

COMPANY NAME : PONTRALE LIMITED

COMPANY NUMBER: 2786896

FINANCIAL STATEMENTS

FOR THE YEAR END 31ST MAY, 1996

REGISTERED OFFICE:
Sedgwick Centre
1, Whitechapel High Street
London, E1 7PJ.



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COMPANIES HOUSE 21/03/97

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ANNUAL REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY, 1996

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PONTRALE LIMITED

DIRECTORS

Mrs. G.A. Khalil

Mr. K.A. Khalil

SECRETARY AND REGISTERED OFFICE

Mrs. G.A. Khalil
Pontrale Limited
Sedgwick Centre
1 Whitechapel High Street
London E1 7PJ.

AUDITOR

J.A. Vince (FCA-Registered Auditor)
28 Criffel Avenue
Streatham Hill
London SW2 4AZ.

11th March, 1997

REPORT OF THE AUDITORS
TO THE MEMBERS OF PONTRALE LIMITED

I have audited the financial statements on Pages 4 - 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

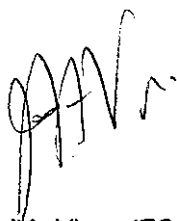
Basis of Opinion

I conducted my 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 judgments made by the directors 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements for the year ended 31st May, 1996 have been properly prepared in accordance with the requirements of the Companies Act 1985 applicable to small companies.



J.A. Vince (FCA-Registered Auditor)
28 Criffel Avenue,
Streatham Hill,
London, SW2 4AZ.

11th March, 1997

PONTRALE LIMITED
REPORT OF THE DIRECTORS

The Directors present their Report and the Financial Statements for the year ended 31st May, 1996.

Review of Activities

The principal activity of the Company during the Financial Year was the provision of Restaurant Services.

Results

The turnover for the period was 778,183 and the profit of the Company for the year was 72,324.

Company law requires the directors 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 and loss of the company for that period. In preparing those financial statements the directors are required to :

- a. select suitable accounting policies and then apply them consistently;
- b. make judgments and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. 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.

Dividend

The Directors recommend the payment of a dividend of £40,000.

Directors Interests

The interests of the director's in the share capital of the Company at the beginning and end of the Year were as follows:-

	<u>Ordinary Shares of £1 each</u>	
	<u>at 31.05.95</u>	<u>at 1.06.96</u>
Mrs. G.A. Khalil	99	99
Mr. K.A. Khalil	1	1

Auditor

The Auditor, J.A. Vince, will be proposed for re-appointment at the Annual General Meeting in accordance with Section 384(1) of the Companies Act 1985.

By Order of the Board

G.A. Khalil

Mrs. G.A. Khalil
Secretary

11th March, 1997

PONTRALE LIMITED T/A "PARCO'S" RESTAURANT
TRADING AND PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MAY 1996

	<u>Note</u>	<u>1996</u>	<u>1995</u>
Turnover	2	778,183	637,480
Cost of Sales	3	431,492	351,335
		<hr/> 346,691	<hr/> 286,145
Selling and Distribution Costs	4	57,747	41,726
Administrative Expenses	5	154,333	141,532
Depreciation	6	8,628	5,482
Director's Remuneration	7	55,594	46,722
		<hr/> 276,302	<hr/> 235,462
Operating Profit		70,389	50,683
Interest Receivable		1,935	362
Interest Payable		Nil	Nil
		<hr/> 72,324	<hr/> 51,045
Profit before Taxation		72,324	51,045
Taxation on Profit		17,910	13,465
		<hr/> 54,414	<hr/> 37,580
Profit After Taxation		54,414	37,580
Dividends		40,000	30,000
		<hr/> 14,414	<hr/> 7,580
Retained Profit for Year		14,414	7,580
Retained Profit - Brought Forward		9,112	1,532
		<hr/> 23,526	<hr/> 9,112
Retained Profit - Carried Forward		23,526	9,112

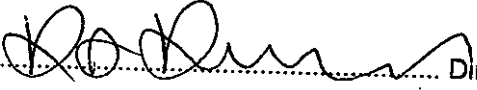
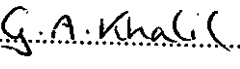
There are no recognised gains or losses other than those included in the Profit and Loss Account.

11th March, 1997

PONTRALE LIMITED
BALANCE SHEET AS AT 31ST MAY, 1996

	<u>Note</u>	<u>1996</u>	<u>1995</u>
FIXED ASSETS	8	50,941	43,838
CURRENT ASSETS	9	145,981	97,167
LESS : CREDITORS - Amounts falling due within one year	10	130,796	104,293
NET CURRENT LIABILITIES		15,185	(7,126)
TOTAL ASSETS LESS CURRENT LIABILITIES		66,126	36,712
LESS : CREDITORS - Amounts falling due after one year	11	42,500	27,500
NET ASSETS		23,626	9,212
CAPITAL & RESERVES :			
SHARE CAPITAL - Issued & Fully Paid	12	100	100
PROFIT & LOSS ACCOUNT		23,526	9,112
SHAREHOLDERS' FUND		23,626	9,212

The Directors have taken advantage of the exemptions conferred by Part 1 and Section A of Part 8 of Schedule 8 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of these exemptions as a small company.

