>2519</u>	<u>(6078)</u>
	Net cash inflow from operating activities	<u>12600</u>	<u>5374</u>

FAIRMAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MAY 1996

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

	1996 £	1995 £
Balance at 1 June 1995	361	(3472)
Net cash inflow	(921)	3833
Balance at 31 May 1996	(560)	<u>361</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	3022	692	2330
Bank overdrafts	(3582)	(331)	(3251)
	(560)	361	(921)

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	27128	26300
Social security costs	<u>1259</u>	<u>1454</u>
	<u>28387</u>	<u>27754</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.