

Co. No. 03249564

DO & CO INTERNATIONAL CATERING LIMITED

DIRECTOR'S REPORT

AND

FINANCIAL STATEMENTS

31ST MARCH, 2000



AGN **s h i p l e y s**
chartered accountants

DO & CO INTERNATIONAL CATERING LIMITED

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31ST MARCH, 2000

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DO & CO INTERNATIONAL CATERING LIMITED

COMPANY INFORMATION

Sole Director

A. Dogudan

Secretary and Registered Office

L. Harries
10 Orange Street,
Haymarket,
London WC2H 7DQ.

Auditors

AGN Shipleys
10 Orange Street,
Haymarket,
London WC2H 7DQ.

Bankers

Barclays Bank plc.,
Pall Mall Business Centre,
1 Pall Mall East,
London SW1Y 5AX.

DO & CO INTERNATIONAL CATERING LIMITED**DIRECTOR'S REPORT**

The director submits his report together with the audited financial statements of the company for the year ended 31st March, 2000.

ACTIVITIES, RESULTS AND FUTURE DEVELOPMENTS

The company's principal activity is the provision of catering services at sporting and entertainment events.

The results for the year are set out on page 5 of the accounts and relate predominantly to the provision of catering services at the Hanover ATP Tournament and for the European Motor Grand Prix. The director is confident that the company will continue to trade profitably in the forthcoming period.

On 31st March, 2000 a dividend of €51.28 per share was proposed.

The director does not recommend the payment of a further dividend.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is required by the Companies Act 1985 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for that period. The director considers that in preparing the financial statements the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and confirms that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The director is responsible for ensuring that the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and for ensuring that the financial statements comply with the Companies Act 1985. The director also has responsibility for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SOLE DIRECTOR AND HIS INTEREST

A. Dogudan was the only director of the company throughout the period.

The interests of A. Dogudan in the share capital of the ultimate parent undertaking, Do & Co Restaurant and Catering AG., a company registered in Austria, are noted in that company's financial statements.

YEAR 2000

There are risks and uncertainties associated with the new century and its effect on computer systems. Failure to address these could lead to difficulties in processing an organisation's financial and operational transactions, or even to total system failure.

The directors initiated a review of the effect on the company's operations of this problem, with a view to ensuring that appropriate steps were taken to ensure that the company's critical systems were able to operate effectively into the year 2000.

The total costs of the company's plans to upgrade its computer systems accordingly were not considered by the directors to be material to the financial position of the company.

The directors have treated these costs in the financial statements in accordance with generally accepted accounting practice in the UK.

DO & CO INTERNATIONAL CATERING LIMITED**DIRECTOR'S REPORT - CONTINUED****FIXED ASSETS**

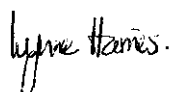
Significant movements in fixed assets are shown in note 9 to the accounts.

AUDITORS

Shipleys have changed their name and now practise under the name of AGN Shipleys; accordingly the audit report has been signed in that name.

A resolution to reappoint AGN Shipleys as auditors will be proposed at the next Annual General Meeting.

By Order of the Sole Director



L. Harries
Secretary

22 May, 2000



chartered accountants

AUDITORS' REPORT TO THE MEMBERS OF

DO & CO INTERNATIONAL CATERING LIMITED

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of director and auditors

As described on page 2 the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 judgements made by the director 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 as at 31st March, 2000 and of its profit and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'AGN shipleys', with a large, stylized flourish at the end.

