

SME FAST FOODS LIMITED

**ABBREVIATED
FINANCIAL STATEMENTS**

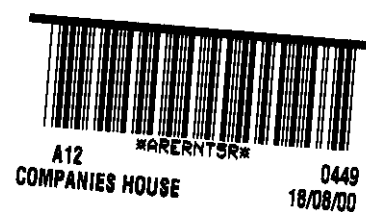
**FOR THE YEAR ENDED
26 MARCH 2000**

REGISTERED NUMBER: 02180521



K L A

Chartered Accountants



SME FAST FOODS LIMITED

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 MARCH 2000

Contents	Pages
Company information	1
Auditors' report	2
Balance sheet	3
Notes to the abbreviated financial statements	4 - 6

SME FAST FOODS LIMITED

COMPANY INFORMATION
AT 26 MARCH 2000

DIRECTORS

Mr. M F Esmail
Mrs. S B Esmail

SECRETARY

Mrs. S B Esmail

REGISTERED OFFICE

145 Uxbridge Road
Money Hill
Rickmansworth
Herts WD3 2DW

AUDITORS

Kassim-Lakha Abdulla & Co
Chartered Accountants
KLACO House
28-30 St. John's Square
London
EC1M 4DN

PRINCIPAL BANKERS

The Royal Bank of Scotland Plc.

SME FAST FOODS LIMITED

AUDITORS' REPORT TO THE COMPANY PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 26 March 2000.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with those provisions.



Kassim-Lakha Abdulla & Co
Chartered Accountants
Registered Auditors
KLACO House
28-30 St. John's Square
London
EC1M 4DN

Date: 10 August 2000

SME FAST FOODS LIMITED**ABBREVIATED BALANCE SHEET
AT 26 MARCH 2000**

		2000	1999
	Notes	£	£
FIXED ASSETS	2		
Intangible assets		85,250	92,750
Tangible assets		946,083	973,649
Investments		211,313	211,313
		<u>1,242,646</u>	<u>1,277,712</u>
CURRENT ASSETS			
Stocks		6,060	4,619
Debtors		75,094	75,128
Cash at bank and in hand		86,903	13,489
		<u>168,057</u>	<u>93,236</u>
CREDITORS: amounts falling due within one year	3	<u>(292,021)</u>	<u>(322,463)</u>
NET CURRENT LIABILITIES		<u>(123,964)</u>	<u>(229,227)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,118,682</u>	<u>1,048,485</u>
CREDITORS: amounts falling due after more than one year	4	<u>(554,497)</u>	<u>(594,207)</u>
NET ASSETS		<u><u>564,185</u></u>	<u><u>454,278</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and loss account		564,085	454,178
TOTAL SHAREHOLDERS' FUNDS		<u><u>564,185</u></u>	<u><u>454,278</u></u>

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

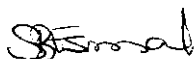
Approved by the board of directors on 10/5/2000 and signed on its behalf by the following directors:

Mr. M F Esmail:



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Mrs. S B Esmail:



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The notes on pages 4 to 6 form part of these financial statements.

SME FAST FOODS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 MARCH 2000

1. STATEMENT OF ACCOUNTING POLICIES

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

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Goodwill

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separate net assets. Depending on the circumstances of each acquisition, goodwill is either set off directly against reserves or amortised through the profit and loss account over the directors' estimate of its estimated economic life.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Short leasehold land and buildings	Over the term of the lease
Fixtures, fittings and equipment	10% on reducing balance

Where zero depreciation of freehold buildings is appropriate

Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

Stocks

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

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Investment properties

Investment properties are valued at their open market value at the balance sheet date. Any surplus on revaluation is transferred to the investment property revaluation reserve. Any deficit is deducted from the investment property revaluation reserve, except for permanent diminutions in value, which are charged to the profit and loss account.

No amortisation or depreciation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to expiry, in accordance with Statement of Standard Accounting Practice 19: "Accounting for investment properties". This treatment is contrary to the requirements of the Companies Act 1985 to provide for depreciation but is considered necessary to ensure the financial statements give a true and fair view. Depreciation is only one of the factors reflected at the balance sheet date valuation and the amount that might otherwise have been shown cannot be separately identified or quantified.

SME FAST FOODS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 MARCH 2000

2. FIXED ASSETS

	Intangible assets	Tangible fixed assets	Investments	Total
	£	£	£	£
Cost:				
At 29 March 1999	150,000	1,118,290	211,313	1,479,603
Additions	-	4,182	-	4,182
Transfer to freehold	-	(6,560)	-	(6,560)
At 26 March 2000	150,000	1,115,912	211,313	1,477,225
Depreciation:				
At 29 March 1999	57,250	144,640	-	201,890
Charge for year	7,500	31,749	-	39,249
Transfer to freehold	-	(6,560)	-	(6,560)
At 26 March 2000	64,750	169,829	-	234,579
Net book value:				
At 26 March 2000	85,250	946,083	211,313	1,242,646
At 28 March 1999	92,750	973,649	211,313	1,277,712

The historical cost of investment properties included at valuation at the balance sheet date is £211,313 (1999 - £211,313).

In the opinion of the directors, the value of the investment properties as at the balance sheet date were not materially different from the amount shown in the financial statements.

3. CREDITORS: amounts falling due within one year

	2000 £	1999 £
Secured creditors	70,000	216,124

4. CREDITORS: amounts falling due after more than one year

	2000 £	1999 £
Secured creditors	554,497	594,207

SME FAST FOODS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 MARCH 2000

5. SHARE CAPITAL

	2000	1999
	£	£
Authorised:		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
 Allotted, called up and fully paid:		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

6. ULTIMATE PARENT COMPANY

The ultimate parent company is SME Group Limited, a company registered in Great Britain.