

AMERICAN PIZZA SLICE LIMITED

REGISTRATION NO: 3551835

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2004

Verinder & Associates
Chartered Accountants

1-3 Crosby Road South
Liverpool L22 1RG



AMERICAN PIZZA SLICE LIMITED

DIRECTORS REPORT

The Directors present their report and the financial statements for the year ended 30th April 2004.

1. Activities

The principal activity of the Company was that of providing fast food and other sundries.

2. Review of the Business

The Company has performed satisfactorily during the year. Further details of the Company's performance are given in the Profit and Loss Account on page 3. The position at the end of the year is set out in the Balance Sheet on page 4, indicates that the Company is insolvent. The Director of the Company has agreed not to recall monies due to him if it means that other creditors will not be paid in full, thus allowing the Company to continue trading on a going concern basis.

3. Dividends and Transfers to Reserves

The Directors do not recommend payment of a dividend. The profit before taxation in the profit and loss account for the year is £4,027 (2003 loss £21,509). An amount of £4,027 was transferred to reserves (2003 £21,509 transferred from reserves).

4. Fixed Assets

Movements in the year are shown in Note 8 to the financial statements.

5. Directors

The Directors of the Company and their immediate families, and their shareholdings during the year were as follows:-

| | £1 Ordinary Shares | |
|----------------|---------------------------|-------------------------|
| | <u>30.4.2004</u> | <u>30.4.2003</u> |
| Mr. P. Canning | 200 | 200 |
| | <hr/> | <hr/> |
| | 200 | 200 |
| | <hr/> | <hr/> |

The Directors had no material interest during the year in any contract with the Company which is of significance to the business of the Company.

6. Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements, for each financial year, which give a fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing these 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 continued 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.

7. Political and Charitable Donations

No political contributions were made during the year. Charitable donations amounted to less than £200.

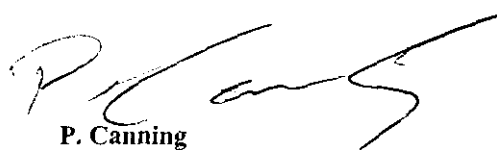
8. Future Prospects

The Directors consider that the Company will improve its performance in the next financial year.

9. Close Company Status

The Company is a Close Company within the meaning of the Income Tax and Corporation Taxes Act 1988.

Signed on Behalf of the Board


P. Canning
Director

17th March 2005

AMERICAN PIZZA SLICE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH APRIL 2004

| | <u>Notes</u> | 2004 £ | 2003 £ |
|--|--------------|----------------|----------------|
| SALES - Continuing Operations | | 190,431 | 129,641 |
| Operating Profit/(Loss) - Continuing Operations | 2 | 4,096 | (21,459) |
| Interest Receivable and Similar Income | 4 | 16 | 4 |
| Interest Payable and Similar Charges | 5 | (85) | (54) |
| Profit/(Loss) on Ordinary Activities Before Taxation | | 4,027 | (21,509) |
| Taxation on Profit/(Loss) on Ordinary Activities | 6 | - | - |
| Profit/(Loss) on Ordinary Activities After Taxation | | 4,027 | (21,509) |
| Dividend Paid | 7 | - | - |
| Retained Profit/(Loss) for the Year | | 4,027 | (21,509) |
| Profit and Loss Account B/Fwd | | (75,636) | (54,127) |
| Profit and Loss Account C/Fwd | | (71,609) | (75,636) |

The Company has no recognised gains and losses other than those included in the Profit/(Loss) above and therefore no separate statement of total recognised gains and losses has been presented. There have been no discontinued activities or acquisitions in the current year or preceding period.

There is no difference between the Profit/(Loss) on ordinary activities before taxation and the retained Profit/(Loss) for the year stated above, and their historical cost equivalents.

AMERICAN PIZZA SLICE LIMITED
BALANCE SHEET AS AT 30TH APRIL 2004

| | <u>Notes</u> | 2004 £ | 2003 £ |
|---|--------------|-----------|-----------|
| <u>FIXED ASSETS</u> | | | |
| Tangible Fixed Assets | 8 | 43,304 | 53,099 |
| <u>CURRENT ASSETS</u> | | | |
| Stock | 9 | 1,700 | 1,500 |
| Other Debtors | 10 | - | 1,291 |
| | | 1,700 | 2,791 |
| <u>CREDITORS: Amounts Falling Due Within One Year</u> | 11 | 8,745 | 3,126 |
| NET CURRENT ASSETS/(LIABILITIES) | | (7,045) | (355) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 36,259 | 52,764 |
| <u>CREDITORS: Amounts Falling Due After More Than One Year</u> | 12 | 107,668 | 128,200 |
| | | (71,409) | (75,436) |
| <u>SHARE CAPITAL AND RESERVES</u> | | | |
| Share Capital - Equity | 13 | 200 | 200 |
| Profit and Loss Account - Equity | | (71,609) | (75,636) |
| Shareholders' Funds | 14 | (71,409) | (75,436) |

For the year in question the Company was entitled to exemption under subsection (1) of Section 249A of the Companies Act 1985.

