

BADAT BROTHERS LTD

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
29 FEBRUARY 1996**



BADAT BROTHERS LTD

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996**

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BADAT BROTHERS LTD

**COMPANY INFORMATION
AS AT 29 FEBRUARY 1996**

DIRECTORS

I. A. Badat
S. Y. Patel

SECRETARY

S. Y. Patel

REGISTERED NUMBER

870298

BUSINESS ADDRESS

BBL Building,
Cooks Road,
Stratford,
London, E15 2PW.

AUDITORS

K. D. Popat & Co.
Chartered Accountants & Registered Auditors.
65, Ashley Park Avenue,
Walton On Thames,
Surrey, KT12 1EU.

PRINCIPAL BANKERS

Habibson Bank Limited,
65, Whitechapel Road,
London, E1 1DU.

BADAT BROTHERS LTD

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 29 February 1996.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were that of wholesale and retail grocers.

No significant change in the nature of these activities occurred during the year.

REVIEW OF THE BUSINESS

The net profit for the year after providing for taxation amounted to £46,002. (1995:£36,313).

The improvement in the trading position started in 1994/95 continued in the year under review with sales increasing a further 34% over the previous year, though keen prices have reduced gross profit margin. The directors are confident that margins will be improved in the current year whilst maintaining the present level of turnover.

The directors consider that the financial statements should continue to be prepared on a going concern basis in view of the fact that the trading and financial position of the company has again improved significantly during the year, the company continues to discharge its debts in a satisfactory manner, it is adequately supported by Albaraka International Limited, the improvement in its trading position is continuing in the current year and this is expected to continue for the next twelve months.

RESULTS AND DIVIDENDS

No dividends were paid during the year and the directors do not recommend that a dividend be declared for the year.

It is proposed that the retained profit for the year of £46,002 be transferred to reserves.

POST-BALANCE SHEET EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial year ended 29 February 1996.

FIXED ASSETS

Details of significant changes in tangible fixed assets during the year are set out in note 7 to the financial statements.

In the opinion of directors, there was no significant difference between market and book values of tangible fixed assets as at 29th February 1996.

BADAT BROTHERS LTD

DIRECTORS' REPORT

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year were as follows:

		Number of Shares	
		1996	1995
I. A. Badat	£1 Ordinary Shares	660	660
	£1 Preference Shares	2,000	2,000
S. Y. Patel	£1 Ordinary Shares	330	330
	£1 Preference Shares	1,000	1,000

No rights to subscribe for shares or debentures in the company have been granted during the financial year and there were no rights to subscribe for shares or debentures outstanding at the end of the financial year.

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 affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing 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;
- 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 continue in business.

The directors are responsible for maintaining 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company did not make political contributions or charitable contributions that exceeded £200 (1995:£230).

CLOSE COMPANY

The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, K. D. Popat & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

On behalf of the board:


.....
S. Y. Patel
DIRECTOR

Approved by the board: 12 July 1996

**AUDITORS' REPORT TO THE MEMBERS OF
BADAT BROTHERS LTD**

We have audited the financial statements on pages 5 to 17 which have been prepared under the historical cost convention and on the basis of accounting policies set out on pages 8 and 9.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Directors' Report, the company's directors are 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 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.

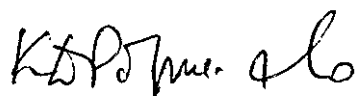
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

GOING CONCERN

In forming our opinion, we have also considered the adequacy of disclosures made in the report of the directors and in the notes 11 and 12 to the financial statements concerning the liability arising from the guarantees given by the company in respect of debts of another company which went into liquidation in September 1993 and the full provision of £318,200 made in respect of it in the financial statements for the year ended 28 February 1994. In view of the significant losses suffered by the company in that year and the continuing excess of liabilities over assets as shown by the balance sheet on page 6 of these financial statements, we consider that this matter should again be drawn to your attention; however, our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 29 February 1996 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



.....
K. D. Popat & Co.

Chartered Accountants & Registered Auditors.
65, Ashley Park Avenue,
Walton On Thames,
Surrey, KT12 1EU.

12 July 1996

BADAT BROTHERS LTD**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 1996**

	Notes	1996 £	1995 £
TURNOVER		5,350,242	3,997,870
Cost of sales		(4,999,892)	(3,612,323)
GROSS PROFIT		350,350	385,547
Distribution costs		(76,847)	(84,742)
Administrative expenses		(161,434)	(186,852)
Other operating income		112,069 78,800	113,953 40,000
OPERATING PROFIT	2	190,869	153,953
Investment income and interest receivable	3	378	-
Interest payable and similar charges	4	(129,630)	(117,640)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		61,617	36,313
Tax on profit on ordinary activities	6	(15,615)	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		46,002	36,313
RETAINED PROFIT FOR THE FINANCIAL YEAR		46,002	36,313
Accumulated losses brought forward		(225,531)	(261,844)
ACCUMULATED LOSSES CARRIED FORWARD		(179,529)	(225,531)

Continuing operations

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

Total recognised gains and losses

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

Historical cost

The difference between the results as disclosed in the profit and loss account before tax, and retained profit for the year, on an unmodified historical cost basis is not material.