Registered Auditors

24 May, 2000

DO & CO INTERNATIONAL CATERING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2000

	Notes	2000 €000's	1999 €000's
TURNOVER - continuing operations	2	15,430	13,857
COST OF SALES		<u>(11,093)</u>	<u>(9,335)</u>
GROSS PROFIT		4,337	4,522
ADMINISTRATIVE EXPENSES		<u>(1,039)</u>	<u>(1,719)</u>
OPERATING PROFIT - continuing operations		3,298	2,803
INTEREST RECEIVABLE	3	116	173
INTEREST PAYABLE	4	<u>(46)</u>	<u>(41)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	3,368	2,935
TAXATION	7	<u>(1,010)</u>	<u>(892)</u>
PROFIT AFTER TAXATION		2,358	2,043
DIVIDENDS PAID AND PROPOSED	8	<u>(1,000)</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		1,358	2,043
RETAINED PROFIT BROUGHT FORWARD		<u>2,650</u>	<u>607</u>
RETAINED PROFIT CARRIED FORWARD		<u>€4,008</u>	<u>€2,650</u>

The notes on pages 9 to 12 form part of these financial statements.

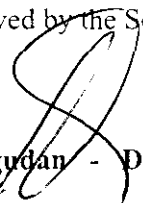
DO & CO INTERNATIONAL CATERING LIMITED

BALANCE SHEET

31ST MARCH, 2000

	Notes	2000 €000'S	1999 €000'S
FIXED ASSETS	9	260	15
CURRENT ASSETS			
Trade debtors		427	137
Amounts owed by group undertaking		7,799	3
Other debtors		238	215
Prepayments and accrued income		353	184
Cash at bank and in hand		921	5,491
		<u>9,738</u>	<u>6,030</u>
CREDITORS: Amounts falling due within one year			
Trade creditors		288	152
Amounts due to group undertakings		1,457	1,761
Corporation tax		1,010	923
Other taxes and social security		258	201
Other creditors		5	5
Proposed dividend		1,000	-
Accruals and deferred income		1,942	323
		<u>5,960</u>	<u>3,365</u>
NET CURRENT ASSETS		<u>3,778</u>	<u>2,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>€4,038</u>	<u>€2,680</u>
CAPITAL AND RESERVES			
Called up share capital	10	30	30
Profit and loss account		<u>4,008</u>	<u>2,650</u>
EQUITY SHAREHOLDERS' FUNDS		<u>€4,038</u>	<u>€2,680</u>

Approved by the Sole Director on 22 May, 2000


 A. Dogudan - Director

The notes on pages 9 to 12 form part of these financial statements.

DO & CO INTERNATIONAL CATERING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2000

	2000 €000's	1999 €000's
Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	3,298	2,765
Depreciation	42	5
Decrease in stock	-	4
(Increase)/decrease in debtors	(8,270)	22
Increase in creditors	1,500	1,750
Net cash (outflow)/inflow from operating activities	€(3,430)	€4,546
	=====	=====
CASH FLOW STATEMENT	€000's	€000's
Net cash (outflow)/inflow from operating activities	(3,430)	4,546
Returns on investment and servicing of finance (note 11)	70	170
Taxation	(923)	(207)
Capital expenditure and financial investment (note 11)	(287)	(11)
(Decrease)/increase in cash	€(4,570)	€4,498
	=====	=====
Reconciliation of net cash flow to movement in net funds (note 12)	€000's	€000's
(Decrease)/increase in cash in the period	(4,570)	4,498
Change in net funds	(4,570)	4,498
Net funds at 31st March, 1999	5,491	993
Net funds at 31st March, 2000	€921	€5,491
	=====	=====

DO & CO INTERNATIONAL CATERING LIMITED

OTHER PRIMARY FINANCIAL STATEMENTS

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST MARCH, 2000

The retained profit for the year was the only recognised gain or loss in the period.

HISTORICAL COST PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2000

All assets are stated in the financial statements at historical cost and thus no adjustments are required to the reported profit which is stated on an unmodified historical cost basis.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31ST MARCH, 2000

	2000 €000's	1999 €000's
Shareholders' funds brought forward	2,680	637
Profit for the financial year	2,358	2,043
Dividend proposed	(1,000)	-
Shareholders' funds carried forward	€4,038 =====	€2,680 =====

The notes on pages 9 to 12 form part of these financial statements.

DO & CO INTERNATIONAL CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST MARCH, 2000

1. ACCOUNTING POLICIES**1.1 Accounting Convention**

The financial statements have been prepared under the historical cost convention.

