

COMPANY NUMBER: 03200169

COPY FOR REGISTRAR

AAT (UK) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1998

CLARKE'S
Chartered Accountants
GATESHEAD



1. *Phragmites* (common)
2. *Phragmites* (common)
3. *Phragmites* (common)
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8. *Phragmites* (common)
9. *Phragmites* (common)
10. *Phragmites* (common)

AAT (UK) LIMITED
DIRECTORS REPORT

The director presents his report and accounts for the year ended 31 May 1998.

PRINCIPAL ACTIVITY AND INCORPORATION

The company trades as JJ's Diner which is a cafe and takeaway service.

RESULTS AND DIVIDENDS

The trading loss for the period amounted to £13198. No payment of dividend is recommended.

DIRECTORS AND THEIR INTERESTS

The director during the year and his interest in the share capital of the company was as follows:-

Ordinary Shares

	At 31 May 1998	At 31 May 1997
T A Jardine	50 ===	50 ===

DIRECTORS RESPONSIBILITIES FOR THE ACCOUNTS

Company law requires the director to prepare accounts 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 period. In preparing those accounts, the director is required to:

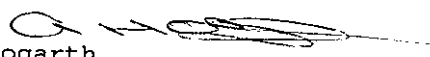
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. The director is 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.

SMALL COMPANY EXEMPTIONS

The director has taken advantage of the exemptions conferred by part II of schedule 8 of the Companies Act 1985, on the grounds that the company is entitled to the benefit of those exemptions as a small company.

By order of the board


A Hogarth
Secretary

AAT (UK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 1998

		<u>1998</u>	<u>1997</u>
	Notes	£	£
Turnover	2	74341	66930
Direct Costs		<u>52687</u>	<u>45662</u>
Gross Profit		21654	21268
Administrative Costs		<u>34797</u>	<u>27833</u>
Operating Loss	3	(13143)	(6565)
Interest Payable	4	<u>(55)</u>	<u>(9)</u>
Loss on ordinary activities before taxation		(13198)	(6574)
Tax on loss on ordinary activities		<u>-</u>	<u>-</u>
Loss for the financial year		(13198)	(6574)
Retained losses brought forward		<u>(6574)</u>	<u>-</u>
		£ (19772)	£ (6574)
		=====	=====

RECOGNISED GAINS AND LOSSES

The company has no recognised gains and losses, as defined in Financial Reporting Standard 3, which are not included in the profit and loss account above.

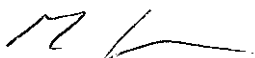
The notes on pages 5 to 7 form part of these financial statements.

AAT (UK) LIMITED
BALANCE SHEET AS AT 31 MAY 1998

			<u>1998</u>	<u>1997</u>
	Notes	£	£	£
FIXED ASSETS				
Tangible assets	5		<u>23956</u>	<u>24510</u>
CURRENT ASSETS				
Stock	6	525		500
Debtors	7	1311		2585
Cash at bank		<u>507</u>		<u>1874</u>
		2343		4959
CREDITORS: Amounts falling due within one year	8	<u>17461</u>		<u>7433</u>
NET CURRENT LIABILITIES			<u>15118</u>	<u>(2474)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8838	22036
CREDITORS: Amounts falling due after more than one year	9		<u>28510</u>	<u>28510</u>
			£ (19672)	£ (6474)
			=====	=====
CAPITAL AND RESERVES				
Called Up Share Capital	10		100	100
Profit and Loss account			<u>(19772)</u>	<u>(6574)</u>
			£ (19672)	£ (6474)
			=====	=====

Approved by the Board of Directors on _____ and signed on its behalf. The director considers that the company is entitled to exemption from the requirements to have an audit under the provisions of Section 249 A(1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its loss for the period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The director has taken advantage, in the preparation of the accounts, of special exemptions applicable to small companies under Schedule 8 Part I of the Companies Act 1985. In the opinion of the director the company qualifies as a small company and is entitled to make use of the special exemptions.



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T A Jardine - Director

The notes on pages 5 to 7 form part of these financial statements.

AAT (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1998

1 ACCOUNTING POLICIES

a) Basis of Accounting

The accounts have been prepared under the historic cost convention and in accordance with applicable accounting standards.

b) Tangible Fixed Assets and Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold buildings - over the lease term
 Fixtures, fittings and equipment - at 15% reducing balance
 Property Improvements - at 15% reducing balance

c) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition.

2 TURNOVER

Turnover, which is stated net of value added tax, represents amounts received from third parties.

Turnover is attributable to the principle activity of the company.
 All sales were made within the United Kingdom.

3 OPERATING LOSS

This is stated after charging:

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Depreciation of owned fixed assets	4707	4535
Loss on disposal of fixed assets	1256	-
Hire of Equipment	-	230
Directors Remuneration	10120	2760

4 INTEREST PAYABLE

	<u>£</u>	<u>£</u>
On Bank Overdraft	-	1
On Late Payment of PAYE	55	8
	<u>55</u>	<u>9</u>
	===	===

AAT (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1998

5 TANGIBLE FIXED ASSETS

	<u>Fixtures Fittings & Equipment</u>	<u>Property Improvements</u>	<u>Leasehold Property</u>	<u>Total</u>
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
As at 1 June 1997	15374	2963	10708	29045
Additions	5654	-	-	5654
Disposal	(1712)	-	-	(1712)
As at 31 May 1998	19316	2963	10708	32987
=====				
<u>Depreciation</u>				
As at 1 June 1997	2306	444	1785	4535
Disposals	(256)	-	-	(256)
Charge for year	2590	377	1785	4752
As at 31 May 1998	4640	821	3570	9031
=====				
<u>Net Book Value</u>				
As at 31 May 1998	£ 14676	£ 2142	£ 7138	£ 23956
As at 31 May 1997	£ 13068	£ 2519	£ 8923	£ 24510
=====				

6 STOCKS

	<u>1998</u>	<u>1997</u>
Raw Materials	£ 525	£ 500
	=====	=====

7 DEBTORS

	<u>1998</u>	<u>1997</u>
Prepayments	£ 1311	1000
VAT Debtor	-	1585
	£ 1311	£ 2585
	=====	=====

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1998</u>	<u>1997</u>
Director's Account	3897	1093
Loan Account	1101	2014
Accruals	10374	4326
Vat Creditor	2089	-
	£ 17461	£ 7433
	=====	=====

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1998</u>	<u>1997</u>
Loan Account - Mr A Hogarth	£ 28510	£ 28510
	=====	=====

AAT (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1998

10 CALLED UP SHARE CAPITAL

	<u>1998</u>	<u>1997</u>
Authorised		
100 Ordinary shares of £1 each	£ 100	£ 100
	=====	=====
Allotted, issued and fully paid		
100 ordinary shares of £1 each	£ 100	£ 100
	=====	=====

11 RELATED PARTY TRANSACTIONS

The loan from Mr A Hogarth refers to interest free loans provided during the year by the brother of the company secretary.