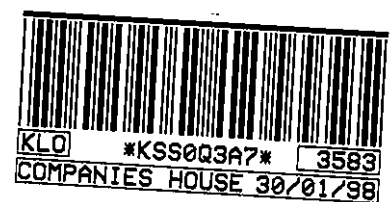


CO NO: 2679680

BAMSPED INTERNATIONAL LIMITED

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997



BAMSPED INTERNATIONAL LIMITED

INDEX TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

Page

1	Company Information
2	Directors Report
4	Profit and Loss Account
6	Balance Sheet
7-11	Notes to the Accounts
12	Cashflow Statement
13	Notes to the Cashflow Statement
14	Auditors Report
15	Trading Profit and Loss Account

BAMSPED INTERNATIONAL LIMITED

Registered in England
on 21 January 1992
Number 2679680

COMPANY INFORMATION

CHAIRMAN	R E Mulayim
REGISTERED OFFICE	62-65 Link House New Covent Garden Market Nine Elms London SW8 5PA
DIRECTORS	R E Mulayim M Almaz
SECRETARY	Z O Mulayim
AUDITORS	Michael Kapnisi & Company Marlowe House 109 Station Road Sidcup Kent DA15 7ET
BANKERS	Lloyds Bank Plc 9 Market Square Bromley Kent BR1 1ND

BAMSPED INTERNATIONAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 1997

The directors submit their report together with the audited financial statements for the year ended 31 March 1997.

Results and Dividends

The trading profit for the year after taxation was £29,540, it has been transferred to reserves.

The directors do not recommend the payment of a dividend.

Principle Activities and Business Review

The principal activity of the company is that of fruit importers, distributors and wholesalers.

The directors expect the company's turnover to continue to increase during the forthcoming year and are satisfied with its state of affairs at the period end.

Fixed Assets

The changes in fixed assets during the year are summarised in the notes to the accounts.

Directors and their Interests in Shares

The Directors who served during the year and their interests, together with the interests of their families, in the share capital of the company were as follows:

	Ordinary Shares of £1 each	
	31 March 1997	1 April 1996
R E Mulayim	-	-
M Almaz	-	-

and in group companies were as follows:

	Ordinary Shares of 1800000 Turkish Lira each	
	31 March 1997	1 April 1996
Bamex Foreign Trade and Food Industry Co SA A company incorporated in Turkey		
R E Mulayim	200	200

BAMSPED INTERNATIONAL LIMITED

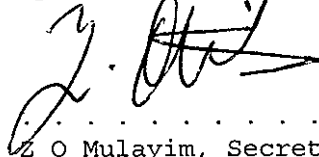
DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 1997

Auditors

The Auditors, Messrs Michael Kapnisi & Company, Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By Order of the Board

A handwritten signature in dark ink, appearing to be 'Z. O. Mulayim', written over a series of horizontal dotted lines.

Z O Mulayim, Secretary

29 January 1998

Date

BAMSPED INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

	Notes	<u>1997</u> £	<u>1996</u> £
<u>TURNOVER - CONTINUING OPERATIONS</u>		12,605,616	11,965,674
Cost of sales		<u>12,281,923</u>	<u>11,671,079</u>
<u>GROSS PROFIT</u>		323,693	294,595
Net operating expenses	2	<u>283,495</u>	<u>186,307</u>
<u>OPERATING PROFIT ON CONTINUING OPERATIONS</u>		40,198	108,288
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		<u>40,198</u>	<u>108,288</u>
Tax on profit on ordinary activities	4	<u>10,658</u>	<u>40,767</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		29,540	67,521
Balance brought forward		<u>173,812</u>	<u>106,291</u>
<u>RETAINED PROFIT CARRIED FORWARD</u>		<u>£ 203,352</u>	<u>£ 173,812</u>

The notes on pages 7 to 11 form part of these financial statements.

BAMSPED INTERNATIONAL LIMITED

NOTES TO THE PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 1997

	<u>1997</u> £	<u>1996</u> £
<u>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</u>		
Profit for the financial year	<u>29,540</u>	<u>67,521</u>
Total recognised gains and losses since last annual report	<u>£ 29,540</u>	<u>£ 67,521</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

Reported profit on ordinary activities before taxation	<u>40,198</u>	<u>108,288</u>
Historical cost profit on ordinary activities before taxation	<u>£ 40,198</u>	<u>£108,288</u>
Historical cost profit for the year Retained after taxation, extraordinary items and dividends	<u>£ 29,540</u>	<u>£ 67,521</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

Profit for the financial year	<u>29,540</u>	<u>67,521</u>
Net additions to shareholder's funds	<u>29,540</u>	<u>67,521</u>
Opening shareholder's funds	<u>174,812</u>	<u>107,291</u>
Closing shareholder's funds	<u>£204,352</u>	<u>£174,812</u>

