

**DO & CO INTERNATIONAL CATERING LIMITED**

**DIRECTOR'S REPORT**

**AND**

**FINANCIAL STATEMENTS**

**31ST MARCH, 1997**



**s h i p l e y s**

*chartered accountants*

**DO & CO INTERNATIONAL CATERING LIMITED**

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**31ST MARCH, 1997**

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**DO & CO INTERNATIONAL CATERING LIMITED**

**COMPANY INFORMATION**

**Sole Director**

A. Dogudan

**Secretary and Registered Office**

St. James Services Limited  
10 Orange Street,  
Haymarket,  
London WC2H 7DQ.

**Auditors**

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 period ended 31st March, 1997.

### ACTIVITIES, RESULTS AND DIVIDENDS

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

The company was incorporated on 13th September, 1996 and started to trade shortly afterwards. The results for the year are set out on page 4 of the accounts and relate to the provision of catering services at the Hanover ATP tournament. The company has secured a contract for the provision of services for the European Motor Grand Prix and the director is confident that the company will continue to trade profitably in the forthcoming period.

The director does not recommend the payment of a dividend.

### STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year 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

The sole director who served during the period and his interests in the shares of the company is as follows:-

#### Ordinary Shares of £1 Each At 31st March, 1997

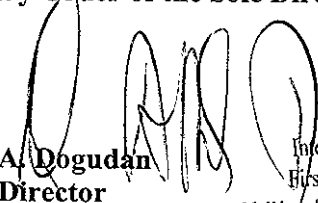
A. Dogudan (appointed 14th September, 1996)	19,500
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In addition, Ashcroft Nominees Limited served as director until their resignation on 14th September, 1996.

### AUDITORS

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

By Order of the Sole Director

 **DO & CO**  
International Catering Ltd.  
First Floor, Trafalgar House  
11 Waterloo Place, London SW1Y 4AU

- 9 SEP 1997

**s h i p l e y s**

*c h a r t e r e d   a c c o u n t a n t s*

10 Orange Street, Haymarket, London WC2H 7DQ

Telephone (0171) 312 0000   Facsimile (0171) 312 0022

**AUDITORS' REPORT TO THE MEMBERS OF  
DO & CO INTERNATIONAL CATERING LIMITED**

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**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, 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**SHIPLEYS**

**Registered Auditors**

12th September, 1997

## DO &amp; CO INTERNATIONAL CATERING LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST MARCH, 1997

	Notes	1997 £
TURNOVER - continuing operations	2	993,643
COST OF SALES		<u>(704,015)</u>
GROSS PROFIT		289,628
ADMINISTRATIVE EXPENSES		<u>(191,396)</u>
OPERATING PROFIT - continuing operations		98,232
INTEREST PAYABLE		(57)
INTEREST RECEIVABLE	3	<u>20</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4&5	98,195
TAXATION	6	<u>(29,990)</u>
RETAINED PROFIT FOR THE PERIOD		<u><u>£68,205</u></u>

The notes on pages 8 to 10 form part of these financial statements.

## DO &amp; CO INTERNATIONAL CATERING LIMITED

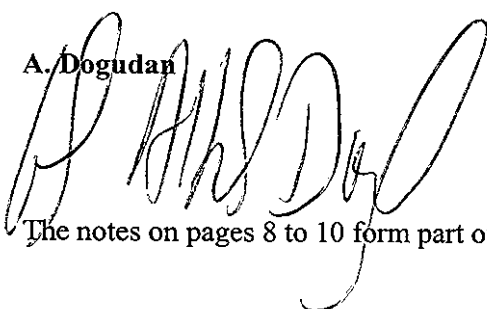
## BALANCE SHEET

31ST MARCH, 1997

	Notes	£	1997 £
<b>CURRENT ASSETS</b>			
Trade debtors		78,942	
Other debtors		38,446	
Prepayments and accrued income		7,992	
Cash at bank and in hand		<u>242,650</u>	
		368,030	
<b>CREDITORS: Amounts falling due within one year</b>			
Trade creditors		72,034	
Amounts due to related undertakings		152,007	
Corporation tax		29,990	
Other taxes		1,855	
Other creditors		1,030	
Accruals		<u>23,409</u>	
		280,325	
<b>NET CURRENT ASSETS</b>			<u>87,705</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£87,705</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7		19,500
Profit and loss account			<u>68,205</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>			<u>£87,705</u>

Approved by the Sole Director on - 9 SEP 1997

A. Dogudan



The notes on pages 8 to 10 form part of these financial statements.