No notice has been deposited under subsection (2) of Section 249B.

The Directors' acknowledge their responsibility for;

- i) ensuring that the Company keeps proper accounting records which comply with section 221, and
- ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at 30th April 2004 and of its profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to Accounts, so far as is applicable to the Company.

Mr P Canning

)
) Director
)



17th March 2005

AMERICAN PIZZA SLICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 2004

1. Accounting Policies

1.1 Basis of Accounting

The financial statements have been prepared under the historical cost accounting rules and comply with applicable Statements of Standard Accounting Practice and Financial Reporting Standards.

1.2 Depreciation

Depreciation is provided so as to write off the assets cost, or valuation over its estimated useful economic life. The following rates have been used;

| | |
|--|------------------------------|
| Fixtures & Fittings/Equipment | 25% Reducing Balance |
| Leasehold Improvements | 9 Years Straight Line |

1.3 Stock

Stock is stated at the lower of cost and net realisable value.

1.4 Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the Directors, there is a reasonable probability that the liability will not arise in the foreseeable future.

1.5 Turnover

Turnover is derived from the Company's ordinary activities and is stated net of Value Added Tax.

1.6 Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

AMERICAN PIZZA SLICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 2004

(Continued)

2. Operating Profit

| | 2004 | 2003 |
|---|-------------|-------------|
| | £ | £ |
| <u>Continuing Operations;</u> | | |
| Sales | 190,431 | 129,641 |
| Cost of Sales | (74,073) | (60,682) |
| | <hr/> | <hr/> |
| Gross Profit | 116,358 | 68,959 |
| Administrative Expenses | (112,262) | (90,418) |
| | <hr/> | <hr/> |
| Operating Profit/(Loss) | 4,096 | (21,459) |
| | <hr/> | <hr/> |
| Costs and Expenses Include the Following:- | | |
| | £ | £ |
| Depreciation | 11,057 | 13,196 |
| Staff Costs (see note 3) | - | - |
| | <hr/> | <hr/> |

3. Staff Costs (Including Directors Emoluments)

| | £ | £ |
|-----------------------|----------|----------|
| Wages and Salaries | 58,696 | 37,091 |
| Social Security Costs | 1,472 | 893 |
| | <hr/> | <hr/> |
| | 60,168 | 37,984 |
| | <hr/> | <hr/> |

**Average Number of Persons Employed by the Company
During the Year;**

| | <u>No:</u> | <u>No:</u> |
|----------------|-------------------|-------------------|
| Management | 1 | 1 |
| Workshop Staff | 12 | 7 |
| | <hr/> | <hr/> |
| | 13 | 8 |
| | <hr/> | <hr/> |

Directors Emoluments Including Pension Contributions;

| | £ | £ |
|------------------|----------|----------|
| Fees | - | - |
| Other Emoluments | 10,400 | 8,900 |
| | <hr/> | <hr/> |

AMERICAN PIZZA SLICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 2004

(Continued)

| | | |
|---|-------------|-------------|
| 4. <u>Interest Receivable and Similar Income</u> | 2004 | 2003 |
| | £ | £ |
| Interest Received | 16 | 4 |
| | <hr/> | <hr/> |
| 5. <u>Interest Payable and Similar Charges</u> | | |
| On Bank Loans, Overdrafts and Other Loans | 85 | 54 |
| | <hr/> | <hr/> |
| 6. <u>Tax on Profit on Ordinary Activities</u> | £ | £ |
| Corporation Tax @ 19% on Profits on Ordinary Activities | - | - |
| | <hr/> | <hr/> |
| 7. <u>Dividend</u> | £ | £ |
| Paid on £1 Ordinary Shares on 30th April 2004/3 | - | - |
| | <hr/> | <hr/> |