K.A. Khalil  Director
G.A. Khalil  Director

11th March, 1997

PONTRALE LIMITED

NOTES TO ACCOUNTS

1. ACCOUNTING POLICIES

- a) The accounts have been prepared under the historical cost convention, in accordance with applicable accounting standards
- b) Stocks : These have been valued at the lower cost or net realisable value.
- c) Depreciation is calculated to write off the cost of assets over the expected useful life as below:

Fixtures, Fittings and Equipment : at a rate of 20% p.a. on straight line basis.

Motor Car : at a rate of 25% p.a. on straight line basis.

Leasehold premises : straight line basis over the period of 17 years.

- d) Turnover represents the amounts invoiced by the Company net of Value Added Tax.

	1996	1995
2. TURNOVER		
being the proceeds from restaurant services.	778,183	637,480
3. COST OF SALES		
Purchases (Net of stocks)	246,151	196,652
Direct Wages	185,341	154,683
	431,492	351,335
4. SELLING AND DISTRIBUTION COSTS		
Advertising	12,027	12,728
Music, Band and Entertainment	18,047	6,493
Floral and Decorations	2,267	2,586
Napkins, Cleaning, Laundry & Uniforms	11,552	11,267
Cutlery & Tableware	4,495	2,344
Printing, Postage and Stationery	7,383	4,412
Transport and Travelling	2,006	1,896
	57,747	41,726

Notes to Accounts (Continued)

5. ADMINISTRATION EXPENSES

Salaries	-	-
Rent & Rates	102,827	91,465
Light & Heat	9,544	8,038
Telephone	2,194	2,119
Insurance	1,730	2,207
Repairs & Renewals & Maintenance	12,502	14,091
Licences & Membership Fees	987	455
Motor Expenses	496	359
General Expenses	2,253	2,682
Accountancy	575	1,105
Audit Fees	1,475	1,320
Legal Expenses	4,202	3,848
Bank Charges	2,440	1,871
Credit Card Charges	13,108	11,972
	<u>154,333</u>	<u>141,532</u>

6. DEPRECIATION & AMORTISATION

Fixtures and Fittings	5,008	1,990
Office Equipment	472	344
Leasehold Premises	2,285	2,285
Motor Car	863	863
	<u>8,628</u>	<u>5,482</u>

7. DIRECTOR'S REMUNERATION

Salaries and National Insurance	55,091	46,219
Director's Pension	503	503
	<u>55,594</u>	<u>46,722</u>

- a) The emoluments of the Directors fell under the following range:-

	<u>Number</u>
£20,000 - £30,000	2
Emoluments of the Chairman	£24,996
Emoluments of the other Director	£24,996

- b) The average number of employees during the year was 25.

Notes to Accounts (Continued)

8. FIXED ASSETS

	<u>Leasehold Premises</u>	<u>Fixtures & Fittings</u>	<u>Office Equipment</u>	<u>Motor Car</u>	<u>Total</u>
Cost or Valuation: 1.06.95	38,822	9,949	1,718	3,450	53,939
Addition		15,091	640		15,731
	38,822	25,040	2,358	3,450	69,670
Depreciation to date	6,855	8,988	1,160	1,726	18,729
NET BOOK VALUE 31.5.96	31,967	16,052	1,198	1,724	50,941

9. CURRENT ASSETS

Stocks	16,537	14,100
Trade Debtors	19,950	17,836
Sundry Debtors	5,319	3,817
Cash at Bank	101,672	59,086
Cash in Hand	2,503	2,328
	145,981	97,167

10. CURRENT LIABILITIES

Creditors falling due within one year

Trade Creditors	40,812	25,569
Sundry Creditors	9,845	11,536
Income Tax	4,378	4,267
Corporation Tax	7,882	5,909
Advanced Corporation Tax	9,600	7,500
Value Added Tax	18,279	19,512
Dividends	40,000	30,000
	130,796	104,293

11. CREDITORS FALLING DUE AFTER ONE YEAR

Director's Loan Account	42,500	27,500
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12. SHARE CAPITAL

Authorised - 10,000 Ordinary Shares of £1 each
 Issued - 100 Ordinary Shares of £1 each fully paid

PONTRALE LIMITED
CORPORATION TAX COMPUTATION
FOR THE PERIOD
1.06.95 TO 31.05.96

Profit as per Accounts	72,324
Less Interest	<u>1,935</u>
	70,389
Depreciation & Amortisation	8,628
	<u>-----</u>
	79,017
Capital Expenses	6,175
	<u>-----</u>
Profit Chargeable to Corporation Tax	72,842
	<u>-----</u>
Corporation Tax @ 24%	17,482
	<u>-----</u>
Plus Interest from advanced corporation tax	428
	17,910

11th March, 1997