The notes on pages 8 to 17 form part of these financial statements.

BADAT BROTHERS LTD**BALANCE SHEET****AT 29 FEBRUARY 1996**

	Notes	1996	1995
		£	£
FIXED ASSETS			
Tangible assets	7	111,521	106,761
Investments	8	877,296	877,296
		<u>988,817</u>	<u>984,057</u>
CURRENT ASSETS			
Stocks	9	555,516	675,128
Debtors	10	715,704	634,270
Cash at bank and in hand		81	72
		<u>1,271,301</u>	<u>1,309,470</u>
CREDITORS: amounts falling due within one year	11	<u>(1,242,984)</u>	<u>(1,268,008)</u>
NET CURRENT ASSETS		<u>28,317</u>	<u>41,462</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,017,134</u>	<u>1,025,519</u>
CREDITORS: amounts falling due after more than one year	12	(1,187,019)	(1,247,050)
PROVISIONS FOR LIABILITIES AND CHARGES	15	(5,644)	-
NET LIABILITIES		<u>(175,529)</u>	<u>(221,531)</u>
CAPITAL & RESERVES			
Called up share capital	16	4,000	4,000
Profit and loss account		(179,529)	(225,531)
TOTAL SHAREHOLDERS' FUNDS	17	<u>(175,529)</u>	<u>(221,531)</u>

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to medium-sized companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

The financial statements were approved by the board of directors on 12 July 1996 and signed on its behalf by:



 S. Y. Patel
 Director

The notes on pages 8 to 17 form part of these financial statements.

BADAT BROTHERS LTD**CASH FLOW STATEMENT
FOR THE YEAR ENDED 29 FEBRUARY 1996**

	Notes	1996 £	1995 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	2(c)	178,927	220,094
RETURN ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		378	-
Interest paid		(123,311)	(118,513)
Interest element on hire purchase contracts		(3,423)	(1,897)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(126,356)	(120,410)
TAXATION			
Corporation tax paid		-	(16,564)
Corporation tax refunded		12,564	-
TAXATION PAID		12,564	(16,564)
INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets		(12,181)	(17,933)
Receipts from sale of tangible fixed assets		750	12,694
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(11,431)	(5,239)
NET CASH INFLOW BEFORE FINANCING		53,704	77,881
FINANCING			
Repayments of long-term loans		(47,881)	(7,370)
Repayments of capital element on hire purchase contracts		(14,595)	(6,872)
NET CASH OUTFLOW FROM FINANCING		(62,476)	(14,242)
DECREASE IN CASH AND CASH EQUIVALENTS	18	(8,772)	63,639

The notes on pages 8 to 17 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996**

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements.

(a) Turnover

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

(b) Depreciation of tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition.

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

Leased premises	Over the terms of the leases
Motor vehicles	15% on written down value
Equipment, fixtures and fittings	15% on written down value

No depreciation is charged on freehold and long leasehold land held as investment.

(c) 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.

(d) Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

(e) Investment properties

Investment properties are revalued every five years and the aggregate surplus or deficit is transferred to a revaluation reserve. No amortisation or depreciation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to expiry.

(f) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of material timing differences except where, in the opinion of the directors, there is a reasonable probability that a liability will not arise in the foreseeable future.

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****1. STATEMENT OF ACCOUNTING POLICIES - (continued)****(g) Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

2. OPERATING PROFIT**Operating profit is stated:**

	1996	1995
	£	£
(a) After charging:		
Depreciation on tangible fixed assets:		
- owned by the company	9,711	10,226
- leased assets	9,181	4,258
Auditors' remuneration	4,360	4,500
Hire of Equipment	-	83
Operating lease rentals		
Land and buildings	75,000	93,562
(b) After crediting:		
Rent received	38,800	-
(c) Reconciliation of operating profit to net cash inflow from operating activities		
	1996	1995
	£	£
Operating profit	190,869	153,955
Depreciation	18,892	14,484
Profit on disposal of fixed assets	2,779	(2,224)
Decrease in stocks	119,612	(207,386)
Increase in debtors	(94,269)	6,965
Decrease in creditors	(58,956)	254,300
NET CASH INFLOW FROM OPERATING ACTIVITIES	178,927	220,094

3. INVESTMENT INCOME AND INTEREST RECEIVABLE

	1996	1995
	£	£
Interest received and receivable		
Other interest	378	-

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****4. INTEREST PAYABLE AND SIMILAR CHARGES**