8. Tangible Fixed Assets

| | Leasehold Improvements £ | Plant / Equipment/ Fixtures/ Fittings £ | Total £ |
|------------------------------|---|--|--------------------|
| <u>At Cost</u> | | | |
| Opening Balance @ 1/5/2003 | 30,397 | 51,891 | 82,288 |
| Additions | - | 1,262 | 1,262 |
| | <hr/> | <hr/> | <hr/> |
| Closing Balance @ 30/4/2004 | 30,397 | 53,153 | 83,550 |
| | <hr/> | <hr/> | <hr/> |
| <u>Depreciation</u> | | | |
| Opening Balance @ 1/5/2003 | 6,754 | 22,435 | 29,189 |
| Charge for the Year | 3,377 | 7,680 | 11,057 |
| | <hr/> | <hr/> | <hr/> |
| Closing Balance @ 30/4/2004 | 10,131 | 30,115 | 40,246 |
| | <hr/> | <hr/> | <hr/> |
| <u>Net Book Value</u> | | | |
| Closing Balance @ 30.4.2004 | 20,266 | 23,038 | 43,304 |
| | <hr/> | <hr/> | <hr/> |
| Closing Balance @ 30.4.2003 | 23,643 | 29,456 | 53,099 |
| | <hr/> | <hr/> | <hr/> |

AMERICAN PIZZA SLICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2004

(Continued)

9. Stock

| | 2004 | 2003 |
|-----------|-------------|-------------|
| | £ | £ |
| Materials | 1,700 | 1,500 |
| | <hr/> | <hr/> |

10. Debtors

| | £ | £ |
|---------------|----------|----------|
| Other Debtors | - | 1,291 |
| | <hr/> | <hr/> |

11. Creditors: Amounts Falling Due Within One Year

| | £ | £ |
|---------------------------------------|----------|----------|
| Trade Creditors | 150 | 150 |
| Other Taxes and Social Security Costs | 7,211 | 934 |
| Bank Loans and Overdrafts | 1,384 | 2,042 |
| | <hr/> | <hr/> |
| | 8,745 | 3,126 |
| | <hr/> | <hr/> |

12. Creditors: Amounts Falling Due After More Than One Year

| | £ | £ |
|------------------------|----------|----------|
| Directors Loan Account | 107,668 | 128,200 |
| | <hr/> | <hr/> |

Borrowings Repayable Beyond One Year Are as Follows;

| | £ | £ |
|------------------------------|----------|----------|
| - Between One and Two Years | - | - |
| - Between Two and Five Years | - | - |
| Directors Loan Account | 107,668 | 128,200 |
| | <hr/> | <hr/> |
| | 107,668 | 128,200 |
| | <hr/> | <hr/> |

AMERICAN PIZZA SLICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 2004

(Continued)

13. Share Capital

| | Authorised | | Allotted, Called Up | |
|-----------------------------|---------------------|----------|----------------------------|----------|
| | No of Shares | | and Fully Paid | |
| <u>2004 and 2003</u> | | £ | No of Shares | £ |
| Ordinary Shares of £1 each | 200 | 200 | 200 | 200 |
| | — | — | — | — |

14. Reconciliation of Movements in Shareholders' Funds

| | 2004 | 2003 |
|--------------------------------------|-------------|-------------|
| | £ | £ |
| Profit/(Loss) for the Financial Year | 4,027 | (21,509) |
| Opening Shareholders' Funds | (75,436) | (53,927) |
| | — | — |
| Closing Shareholders' Funds | (71,409) | (75,436) |
| | — | — |

15. Capital Commitments

| | £ | £ |
|--------------------------------------|----------|----------|
| Contracted for but not yet Committed | NIL | NIL |
| | — | — |

16. Contingent Liabilities

There were no Contingent Liabilities at 30th April 2004.

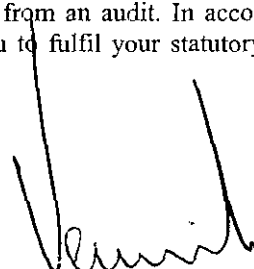
17. Related Parties

During the year, Mr. P. Canning, a Company Director was repaid finance by the Company to the amount of £20,532. At 30th April 2004, Mr. P. Canning was owed £107,668 by the Company. Further details can be found in Note 12 to the Accounts.

No amounts were written off in respect of related party transactions and no provisions are considered necessary.

ACCOUNTANTS' REPORT
ON THE UNAUDITED ACCOUNTS
TO THE DIRECTORS OF
AMERICAN PIZZA SLICE LIMITED

As described on the Balance Sheet you are responsible for the preparation of the accounts for the year ended 30th April 2004 set out on pages 3 to 9, and you consider that the Company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information, and explanations supplied to us.



VERINDER & ASSOCIATES
CHARTERED ACCOUNTANTS

1-3 Crosby Road South
Liverpool L22 1RG

17th March 2005