

Company Registration No. 2034313 (England and Wales)

KAYKEM FAST FOODS LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2005



KAYKEM FAST FOODS LIMITED

COMPANY INFORMATION

Directors	Mr K Ahmet Mrs B Ahmet
Secretary	Mrs B Ahmet
Company number	2034313
Registered office	11B High Road Essex CO1 1DA
Accountants	Munir Tatar & Associates 32 Willoughby Road London N8 OJG
Business address	11B High Road Essex CO1 1DA
Bankers	National Westminster Bank Plc Colchester Essex CO1 1DG

KAYKEM FAST FOODS LIMITED

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KAYKEM FAST FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2005

The directors present their report and financial statements for the year ended 31 August 2005.

Principal activities

The principal activity of the company continued to be that of carrying on the business as caterers. The directors consider the results for the year and the financial position at the end of the year to be satisfactory.

Directors

The following directors have held office since 1 September 2004:

Mr K Ahmet
Mrs B Ahmet

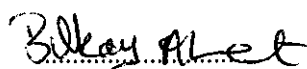
Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 August 2005	1 September 2004
Mr K Ahmet	500	500
Mrs B Ahmet	500	500

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


Mrs B Ahmet
Director
05/04/06

KAYKEM FAST FOODS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF KAYKEM FAST FOODS LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 August 2005, set out on pages 3 to 13 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Munir Tatar & Associates
Chartered Certified Accountants

05/04/06

32 Willoughby Road
London
N8 OJG

KAYKEM FAST FOODS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2005

	Notes	2005 £	2004 £
Turnover		2,422,514	2,600,745
Cost of sales		(662,193)	(710,559)
Gross profit		1,760,321	1,890,186
Distribution costs		(1,050,721)	(1,066,736)
Administrative expenses		(504,062)	(460,817)
Other operating income		275,142	214,669
Operating profit	2	480,680	577,302
Investment income	3	3,061	1,404
Other interest receivable and similar income	3	3,351	5,226
Amounts written off investments	4	-	(10,000)
Interest payable and similar charges	5	(235,386)	(181,106)
Profit on ordinary activities before taxation		251,706	392,826
Tax on profit on ordinary activities	6	(51,971)	(92,387)
Profit on ordinary activities after taxation		199,735	300,439
Dividends		(15,700)	(15,000)
Retained profit for the year	16	184,035	285,439

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

KAYKEM FAST FOODS LIMITED

BALANCE SHEET AS AT 31 AUGUST 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Intangible assets	7	62,599		67,881	
Tangible assets	8	6,583,997		6,043,515	
Investments	9	124,375		167,093	
		6,770,971		6,278,489	
Current assets					
Stocks		12,617		11,688	
Debtors	10	58,119		41,752	
Investments	11	75,645		89,370	
Cash at bank and in hand		275,305		152,104	
		421,686		294,914	
Creditors: amounts falling due within one year	12	(831,576)		(864,418)	
Net current liabilities		(409,890)		(569,504)	
Total assets less current liabilities		6,361,081		5,708,985	
Creditors: amounts falling due after more than one year	13	(3,655,346)		(3,187,285)	
		2,705,735		2,521,700	
Capital and reserves					
Called up share capital	15	1,000		1,000	
Profit and loss account	16	2,704,735		2,520,700	
Shareholders' funds - equity interests	17	2,705,735		2,521,700	

KAYKEM FAST FOODS LIMITED

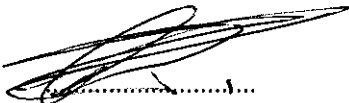
BALANCE SHEET (CONTINUED) AS AT 31 AUGUST 2005

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) 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 the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 05/04/06.



Mr K Ahmet
Director



Mrs B Ahmet
Director

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Nil
Land and buildings Leasehold	Nil
Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

No depreciation is provided in respect of freehold and leasehold land and buildings as it is company's policy to maintain these assets in a continual state of sound repair and accordingly the directors consider that the lives of these assets are so long and residual values so high, based on prices prevailing at the time of acquisition, that their depreciation is insignificant. However, any permanent diminution in the value of such properties below cost is charged to the profit and loss account as appropriate.

1.6 Investments

Fixed asset investments are stated at cost less any permanent diminution of value.

Current asset investments are stated at the lower of cost and net realisable value.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

2	Operating profit	2005	2004
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	5,282	5,282
	Depreciation of tangible assets	48,194	58,890
	Loss on disposal of tangible assets	3,434	-
	Directors' emoluments	88,400	68,000
	and after crediting:		
	Profit on disposal of tangible assets	-	(7,639)
		<u> </u>	<u> </u>
3	Investment income	2005	2004
		£	£
	Income from listed investments	476	1,404
	Profit on disposal of listed investments	2,585	-
	Bank interest	3,351	5,226
		<u> </u>	<u> </u>
		6,412	6,630
		<u> </u>	<u> </u>
4	Amounts written off investments	2005	2004
		£	£
	Amounts written off fixed asset investments:		
	Shares in Pupil line Limited (in liquidation)		10000
		<u> </u>	<u> </u>
5	Interest payable	2005	2004
		£	£
	Included in interest payable is the following amount:		
	Hire purchase interest	450	1,805
		<u> </u>	<u> </u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