BAMSPED INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 MARCH 1997

	Notes	<u>1997</u> £	<u>1996</u> £
<u>FIXED ASSETS</u>			
Tangible assets	5	<u>16,478</u>	<u>6,175</u>
<u>CURRENT ASSETS</u>			
Stocks	6	61,686	42,242
Debtors	7	1,437,776	1,336,884
Cash at bank and in hand		<u>380,596</u>	<u>270,663</u>
		1,880,058	1,649,789
CREDITORS: amounts falling due within one year	8	<u>1,691,193</u>	<u>1,480,797</u>
<u>NET CURRENT ASSETS</u>		<u>188,865</u>	<u>168,992</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>205,343</u>	<u>175,167</u>
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>			
Deferred taxation	9	<u>991</u>	<u>355</u>
<u>NET ASSETS</u>		<u>£ 204,352</u>	<u>£ 174,812</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	10	1,000	1,000
Profit and loss account		<u>203,352</u>	<u>173,812</u>
		<u>£ 204,352</u>	<u>£ 174,812</u>

.....)
R/E Mulayim)

.....)
M Almaz)

DIRECTORS

Approved on 29 January 1998

The notes on pages 7 to 11 form part of these financial statements.

BAMSPED INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

1. ACCOUNTING POLICIES

(a) Accounting Convention

The accounts have been prepared on the basis of historical costs.

(b) Turnover

Turnover represents the amount invoiced by the company in the normal course of business for goods supplied or services provided, excluding Value Added Tax.

(c) Depreciation

Depreciation has been charged on the reducing balance basis, except where stated, at rates calculated to write off the assets over their estimated useful lives as follows:

Fixtures Fittings and Equipment - 15 %

(d) Stocks

Stock and work in progress is valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

(e) Deferred Taxation

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences, except for those which are not expected to crystallise in the foreseeable future.

2. OPERATING PROFIT

	<u>1997</u> £	<u>1996</u> £
Net operating expenses for the year are:		
Administrative expenses	286,751	186,916
Other income	(3,256)	(609)
	<u>£283,495</u>	<u>£186,307</u>

BAMSPED INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

2. OPERATING PROFIT (Continued)

(a) This is stated after charging
or crediting:

	<u>1997</u> £	<u>1996</u> £
Directors remuneration	108,467	64,467
Auditors remuneration - audit work	1,200	1,150
Auditors remuneration - non-audit work	8,838	9,116
Depreciation	2,907	1,089

	<u>1997</u> £	<u>1996</u> £
(b) Directors remuneration		
Directors remuneration	98,500	58,500
Directors national insurance contributions	9,967	5,967
	<u>£108,467</u>	<u>£64,467</u>

The emoluments of the chairman were £88,080 (1996 £44,080) and of the highest paid director £20,387 (1996 £20,387), both excluding pension contributions.

3. STAFF COSTS (INCLUDING DIRECTORS)

	<u>1997</u> £	<u>1996</u> £
Wages and salaries	116,804	58,500
Social security costs	9,967	5,967
	<u>£126,771</u>	<u>£64,467</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1997</u> £	<u>1996</u> £
Based on the profit for the year:		
Corporation tax at 33%	9,667	34,046
Deferred taxation	991	355
Taxation over provided in Respect of previous years	-	6,366
	<u>£10,658</u>	<u>£40,767</u>

BAMSPED INTERNATIONAL LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997****5. TANGIBLE FIXED ASSETS**

	<u>Fixtures Fittings and Equipment</u>
	£
COST	
At 1 April 1996	8,427
Additions	13,230
Disposals	(20)
	<hr/>
At 31 March 1997	21,637
	<hr/>
DEPRECIATION	
At 1 April 1996	2,252
Charge for year	2,907
	<hr/>
At 31 March 1997	5,159
	<hr/>
NET BOOK VALUE	
At 31 March 1997	£ 16,478
	<hr/>
At 31 March 1996	£ 6,175
	<hr/>

6. STOCKS

	<u>1997</u>	<u>1996</u>
	£	£
Goods for re-sale	61,686	42,242
	<hr/>	<hr/>
	£61,686	£42,242
	<hr/>	<hr/>

7. DEBTORS

	<u>1997</u>	<u>1996</u>
	£	£
Trade debtors	1,433,072	1,333,424
Prepayments	4,704	3,460
	<hr/>	<hr/>
	£1,437,776	£1,336,884
	<hr/>	<hr/>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1997</u>	<u>1996</u>
	£	£
Bank loans and overdrafts	2,429	-
Trade creditors	1,622,823	1,418,303
Current corporation tax	9,366	40,110
Other taxes and social security	23,260	1,827
Other creditors	28,730	15,827
Accruals and deferred income	4,585	4,730
	<hr/>	<hr/>
	£1,691,193	£1,480,797
	<hr/>	<hr/>

BAMSPED INTERNATIONAL LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997****9. DEFERRED TAXATION**

Deferred taxation provided in the accounts and the full potential provision calculated on the liability method at a rate of 33% are as follows:

	<u>PROVISION</u>		<u>POTENTIAL</u>	
	<u>1997</u>	<u>1996</u>	<u>1997</u>	<u>1996</u>
	£	£	£	£
Accelerated capital allowances	991	355	(355)	(355)
Other timing differences	-	-	-	-
	<u>991</u>	<u>355</u>	<u>(355)</u>	<u>(355)</u>
Taxation losses amounting to £-	-	-	-	-
	<u>991</u>	<u>355</u>	<u>(355)</u>	<u>(355)</u>
Revaluation of property	-	-	-	-
Less: Advance corporation tax	-	-	-	-
TOTAL	£ 991	£ 355	£ (355)	£ (355)

10. SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
Authorised		
10,000 ordinary shares of £1 each	<u>£10,000</u>	<u>£10,000</u>
Allotted issued and fully paid		
1,000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>

11. RELATED PARTY TRANSACTIONS

During the year, purchases amounting to £9,114,230 were made from Bamex Foreign Trade and Food Industry Co S.A., the company's ultimate holding company. The company also made sales to Bamtrans GMBH amounting to £19,360. R E Mulayim, a director of this company, is also a director of Bamtrans GMBH and has a 40% interest in the ordinary share capital of that company. All transactions were conducted at market rates.

12. CONTROLLING PARTY

The company was controlled throughout the year by Bamex Foreign Trade and Food Industry Co SA, a company incorporated in Turkey, who own 60% of the company's ordinary share capital.

BAMSPED INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

13. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Bamex Foreign Trade and Food Industry Co SA, a company incorporated in Turkey.

14. DIRECTORS STATEMENT

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 the period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 keeping 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 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

BAMSPED INTERNATIONAL LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 1997

	Notes	<u>1997</u> £	<u>1996</u> £
<u>NET CASH INFLOW FROM OPERATING</u> <u>ACTIVITIES</u>	1	158,224	95,684
<u>RETURNS ON INVESTMENTS AND</u> <u>SERVICING OF FINANCE</u>			
Interest received		<u>3,256</u>	<u>609</u>
<u>Net cash inflow from returns on investments and</u> <u>servicing of finance</u>		3,256	609
<u>TAXATION</u>			
Corporation tax paid		<u>(40,766)</u>	<u>(30,497)</u>
<u>Tax paid</u>		(40,766)	(30,497)
<u>INVESTING ACTIVITIES</u>			
Payments to acquire tangible fixed assets		<u>(13,230)</u>	<u>(4,289)</u>
Receipts from sales of tangible fixed assets		<u>20</u>	<u>-</u>
<u>Net cash outflow from investing activities</u>		<u>(13,210)</u>	<u>(4,289)</u>
<u>Net cash inflow before financing</u>		107,504	61,507
<u>FINANCING</u>			
<u>Increase in cash and cash equivalents</u>		<u>£107,504</u>	<u>£61,507</u>

BAMSPED INTERNATIONAL LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 1997

1. RECONCILIATION OF OPERATING PROFIT TO NET
CASH INFLOW FROM OPERATING ACTIVITIES

	<u>1997</u>	<u>1996</u>
	£	£
Operating profit	36,942	107,679
Depreciation charges	2,907	1,089
(Increase)/decrease in stock	(19,444)	32,425
(Increase)/decrease in debtors	(100,892)	65,597
Increase/(decrease) in creditors	238,711	(111,106)
Net cash inflow from operating activities	<u>£158,224</u>	<u>£ 95,684</u>

2. ANALYSIS OF CHANGES OF CASH AND
CASH EQUIVALENTS DURING THE YEAR

	£
Balance at 1 April 1996	270,663
Net cash inflow	109,933
Balance at 31 March 1997	<u>£380,596</u>

3. ANALYSIS OF THE BALANCES OF CASH AND THE CASH
EQUIVALENTS AS SHOWN ON THE BALANCE SHEET

	<u>1997</u>	<u>1996</u>	<u>Change in year</u>
	£	£	£
Cash at bank and in hand	380,596	270,663	109,933
Bank overdrafts	-	-	-
	<u>£ 380,596</u>	<u>£ 270,663</u>	<u>£ 109,933</u>

4. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	<u>Share capital (including premium)</u>	<u>Loans and finance lease obligations</u>
	£	£
Balance at 1 April 1996	1,000	-
Cash inflow/(outflow) from financing	-	-
Balance at 31 March 1997	<u>£ 1,000</u>	<u>-</u>

BAMSPED INTERNATIONAL LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

Respective responsibilities of the directors and auditors

As described on page 11 the company's directors are responsible for the preparation of the 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 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.

We planned and performed our audit so as to obtain all information and explanations which we consider 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 the 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 31 March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

30.1.98

Marlowe House
109 Station Road
Sidcup
Kent
DA15 7ET



Michael Kapnisi & Company
Chartered Accountants
& Registered Auditors