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Registration number 04985986

Food for Friends Limited
Director's report and unaudited financial statements
for the year ended 30 September 2007

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Food for Friends Limited

Company information

Directors	R Mostowfi J A Mostowfi
Secretary	J A Mostowfi
Company number	04985986
Registered office	92 Portland Road Hove East Sussex BN3 5DN
Accountants	Baxter Smith Parker 92 Portland Road Hove East Sussex BN3 5DN
Business address	17-18 Prince Albert Street The Lanes Brighton East Sussex BN1 1HF
Bankers	HSBC Bank plc 153 North Street Brighton BN1 1SW

Food for Friends Limited

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Food for Friends Limited

**Director's report
for the year ended 30 September 2007**

The director presents this report and the financial statements for the year ended 30 September 2007

Principal activity

The principal activity of the company during the year under review was that of restaurant and catering services

Directors

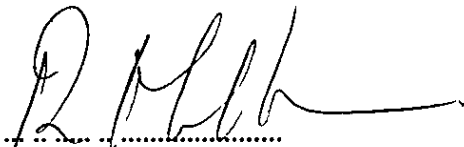
The directors who served during the year are as stated below

R Mostowfi

J A Mostowfi

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the Board on 7.2.08 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'R Mostowfi', written over a dotted line.

**R Mostowfi
Director**

Food for Friends Limited

**Accountants' report to the Board of Directors on the
unaudited financial statements of Food for Friends Limited**

In accordance with the engagement letter, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's board of directors in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's board of directors for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 30 September 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

**Baxter Smith Parker
Chartered Accountants and
Registered Auditors**

**92 Portland Road
Hove
East Sussex
BN3 5DN**

Food for Friends Limited

**Profit and loss account
for the year ended 30 September 2007**

		2007	2006
	Notes	£	£
Turnover	2	836,229	711,903
Cost of sales		(237,413)	(219,671)
Gross profit		598,816	492,232
Administrative expenses		(512,300)	(408,210)
Other operating income		300	500
Operating profit	3	86,816	84,522
Other interest receivable and similar income		1,718	981
Interest payable and similar charges		(17,944)	(11,771)
Profit on ordinary activities before taxation		70,590	73,732
Tax on profit on ordinary activities	5	(19,728)	(16,457)
Profit on ordinary activities after taxation		50,862	57,275
Profit for the year	15	50,862	57,275

The notes on pages 6 to 13 form an integral part of these financial statements.

Food for Friends Limited

**Balance sheet
as at 30 September 2007**

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		129,500		148,000
Tangible assets	8		211,128		193,515
			<u>340,628</u>		<u>341,515</u>
Current assets					
Stocks		7,000		5,000	
Debtors	9	20,963		15,751	
Cash at bank and in hand		96,041		95,365	
		<u>124,004</u>		<u>116,116</u>	
Creditors: amounts falling due within one year	10	<u>(86,510)</u>		<u>(105,825)</u>	
Net current assets			<u>37,494</u>		<u>10,291</u>
Total assets less current liabilities			378,122		351,806
Creditors: amounts falling due after more than one year	11		(320,000)		(320,216)
Provisions for liabilities	12		<u>(16,787)</u>		<u>(12,812)</u>
Net assets			<u>41,335</u>		<u>18,778</u>
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		41,235		18,678
Shareholders' funds			<u>41,335</u>		<u>18,778</u>

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 6 to 13 form an integral part of these financial statements.

Food for Friends Limited

Balance sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 30 September 2007**

In approving these financial statements as director of the company I hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 September 2007 and

(c) that I acknowledge my responsibilities for

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on 7/2/08 and signed on its behalf by



R Mostowfi
Director

The notes on pages 6 to 13 form an integral part of these financial statements.

Food for Friends Limited

Notes to the financial statements for the year ended 30 September 2007

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2. Turnover

Turnover represents the total value, excluding value added tax, of sales made during the year

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	10% on written down value
Motor vehicles	-	25% on written down value

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6. Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value

1.7. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Food for Friends Limited

**Notes to the financial statements
for the year ended 30 September 2007**

continued

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

3. Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	18,500	18,500
Depreciation and other amounts written off tangible assets	<u>20,690</u>	<u>18,028</u>

4. Directors' emoluments

	2007	2006
	£	£
Remuneration and other benefits	<u>26,000</u>	<u>12,000</u>

5. Tax on profit on ordinary activities

Analysis of charge in period	2007	2006
	£	£
Current tax		
UK corporation tax	15,753	13,773
Total current tax charge	<u>15,753</u>	<u>13,773</u>
Deferred tax		
Timing differences, origination and reversal	3,975	2,684
Total deferred tax	<u>3,975</u>	<u>2,684</u>
Tax on profit on ordinary activities	<u>19,728</u>	<u>16,457</u>