1.2 Depreciation of Fixed Assets

Depreciation has been provided at rates calculated to write off expenditure over the useful lives of the assets. The rates are applied on cost on a straight line basis.

Fixtures, plant and equipment - 25%

1.3 Foreign Exchange

Transactions denominated in foreign currencies are translated into Euro's and recorded at the rate ruling at the date of the transaction. Balances denominated in a foreign currency are translated into Euro's at the exchange rates ruling on the balance sheet date, any differences being taken to the profit and loss account.

2. TURNOVER

Turnover represents income derived from the company's principal activity after trade discounts and net of VAT and was contributed by geographical areas as follows:-

	2000 €000's	1999 €000's
United Kingdom	1,632	1,213
European Union	10,422	9,961
Other Europe	619	824
Rest of the World	2,757	1,859
	<u>15,430</u>	<u>13,857</u>
	=====	=====

3. INTEREST RECEIVABLE

Bank interest	116	173
	===	===

4. INTEREST PAYABLE

Bank interest	3	4
Bank charges	43	39
	<u>46</u>	<u>41</u>
	==	==

DO & CO INTERNATIONAL CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

31ST MARCH, 2000

**5. PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION**

2000 1999
€000's €000's

The profit is stated after charging/(crediting):-

Auditors' remuneration

- as auditors	25	18
- other services	31	-

Foreign exchange (gain)/loss	(638)	257
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Rental of equipment	1,974	1,399
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Depreciation - owned assets	42	5
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6. DIRECTOR AND EMPLOYEES

€000's €000's

Staff costs (including executive directors) arising
during the year amounted to:-

Wages and salaries	2,885	2,465
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Social Security costs	9	9
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The average number employed by the company was:-

Number Number

Administration	3	4
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Cost of sales - part time per event	404	186
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Staff costs include the following remuneration in respect of directors:-

Emoluments	-	-
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7. TAXATION

The charge for the year is made up as follows:

€000's €000's

United Kingdom corporation tax based on the profit for the year at 30%	1,010	923
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Over-provision in respect of prior year	-	(31)
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8. DIVIDENDS PAID AND PROPOSED

Proposed dividend	€1,000	€ -
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DO & CO INTERNATIONAL CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

31ST MARCH, 2000

9.	FIXED ASSETS	Fixtures and equipment €000's	
	Cost		
	At 1st April, 1999	23	
	Additions	<u>287</u>	
	At 31st March, 2000	<u>310</u>	
	Depreciation		
	At 1st April, 1999	8	
	Charge for the year	<u>42</u>	
	At 31st March, 2000	<u>50</u>	
	Net Book Value		
	At 31st March, 2000	<u>260</u>	
	At 31st March, 1999	<u>15</u>	
10.	SHARE CAPITAL	2000 €000's	
	Authorised		1999 €000's
	25,000 shares of £1 each	<u>38</u>	<u>38</u>
	Allotted, called up and fully paid		
	19,500 shares of £1 each	<u>30</u>	<u>30</u>
11.	GROSS CASH FLOW		
	Capital expenditure and financial investment	€000's	€000's
	Purchase of fixed assets	<u>287</u>	<u>11</u>
	Returns on investments and servicing of finance		
	Interest received	116	173
	Interest paid	<u>(46)</u>	<u>(3)</u>
		<u>70</u>	<u>170</u>

DO & CO INTERNATIONAL CATERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

31ST MARCH, 2000

12.	ANALYSIS OF CHANGES IN NET FUNDS	At 31st March, 1999 €000's	Cash Flow €000's	At 31st March, 2000 €000's
	Cash at bank and in hand	5,491 =====	(4,570) =====	921 =====

13. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY DISCLOSURES

The company's ultimate parent undertaking is Do & Co Restaurant & Catering A.G. a company registered in Austria.

The director has taken advantage of the exemption conferred by Financial Reporting Standard Number 8 Related Party Disclosures not to make disclosure of transactions and balances within the group on the grounds that the company is controlled as to more than 90% of its voting rights by Do & Co Restaurant & Catering AG.