	1996 £	1995 £
On bank loans and overdrafts	126,207	115,110
On overdue tax	-	633
Lease finance charges and hire purchase interest	3,423	1,897
	<u>129,630</u>	<u>117,640</u>

5. INFORMATION ON DIRECTORS AND EMPLOYEES

	1996 £	1995 £
Directors' emoluments		
Remuneration for management services (including pension contributions and benefits in kind)	<u>3,433</u>	<u>2,813</u>

The division of directors' emoluments excluding pension contributions are as follows:

Remuneration of chairman	<u>3,433</u>	<u>2,813</u>
Remuneration of highest paid director	<u>3,433</u>	<u>2,813</u>

There were no payments to other directors

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1996 £	1995 £
The taxation charge based on the profit before tax comprises:		
U.K. corporation tax at 25% (1995 - 25%)	9,700	-
Transfer to deferred tax	5,644	-
Adjustment in respect of prior years:		
- corporation tax	271	-
	<u>15,615</u>	<u>-</u>

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****7. TANGIBLE FIXED ASSETS**

	Land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
(a) Cost or valuation:				
At 1 March 1995	17,895	42,411	115,927	176,233
Additions	-	7,681	19,500	27,181
Disposals	-	-	(10,130)	(10,130)
At 29 February 1996	17,895	50,092	125,297	193,284
Depreciation:				
At 1 March 1995	4,088	20,355	45,030	69,473
Charge for year	2,152	3,696	13,043	18,891
On disposals	-	-	(6,601)	(6,601)
At 29 February 1996	6,240	24,051	51,472	81,763
Net book value:				
At 29 February 1996	11,655	26,041	73,825	111,521
At 28 February 1995	13,807	22,056	70,898	106,761
			1996	1995
			£	£
(b) Analysis of net book value of land and buildings:				
Short leasehold			11,655	13,807

Included above are assets held under finance leases or hire purchase contracts as follows:-

	1996	1995
	£	£
Net book values:		
Motor vehicles	56,898	46,579
Depreciation charge for the year:		
Motor vehicles	9,181	4,258

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****8. INVESTMENTS**

(a) Cost or valuation:	Beginning and end of year £	
Other investments	877,296	
	<hr/>	
(b) Other investments other than loans	1996	1995
	£	£
Book value of investment property	877,294	877,294
	<hr/>	<hr/>
Shares in related undertakings:		
Cost or valuation:	Beginning and end of year £	
Shares:		
Participating interest	2	
	<hr/>	
Net book value	2	
	<hr/>	

The directors consider the value of the company's investment in its participating interest is not less than the amounts stated in the company's balance sheet

Investment property is stated at cost and was valued at open market value by H. S. Sohal Associates, Chartered Surveyors on 29th March 1993 at £900,000. If the property was to be sold at this valuation, subject to cost of disposal, a material tax liability is unlikely to arise.

9. STOCKS

	1996	1995
	£	£
Finished goods and goods for resale	555,516	675,128

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****10. DEBTORS**

	1996	1995
	£	£
Trade debtors	3,315	1,831
Amounts owed by companies in which the company has a participating interest	571,777	510,416
Other debtors	135,898	120,290
Prepayments and accrued income	4,714	1,733
	<u>715,704</u>	<u>634,270</u>

11. CREDITORS: amounts falling due within one year

	1996	1995
	£	£
Bank loans and overdrafts	364,737	348,380
Trade creditors	822,086	871,886
Other creditors	11,584	11,173
Corporation tax	9,700	-
Other taxes and social security costs	1,276	4,803
Net obligations under finance lease and hire purchase contracts	15,686	10,706
Directors' current accounts	13,829	3,006
Accruals and deferred income	4,086	18,054
	<u>1,242,984</u>	<u>1,268,008</u>
Secured creditors	<u>364,737</u>	<u>348,380</u>

Bank loan is repayable in monthly instalments over 15 years from July 1991 and interest is charged at 2% over Albaraka International Limited (formerly "Albaraka International Bank Limited") base rate.

Bank loans include £280,319 payable in respect of a guarantee given by Badat Bros. Limited in respect of debts of another company which went into liquidation in September 1993 and is repayable by monthly instalments of £3,788 commencing from May 1995 and increasing to £7,576 per month from May 1998.

The bank loans and overdrafts are secured by a fixed charge over freehold and leasehold land and buildings and by a fixed and floating charge in favour of Albaraka International Limited over the other assets of the company and by securities provided by the directors. In addition, the company has given unlimited cross guarantees in respect of borrowings of its participating interests, Dacca Caterers Limited.

