

K.G.D. ENTERPRISES LIMITED
STATUTORY ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1996
COMPANY NUMBER 1649976 (ENGLAND AND WALES)

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Chartered Accountants
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K.G.D. ENTERPRISES LIMITED

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AUDITORS' REPORT TO THE DIRECTOR OFK.G.D. ENTERPRISES LIMITED

We have examined the abbreviated accounts on pages 2 to 6 together with the full financial statements of K.G.D. Enterprises Limited for the year ended 30th June 1996. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the Director's statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part 3 of Schedule 8 to that Act in respect of the year ended 30th June 1996 and the abbreviated accounts have been properly prepared from the full financial statements.

On 2.12.96 we reported as auditors of K.G.D. Enterprises Limited to the members on the financial statements required by Section 226 of the Companies Act 1985 and our audit was as follows:

"We have audited the financial statements on pages 3 to 10 which have been prepared under the historical cost convention and the accounting policies on pages 5 and 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's Director is responsible for the preparation of 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 judgments made by the Director 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 30th June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, applicable to small companies".

R. A. Williams & Co.
R. A. Williams & Co.
Registered Auditor
Chartered Accountants
6 Agincourt Street
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K.G.D. ENTERPRISES LIMITEDBALANCE SHEET AS AT 30TH JUNE 1996

	Notes	1996	1995
		£	£
TANGIBLE FIXED ASSETS	2	107,229	110,617
INVESTMENT	3	17,660	13,425
CURRENT ASSETS			
Stocks		329,320	296,034
Debtors	4	512,784	403,123
Cash at Bank and in Hand		75	98
		<u>842,179</u>	<u>699,255</u>
CREDITORS: Amounts Falling Due	5	<u>(538,988)</u>	<u>(398,306)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>303,191</u>	<u>300,949</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>428,080</u>	<u>424,991</u>
CREDITORS: Amounts Falling Due After More Than One Year	5	<u>(2,700)</u>	<u>-</u>
		<u>425,380</u>	<u>424,991</u>
CAPITAL AND RESERVES			
Called Up Share Capital	6	134,550	134,550
Profit and Loss Account		<u>290,830</u>	<u>290,441</u>
		<u>£ 425,380</u>	<u>£ 424,991</u>

The Director has taken advantage, in preparing these abbreviated accounts, of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and has done so on the grounds that, in his opinion, the company is a small company.

In preparing the company's annual financial statements the Director has taken advantage of the special exemptions applicable to small companies conferred by Part I of Schedule 8 of the Companies Act 1985 and has done so on the grounds that, in his opinion, the company is entitled to the exemptions as a small company.

Approved by the Board of Directors on 1. 12. 96 and signed on its behalf.



 K. G. DAVIES
 DIRECTOR

The notes on pages 3 to 6 form part of these financial statements.

K.G.D. ENTERPRISES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 1996

1. ACCOUNTING POLICIES

1.1 Basis of Preparation of Accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the Directors Report and which is continuing.

The company and its subsidiary comprise a small group. The company has therefore taken advantage of Section 248 of the Companies Act 1985 not to prepare group accounts. The financial statements therefore present information about the company as an individual undertaking and not about its group.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Improvements to Buildings	10 years straight line
Motor Vehicles	3 to 10 years straight line
Plant and Equipment	2 to 10 years straight line

1.4 Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to Profit and Loss account as incurred.

K.G.D. ENTERPRISES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 1996

1.6 Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.8 Pensions

The company operated a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.	TANGIBLE FIXED ASSETS	TOTAL
	COST	£
	At 1 st July 1995	269,929
	Additions	40,960
	(Disposals)	<u>(32,423)</u>
	At 30 th June 1996	<u>278,466</u>
	DEPRECIATION	
	At 1 st July 1995	159,312
	Relating to Disposals	(28,296)
	Charge for the Year	<u>40,221</u>
	At 30 th June 1996	<u>171,237</u>
	NET BOOK VALUES	
	Owned Assets	100,426
	Leased Assets	<u>6,803</u>
	At 30 th June 1996	<u>107,229</u>
	Owned Assets	99,422
	Leased Assets	<u>11,195</u>
	At 30 th June 1995	<u>110,617</u>

K.G.D. ENTERPRISES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 1996

3 INVESTMENT - GROUP UNDERTAKINGS	Shares	Loans	Total
COST	£	£	£
At 1st July 1995	116	38,309	38,425
Net Repayment	-	(20,765)	(20,765)
At 30th June 1996	116	17,544	17,660
Provision for Diminution in Value			
At 1st July 1995	-	25,000	25,000
Reduction in Provision	-	(25,000)	(25,000)
At 30th June 1996	-	-	-
NET BOOK VALUES			
At 30th June 1996	116	17,544	17,660
At 30th June 1995	116	13,309	13,425

The company has a beneficial interest in the whole of the issued share capital (consisting of £1 ordinary shares) of Pikadish Catering Limited, a company incorporated in Great Britain and registered (number 1606727) in England and Wales.

Pikadish Catering Ltd. at 30th June	1996	1995
	£	£
Capital and Reserves	<u>(27,811)</u>	<u>(41,321)</u>
Profit for Year	<u>13,510</u>	<u>13,371</u>

In the opinion of the Director the aggregate value of the company's investment in its subsidiary undertaking is not less than the amount included in the Balance Sheet.

The subsidiary has had a successful trading year and has made net repayments of £20,765 in the year on the loan from KGD Enterprises Ltd. The Director believes that the subsidiary will continue to operate profitably and considers it prudent to write off all of the provision.

- 4 DEBTORS
There were no debtors falling due after more than one year.

- 5 CREDITORS
Of the creditors £6,298 is secured. This relates to finance lease contracts and the amounts are secured on the assets to which the contract relates.

Allotted		
Ordinary Shares of £1 each	<u>134,550</u>	<u>134,550</u>

K.G.D. ENTERPRISES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 1996

6	CALLED UP SHARE CAPITAL	1996	1995
		£	£
	Authorised		
	Ordinary Shares of £1 each	<u>250,000</u>	<u>200,000</u>

7 TRANSACTIONS WITH DIRECTOR

During the year there were no transactions with the director which require disclosure in the financial statements.