## DO &amp; CO INTERNATIONAL CATERING LIMITED

## CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31ST MARCH, 1997

<b>Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>£</b>
Operating profit	98,232
Increase in debtors	(125,380)
Increase in creditors	<u>250,335</u>
Net cash inflow from operating activities	<u><u>£223,187</u></u>

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<b>CASH FLOW STATEMENT</b>	<b>£</b>
Net cash inflow from operating activities	223,187
Returns on investment and servicing of finance (note 8)	(37)
Financing (note 8)	<u>19,500</u>
Increase in cash	<u><u>£242,650</u></u>

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<b>Reconciliation of net cash flow to movement in net debt (note 9)</b>	<b>£</b>
Increase in cash in the period	242,650
Change in net debt	
Net debt at 31st March, 1997	<u>-</u>
Net funds at 31st March, 1997	<u><u>£242,650</u></u>



**DO & CO INTERNATIONAL CATERING LIMITED**  
**OTHER PRIMARY FINANCIAL STATEMENTS**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE PERIOD ENDED 31ST MARCH, 1997**

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

**HISTORICAL COST PROFIT AND LOSS**  
**FOR THE PERIOD ENDED 31ST MARCH, 1997**

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 PERIOD ENDED 31ST MARCH, 1997**

	1997 £
Profit for the financial period	68,205
Share capital issued	<u>19,500</u>
Shareholders' funds carried forward	<u><u>£87,705</u></u>

The notes on pages 8 to 10 form part of these financial statements.

## DO &amp; CO INTERNATIONAL CATERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31ST MARCH, 1997

**1. ACCOUNTING POLICIES****1.1 Accounting Convention**

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

**1.2 Stocks and Work in Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value.

**1.3 Foreign Exchange**

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate ruling at the date of the transaction. Balances denominated in a foreign currency are translated into sterling 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 and was contributed by geographical areas as follows:-

	1997 £
United Kingdom	-
European Union	951,783
Rest of the World	-
	<u>£951,783</u>

**3. INTEREST RECEIVABLE**

Bank interest	£20
	<u>==</u>

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

£

The profit is stated after charging:-

Auditors' remuneration	7,500
Foreign exchange loss	622
Rental of equipment	66,660
	<u>=====</u>

## DO &amp; CO INTERNATIONAL CATERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

31ST MARCH, 1997

<b>5. DIRECTORS AND EMPLOYEES</b>	<b>1997</b>
	<b>£</b>
Staff costs (including executive directors) arising during the year amounted to:-	
Wages and salaries	217,192
Social Security costs	<u>267</u>
	<u>£217,459</u>
The average number employed by the company was:-	<b>Number</b>
Administration	2
Cost of sales - part time	<u>245</u>
	<u>247</u>
Staff costs include the following remuneration in respect of directors:-	
Emoluments	<u>£ -</u>
<b>6. TAXATION</b>	<b>1997</b>
The charge for the year is made up as follows:	
United Kingdom corporation tax based on the profit for the year at 33%	<u>£29,990</u>
<b>7. SHARE CAPITAL</b>	
<b>Authorised</b>	
25,000 shares of £1 each	<u>£25,000</u>
<b>Allotted, called up and fully paid</b>	
19,500 shares of £1 each	<u>£19,500</u>
<b>8. GROSS CASH FLOW</b>	
<b>Returns on investments and servicing of finance</b>	<b>£</b>
Interest received	20
Interest paid	<u>(57)</u>
	<u>£37</u>
<b>Financing</b>	
Issue of ordinary share capital	<u>£19,500</u>

## DO &amp; CO INTERNATIONAL CATERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

31ST MARCH, 1997

9. ANALYSIS OF CHANGES IN NET DEBT	Cash Flow £	At 31st March, 1997 £
Cash at bank and in hand	242,650	242,650
Debt due within one year	-	-
	<u>£242,650</u>	<u>£242,650</u>

## 10. RELATED PARTY TRANSACTIONS

During the period the company made purchases on an arm's length basis from Do & Co Vienna, a company in which A. Dogudan has an interest.

	Value of Transactions in Year	Amounts Owed At 31st March, 1997
Do & Co Vienna	<u>£132,380</u>	<u>£152,007</u>