

CELTIC CATERING PARTNERSHIP LIMITED

No. 3858607

FINANCIAL ACCOUNTS

FOR THE YEAR ENDED

DECEMBER 31, 2001

CLINE, TALBOT & Co.
Chartered Certified Accountants



CELTIC CATERING PARTNERSHIP LIMITED

DECEMBER 31, 2001

DIRECTORS REPORT

The director submits his report and accounts for the year ended December 31, 2001.

RESULTS AND DIVIDENDS

The trading results for the year are shown on page 4.

The Directors recommend that no dividend be paid.

REVIEW OF THE BUSINESS

The company's principal activity during the year was that of the provision of contract catering facilities to the business industry and health care organisations.

Turnover amounted to £1,247,618. The director is pleased with his efforts to secure a further 12 contracts during the year. Administrative expenses have significantly increased during the year in order to cope with the rapid expansion of the company. There were also additional one-off costs with regard to marketing expenses (£25,650) and legal costs (£6922). Marketing expenses related to the costs associated in obtaining the new contracts, the benefits of which will be realised in the forthcoming year. Legal costs related to an industrial tribunal which was settled out of court and the case was closed.

FUTURE DEVELOPMENTS

The director anticipated to secure a further 10 contracts in the forthcoming year. This had already been achieved at date of the directors report.

FIXED ASSETS

Movement in fixed assets are shown in note 7 to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors during the year and their interests in the share capital of the company at the year end were as follows :

	December 31	
	2001	2000
S.J. Williams	1	1

CELTIC CATERING PARTNERSHIP LIMITED

DECEMBER 31,2001

DIRECTORS REPORT (CONTINUED)

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit and loss of the company for that period. In preparing for 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;
- 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to reappoint Cline, Talbot & Co. as auditors will be put to the members at the Annual General Meeting.

By order of the board



Mrs. S.D. Williams
Secretary
October 22, 2002

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS OF CELTIC CATERING PARTNERSHIP LIMITED

We have audited the financial statements on pages 4 to 9 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 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 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 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 December 31, 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

48 Talbot Road,
Talbot Green,
Pontyclun,
Mid Glamorgan.
October 25, 2002

A handwritten signature in dark ink, reading "Clive Talbot" followed by a stylized flourish or initials.

CLINE, TALBOT & CO.
Chartered Certified Accountants
& Registered Auditors

CELTIC CATERING PARTNERSHIP LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

DECEMBER 31,2001

		2001	2000
	Note	£	£
Turnover	1	1247618	560366
Cost of sales		1128710	523412
Gross Profit		<u>118908</u>	<u>36954</u>
Administrative expenses		144578	62618
Operating profit/(loss)	2	<u>-25670</u>	<u>-25664</u>
Other interest receivable		325	226
Interest payable and similar charges	4	<u>3467</u>	<u>79</u>
		-3142	147
Profit/(loss) on ordinary activities before taxation		<u>-28812</u>	<u>-25517</u>
Tax on profit/(loss) on ordinary activities	5	0	0
Profit/(loss) for the financial year after taxation		<u>-28812</u>	<u>-25517</u>
Dividends	6	0	0
Profit/(loss) for the financial year		<u>-28812</u>	<u>-25517</u>
Retained profit/(loss) brought forwards		-25517	0
Retained profit/(loss) carried forwards		<u><u>-54329</u></u>	<u><u>-25517</u></u>

Total recognised gains and losses

The company has no recognised gains and losses other than the profit or loss for the two financial years.

Continuing operations

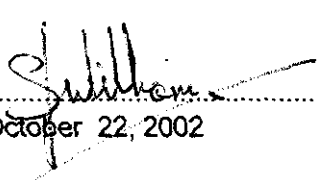
None of the company's activities were acquired or discontinued during the above two financial years.

The notes on pages 6 to 10 form part of these accounts

CELTIC CATERING PARTNERSHIP LIMITED

BALANCE SHEET AS AT

DECEMBER 31, 2001

	Note	£	2001 £	2000 £
Fixed Assets				
Tangible	7		8475	<u>2816</u>
Current Assets				
Stock	8	19798		3328
Debtors	9	89830		44914
Cash at bank and in hand		19092		25111
		<u>128720</u>		<u>73353</u>
CREDITORS: Amounts falling due within one year	10	191523		101685
Net Current Assets/(Liabilities)			<u>-62803</u>	<u>-28332</u>
			<u>-54328</u>	<u>-25516</u>
Capital and Reserves				
Called up share capital	12		1	1
Profit and loss account	13		-54329	-25517
  Director October 22, 2002				
Shareholders funds	13		<u>-54328</u>	<u>-25516</u>

The notes on pages 6 to 9 form part of these accounts

CELTIC CATERING PARTNERSHIP LIMITED

DECEMBER 31,2001

NOTES TO THE ACCOUNTS

1.Accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value of each asset over its expected useful life as follows:

Fixtures,Fittings & Equipment	-	15%
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Stocks

Stocks are stated at the lower of cost and net realisable value.

Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, and is stated net of value added tax.

Turnover is attributable to one continuing activity,the provision of contract catering facilities to the business industry and health care organisations.

Deferred Taxation

No provision for deferred taxation is made in the financial statements as the directors are of the opinion that no liability will arise on timing differences in the foreseeable future .

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

CELTIC CATERING PARTNERSHIP LIMITED
DECEMBER 31, 2001

NOTES TO THE ACCOUNTS (CONTINUED)

2. Operating (loss)/profit

a) This is stated after charging or crediting:

	2001 £	2000 £
Directors remuneration	44343	34329
Depreciation of owned fixed assets	1584	497
Depreciation of assets held under hire purchase contracts	0	0

b) Directors' remuneration(excluding pension contributions)

Chairman	44343	34329
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Other Directors'	0	0
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3. Staff costs

	2001 £	2000 £
Wages and salaries	460574	222750
Social security costs	28118	12222
	488692	234972

The average number of employees (including directors) during the year was made up as follows:

	2001 No.	2000 No.
Management	1	1
Administration	7	1
Catering staff	61	58
	69	60

4. Interest payable and similar charges

	2001 £	2000 £
Bank charges	3467	79
	3467	79

CELTIC CATERING PARTNERSHIP LIMITED
DECEMBER 31,2001

NOTES TO THE ACCOUNTS (CONTINUED)

5.Taxation

	2001	2000
	£	£
Based on the profit for the year:		
Corporation tax at 20%	0	0
Corporation tax overprovided in previous year	0	0
	<u>0</u>	<u>0</u>

6.Dividends

	2001	2000
	£	£
Ordinary - interim paid	<u>0</u>	<u>0</u>

7.Fixed Assets

	Total	Catering Equipment	Fixtures & Fittings
	£	£	£
Cost at 1.1.01	3313	123	3190
Additions	7243	4129	3114
Disposals	0	0	0
At 31.12.01	<u>10556</u>	<u>4252</u>	<u>6304</u>
Depreciation at 1.1.01	497	18	479
Charge for the year	1584	638	946
Disposals	0	0	0
At 31.12.01	<u>2081</u>	<u>656</u>	<u>1425</u>
Net book value: At 31.12.01	<u>8475</u>	<u>3596</u>	<u>4879</u>
At 31.12.00	<u>2816</u>	<u>105</u>	<u>2711</u>

8.Stock

	2001	2000
	£	£
Raw materials & consumables	19798	3328
	<u>19798</u>	<u>3328</u>

CELTIC CATERING PARTNERSHIP LIMITED
DECEMBER 31,2001

NOTES TO THE ACCOUNTS (CONTINUED)

9.Debtors	2001	2000
	£	£
Trade debtors	84487	44914
Other debtors and prepayments	5343	0
	<u>89830</u>	<u>44914</u>

10.Creditors:Amounts falling due within one year

	2001	2000
	£	£
Bank overdraft	59636	27759
Trade creditors	89779	53676
Corporation tax	0	0
Other taxes and social security	38651	17500
Other creditors and accruals	3457	2750
	<u>191523</u>	<u>101685</u>

The bank overdraft represents a cash book balance and as such the company does not operate an overdraft facility.

11.Called up share capital

	2001	2000
	£	£
Authorised ordinary shares of £1 each	<u>1</u>	<u>1</u>
Issued and fully paid of £1 each	<u>1</u>	<u>1</u>

13.Shareholders funds

Reconciliation of movement on shareholders funds:	2001	2000
	£	£
At 1.1.01	-25516	0
Profit/(loss) in the year	-28812	-25517
Dividends	0	0
Issue of shares	0	1
At 31.12.01	<u>-54328</u>	<u>-25516</u>

14. Related party transactions

Loans to Directors

During the year the company lent £2800 to S Williams to assist in the purchase of a vehicle. The loan was unsecured, interest free and repaid in full after the year end.

15 Opening Balances

The opening balances and comparative figures have not been audited as the Company was exempt under the Companies Act 1985.