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****12. CREDITORS: amounts falling due after more than one year**

	1996 £	1995 £
Bank loans	1,164,298	1,219,755
Net obligations under finance lease and hire purchase contracts	22,721	27,295
	<u>1,187,019</u>	<u>1,247,050</u>
Secured creditors	<u>1,164,298</u>	<u>1,219,755</u>

Bank loan is repayable in monthly instalments over 15 years from July 1991 and interest is charged at 2% over Albaraka International Limited (formerly "Albaraka International Bank Limited") base rate.

In the opinion of the directors, it is not practical to split bank loans between amounts repayable within two to five years and over five years.

Bank loans include £280,319 payable in respect of a guarantee given by Badat Bros. Limited in respect of debts of another company which went into liquidation in September 1993 and is repayable by monthly instalments of £3,788 commencing from May 1995 and increasing to £7,576 per month from May 1998.

The bank loans and overdrafts are secured by a fixed charge over freehold and leasehold land and buildings and by a fixed and floating charge in favour of Albaraka International Limited over the other assets of the company and by securities provided by the directors. In addition, the company has given unlimited cross guarantees in respect of borrowings of its participating interests, Dacca Caterers Limited.

13. BORROWINGS

	1996 £	1995 £
The company's borrowings are repayable as follows		
Up to one year and on demand	<u>364,737</u>	<u>348,380</u>
Wholly repayable within five years	<u>1,529,035</u>	<u>1,568,135</u>
Included in current liabilities	<u>364,737</u>	<u>348,380</u>

In the opinion of directors, it is not practical to split bank loans between amounts repayable within two to five years and over five years.

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****14. OBLIGATIONS UNDER FINANCE LEASE AND HIRE PURCHASE CONTRACTS**

	1996 £	1995 £
The company's net obligations under finance leases and hire purchases contracts are repayable as follows:		
Within one year or on demand	19,300	13,362
Between two and five years	27,976	34,067
	<hr/> 47,276	<hr/> 47,429
Finance charges and interest allocated to future accounting periods	(8,868)	(9,429)
	<hr/> 38,408	<hr/> 38,000
Included in current liabilities	15,686	10,706
	<hr/> 22,722	<hr/> 27,294

15. PROVISIONS FOR LIABILITIES AND CHARGES

	1996 £	Fully Provided 1995 £
Deferred tax is calculated at 25% (1995 - 25%) analysed over the following timing differences:		
On the excess of capital allowances over depreciation	<hr/> 5,644	<hr/> -
		1996 £
Movements on the provision for deferred taxation are:		
Transferred from profit and loss account		<hr/> 5,644

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****16. SHARE CAPITAL**

	1996 £	1995 £
Authorised:		
Equity interests:		
1000 Ordinary shares of £1 each	1,000	1,000
Non-equity interests:		
4000 Preference shares of £1 each	4,000	4,000
	<u>5,000</u>	<u>5,000</u>
 Allotted, called up and fully paid:		
Equity interests:		
1000 Ordinary shares of £1 each	1,000	1,000
Non-equity interests:		
3000 Preference shares of £1 each	3,000	3,000
	<u>4,000</u>	<u>4,000</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
PROFIT FOR THE FINANCIAL YEAR	46,002	36,313
Opening shareholders' funds	(221,531)	(257,844)
CLOSING SHAREHOLDERS' FUNDS	<u>(175,529)</u>	<u>(221,531)</u>
 REPRESENTED BY:-		
Equity interests	(179,529)	(225,531)
Non-equity interests	4,000	4,000
	<u>(175,529)</u>	<u>(221,531)</u>

18. CHANGES IN CASH AND CASH EQUIVALENTS

	1996 £	1995 £
Cash at bank and in hand		
At beginning of year	72	33,414
At year end	81	72
 Bank overdraft and short term borrowing:		
At beginning of year	(310,500)	(407,481)
At year end	(319,281)	(310,500)
 Total net movement	<u>(8,772)</u>	<u>63,639</u>

BADAT BROTHERS LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 1996****19. ANALYSIS OF CHANGES IN FINANCE FOR YEAR**

	1996	1995
	£	£
At 1 March 95	1,299,636	1,288,228
Repayment of long term loan	(47,881)	(7,370)
Repayment of principal on finance leases	(14,595)	(6,872)
New capital leases	15,000	25,650
	<u>1,252,160</u>	<u>1,299,636</u>

20. FINANCIAL COMMITMENTS

	Land and buildings		Other	
	1996	1995	1996	1995
	£	£	£	£
At year end the company was committed to making the following payments during the next year in respect of operating leases:				
More than five years	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>

21. TRANSACTIONS INVOLVING THE DIRECTORS

	1996	1995
	£	£
Amounts owed to directors		
Director's current account	<u>13,829</u>	<u>3,006</u>

During the year, the company traded extensively with Dacca Caterers Limited, a company in which Badat Bros. Limited owns 2.9% of issued ordinary share capital with the balance of issued share capital owned by the directors of Badat Bros. Limited.