6	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. corporation tax	51,996	92,387
	Adjustment for prior years	(73)	-
	Tax credits on franked investment income	48	-
		<u>51,971</u>	<u>92,387</u>
	Current tax charge		
		<u>51,971</u>	<u>92,387</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	251,706	392,826
		<u>251,706</u>	<u>392,826</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 30.00%)	47,824	117,848
		<u>47,824</u>	<u>117,848</u>
	Effects of:		
	Non deductible expenses	629	3,133
	Depreciation add back	10,183	16,960
	Capital allowances	(6,845)	(15,247)
	Other tax adjustments	180	(30,307)
		<u>4,147</u>	<u>(25,461)</u>
	Current tax charge	<u>51,971</u>	<u>92,387</u>
		<u>51,971</u>	<u>92,387</u>
7	Intangible fixed assets		
			Goodwill
			£
	Cost		
	At 1 September 2004 & at 31 August 2005		105,643
			<u>105,643</u>
	Amortisation		
	At 1 September 2004		37,762
	Charge for the year		5,282
			<u>43,044</u>
	At 31 August 2005		43,044
			<u>43,044</u>
	Net book value		
	At 31 August 2005		62,599
			<u>62,599</u>
	At 31 August 2004		67,881
			<u>67,881</u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

8 Tangible fixed assets

	Land and buildings	Other tangible fixed assets	Total
	£	£	£
Cost			
At 1 September 2004	5,765,773	859,658	6,625,431
Additions	581,757	13,353	595,110
Disposals	-	(20,330)	(20,330)
At 31 August 2005	6,347,530	852,681	7,200,211
Depreciation			
At 1 September 2004	-	581,916	581,916
On disposals	-	(13,896)	(13,896)
Charge for the year	-	48,194	48,194
At 31 August 2005	-	616,214	616,214
Net book value			
At 31 August 2005	6,347,530	236,467	6,583,997
At 31 August 2004	5,765,773	277,742	6,043,515

The net book value of other tangible fixed assets includes £- (2004- £19,968) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £- (2004- £6,656) for the year.

In December 2004, the company purchased the freehold premises at 2 Church Walk and 9-13 Crouch street, Colchester for £550000. The net book value of land and building represents: Freehold £6098279 (2004:£5516522) and Short Leasehold £249251(2004:£249251).

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

9 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost			
At 1 September 2004	50,000	117,093	167,093
Disposals	(42,718)	-	(42,718)
At 31 August 2005	7,282	117,093	124,375
Net book value			
At 31 August 2005	7,282	117,093	124,375
At 31 August 2004	50,000	117,093	167,093
	Market value £	Directors' valuation £	Total £
At 31 August 2005	13,035	60,000	73,035
At 31 August 2004	12,375	80,000	92,375

The listed investments represent shares in Dragon Oil Plc registered in Dublin, Ireland. The unlisted investments represent cost of vintage cars amounting to £102,093 and the cost of 7,500 ordinary shares in Silver Candy Ltd amounting to £15,000. During the year the company sold 42,718 shares in Dragon oil Plc.

10 Debtors	2005 £	2004 £
Other debtors	58,119	41,752
11 Current asset investments	2005 £	2004 £
Other investments	75,645	89,370
Market valuation of listed investments	29,538	45,000

The listed investments represent: 10,737 shares in Vodafone Plc and 33,333 share in Oxford Biomedica Plc. During the year the company sold 10,000 shares in Victoria Plc.

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

12 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	407,189	496,343
Net obligations under hire purchase contracts	-	2,250
Trade creditors	151,399	83,118
Taxation and social security	152,446	188,796
Other creditors	120,542	93,911
	<u>831,576</u>	<u>864,418</u>

The other creditors comprise: Directors' Loan account £49168 (2004: £4505) and Accrued expenses £71374 (2004: £89406).

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

13 Creditors: amounts falling due after more than one year	2005 £	2004 £
Bank loans	4,062,535	3,187,285
Net obligations under hire purchase contracts	(407,189)	-
	<u>3,655,346</u>	<u>3,187,285</u>
Analysis of loans		
Wholly repayable within five years	4,469,724	3,654,060
Included in current liabilities	(407,189)	(466,775)
	<u>4,062,535</u>	<u>3,187,285</u>
Loan maturity analysis		
In more than one year but not more than two years	407,189	3,138,212
In more than two years but not more than five years	1,221,567	27,900
In more than five years	<u>2,433,779</u>	<u>21,173</u>

Bank loans are secured as follows:- Mortgage debenture dated 24.11.94 over fixed and floating assets: Legal mortgage dated 09.06.95 over Burger King and Drive Thru unit, Copdock Mill, Copdock, Ipswich: Legal mortgage dated 05.11.03 over 54 High Street, Brentwood, Essex: Legal mortgage dated 19.07.00 over Freeport Designer Outlet Village, Chapel Hill, Braintree, Essex: Legal mortgage dated 02.07.01 over Freehold property at 37-41 High Street, Southend, Essex: Legal mortgage dated 12.12.02 over Freehold property at 11b High Street, Colchester, Essex: Legal mortgage over Freehold property known as 9/13 Crouch Street and 2 Church Walk, Colchester, Essex: Legal mortgage over 4 Rawstorn Road, Colchester, Essex.

Net obligations under hire purchase contracts

Included in liabilities falling due within one year	-	(2,250)
	<u>-</u>	<u>(2,250)</u>

14 Pension costs

Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	<u>14,372</u>	<u>13,567</u>

KAYKEM FAST FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2005

15	Share capital	2005	2004
		£	£
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	1,000	1,000
		<u> </u>	<u> </u>
16	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 September 2004		2,520,700
	Retained profit for the year		184,035
			<u> </u>
	Balance at 31 August 2005		2,704,735
			<u> </u>
17	Reconciliation of movements in shareholders' funds	2005	2004
		£	£
	Profit for the financial year	199,735	300,439
	Dividends	(15,700)	(15,000)
		<u> </u>	<u> </u>
	Net addition to shareholders' funds	184,035	285,439
	Opening shareholders' funds	2,521,700	2,236,261
		<u> </u>	<u> </u>
	Closing shareholders' funds	2,705,735	2,521,700
		<u> </u>	<u> </u>