Food for Friends Limited

**Notes to the financial statements
for the year ended 30 September 2007**

continued

6. Dividends

Dividends paid and proposed on equity shares

	2007
	£
Paid during the year	
Equity dividends on Non-equity Ordinary 'A' shares	24,000
Equity dividends on Equity Ordinary 'B' shares	4,305
	<u>28,305</u>

7. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 October 2006	185,000	185,000
At 30 September 2007	<u>185,000</u>	<u>185,000</u>
Provision for diminution in value		
At 1 October 2006	37,000	37,000
Charge for year	18,500	18,500
At 30 September 2007	<u>55,500</u>	<u>55,500</u>
Net book values		
At 30 September 2007	<u>129,500</u>	<u>129,500</u>
At 30 September 2006	<u>148,000</u>	<u>148,000</u>

Food for Friends Limited

**Notes to the financial statements
for the year ended 30 September 2007**

continued

8. Tangible fixed assets	Long leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 October 2006	65,647	163,928	-	229,575
Additions	5,196	30,133	2,975	38,304
At 30 September 2007	<u>70,843</u>	<u>194,061</u>	<u>2,975</u>	<u>267,879</u>
Depreciation				
At 1 October 2006	6,252	29,808	-	36,060
Charge for the year	3,373	16,574	744	20,691
At 30 September 2007	<u>9,625</u>	<u>46,382</u>	<u>744</u>	<u>56,751</u>
Net book values				
At 30 September 2007	<u>61,218</u>	<u>147,679</u>	<u>2,231</u>	<u>211,128</u>
At 30 September 2006	<u>59,395</u>	<u>134,120</u>	<u>-</u>	<u>193,515</u>

9. Debtors	2007 £	2006 £
Other debtors	2,500	150
Prepayments and accrued income	18,463	15,601
	<u>20,963</u>	<u>15,751</u>

10. Creditors: amounts falling due within one year	2007 £	2006 £
Trade creditors	32,872	49,702
Corporation tax	16,057	13,773
Other taxes and social security costs	31,919	35,255
Directors' accounts	1,002	1,179
Other creditors	1,235	1,028
Accruals and deferred income	3,425	4,888
	<u>86,510</u>	<u>105,825</u>

Food for Friends Limited

**Notes to the financial statements
for the year ended 30 September 2007**

continued

11	Creditors: amounts falling due after more than one year	2007 £	2006 £
	Bank loans	320,000	320,000
	Shareholders loans	-	216
		<u>320,000</u>	<u>320,216</u>
	Loans		
	Repayable in five years or more	<u>320,000</u>	<u>320,000</u>

The bank loans repayable in 5 or more years are secured on the personal assets of the shareholders

The company also has a bank loan included in the above which is secured on the personal assets of the company directors

12. Provisions for liabilities

	Deferred taxation (Note 13) £	Total £
At 1 October 2006	12,812	12,812
Movements in the year	3,975	3,975
At 30 September 2007	<u>16,787</u>	<u>16,787</u>

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Notes to the financial statements for the year ended 30 September 2007

continued

15. Reserves	Profit and loss account £	Total £
At 1 October 2006	18,678	18,678
Profit for the year	50,862	50,862
Equity Dividends	(28,305)	(28,305)
At 30 September 2007	<u>41,235</u>	<u>41,235</u>

16. Financial commitments

At 30 September 2007 the company had annual commitments under non-cancellable operating leases as follows

	2007 £	2006 £
Expiry date:		
Within one year	63,000	61,000
Between one and five years	315,000	305,000
In over five years	539,000	854,000
	<u>917,000</u>	<u>1,220,000</u>

The company has an agreement on the lease of the buildings for 25 years from 22 June 2000, the date the lease was originally entered. The lease carried an annual rent charge of £61,000 from the date of the agreement. However, the annual rent was increased to £63,000 per annum from April 2007.

17. Transactions with directors

At the beginning of the year, the company owed the directors, Mr R and Mrs J Mostowfi, a sum of £1,179. During the year under review, a net sum of £177 was repaid, hence leaving an outstanding balance of £1,002 at the balance sheet date.

18. Related party transactions

At the beginning of the year, the company owed a sum of £216 to two of the company's shareholders. However, during the year, this balance was fully repaid.

Food for Friends Limited

**Notes to the financial statements
for the year ended 30 September 2007**

continued

19. Controlling interest

The company is owned and controlled by the company directors and their close relatives by virtue of their 100% share of the issued share capital