

**COMPANIES HOUSE
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SUPERNOTE LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 AUGUST 1999**

REGISTERED NUMBER: 2364420



SUPERNOTE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

Contents	Pages
 Company information	 1
Directors' report	2 - 3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 12
 <i>The following pages do not form part of the statutory financial statements</i>	
Detailed profit and loss statement	13 - 14

SUPERNOTE LIMITED

COMPANY INFORMATION
AT 31 AUGUST 1999

DIRECTORS

V D'Amico
D D'Amico
R Rapacioli
M U Rapacioli
D R Rapacioli

SECRETARY

D D'Amico

REGISTERED OFFICE

353 City Road
London
EC1V 1LR

AUDITORS

Nunn Hayward
Chartered Accountants
66/70 Coombe Road
New Malden
Surrey
KT3 4QW

SUPERNOTE LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 August 1999.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were that of a sandwich bar, cafe and patisserie.

REVIEW OF THE BUSINESS

The net loss after providing for taxation amounted to £3,688.

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

The directors do not consider that the costs of the introduction of the single European currency will materially affect the company.

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	
		1999	1998
V D'Amico	Ordinary shares of £1 each	225	225
D D'Amico	Ordinary shares of £1 each	225	225
R Rapacioli		-	-
M U Rapacioli		-	-
D R Rapacioli		-	-

R Rapacioli is a director of the ultimate parent company and his share interest is disclosed in the financial statements of that company.

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; and
- 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.

YEAR 2000 ISSUES

The directors do not consider that any costs relating to the year 2000 problem are material to the company.

SUPERNOTE LIMITED

DIRECTORS' REPORT

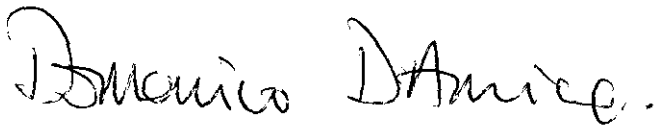
AUDITORS

The auditors, Nunn Hayward, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board:

A handwritten signature in cursive script that reads "D D'Amico".

D D'Amico
Secretary

Date: 14 June 2000

SUPERNOTE LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 7.

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.

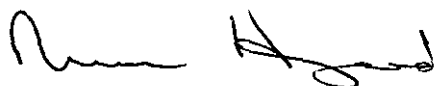
BASIS OF OPINION

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.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Nunn Hayward
Chartered Accountants
Registered Auditor
66/70 Coombe Road
New Malden
Surrey
KT3 4QW

Date: 14 June 2000

SUPERNOTE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 1999

	Notes	1999 £	1998 £
TURNOVER	3	909,561	904,630
Cost of sales		367,186	367,815
GROSS PROFIT		542,375	536,815
Administrative expenses		543,184	556,906
OPERATING LOSS	2	(809)	(20,091)
Interest payable and similar charges	4	(2,867)	(3,983)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,676)	(24,074)
Tax on loss on ordinary activities	6	(12)	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(3,688)	(24,074)

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 loss for the above two financial years.

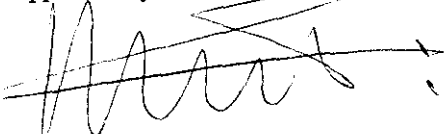
SUPERNOTE LIMITED

BALANCE SHEET AT 31 AUGUST 1999

	Notes	£	1999 £	£	1998 £
FIXED ASSETS					
Intangible assets	7		29,500		-
Tangible assets	8		90,668		108,983
			120,168		108,983
CURRENT ASSETS					
Stocks	9	1,925		1,432	
Debtors	10	54,635		70,769	
Cash at bank and in hand		50		200	
		56,610		72,401	
CREDITORS: amounts falling due within one year					
	11	(246,459)		(273,710)	
NET CURRENT LIABILITIES					
			(189,849)		(201,309)
TOTAL ASSETS LESS CURRENT LIABILITIES					
			(69,681)		(92,326)
CREDITORS: amounts falling due after more than one year					
	12		(3,361)		(7,028)
NET LIABILITIES					
			(73,042)		(99,354)
CAPITAL AND RESERVES					
Called up share capital	14		1,800		1,000
Share premium account	15		29,200		-
Profit and loss account	16		(104,042)		(100,354)
TOTAL SHAREHOLDERS' FUNDS					
	17		(73,042)		(99,354)

The 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 14 June 2000 and signed on its behalf by:



R Rapacioli
Director

SUPERNOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

1. STATEMENT OF ACCOUNTING POLICIES

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

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

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 unexpired portion of the lease (sum of digits basis)
Fixtures, fittings and equipment	15% reducing value
Motor vehicles	25% reducing balance

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.

2. OPERATING LOSS

Operating loss is stated	1999	1998
	£	£
After charging:		
Depreciation of fixed assets	25,675	22,816
Auditors' remuneration	5,500	-
	<hr/>	<hr/>
After crediting:		
Profit on disposal of tangible assets	-	1,677
	<hr/>	<hr/>

3. TURNOVER

Turnover is attributable to the one principal activity of the company and arose wholly in the United Kingdom.

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1999	1998
	£	£
On bank loans and overdrafts	2,268	3,788
Lease finance charges and hire purchase interest	558	147
Other interest	41	48
	<hr/>	<hr/>
	2,867	3,983
	<hr/>	<hr/>

SUPERNOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

5. INFORMATION ON DIRECTORS AND EMPLOYEES

	1999 £	1998 £
Staff costs		
Wages and salaries	126,002	169,391
Social security costs	9,835	11,674
	<u>135,837</u>	<u>181,065</u>
	1999 No.	1998 No.
The average number of employees during the year was made up as follows:		
Catering staff	<u>14</u>	<u>16</u>
	1999 £	1998 £
Directors' emoluments		
Emoluments, including pension contributions to money purchase (defined contribution) schemes	<u>32,961</u>	<u>33,395</u>

6. TAX ON LOSS ON ORDINARY ACTIVITIES

	1999 £	1998 £
The taxation charge comprises:		
Adjustment in respect of prior years	<u>12</u>	<u>-</u>

There is no liability to corporation tax in the year.

7. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost:	
Additions	<u>29,500</u>
Net book value:	
At 31 August 1999	<u>29,500</u>
At 31 August 1998	<u>-</u>

SUPERNOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

8. TANGIBLE FIXED ASSETS

	Land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost:				
At 1 September 1998	133,672	121,070	13,000	267,742
Additions	-	8,798	-	8,798
Disposals	-	(1,841)	-	(1,841)
At 31 August 1999	133,672	128,027	13,000	274,699
Depreciation:				
At 1 September 1998	69,962	88,797	-	158,759
Charge for year	17,013	5,412	3,250	25,675
On disposals	-	(403)	-	(403)
At 31 August 1999	86,975	93,806	3,250	184,031
Net book value:				
At 31 August 1999	46,697	34,221	9,750	90,668
At 31 August 1998	63,710	32,273	13,000	108,983

	1999 £	1998 £
Analysis of net book value of land and buildings:		
Short leasehold	46,697	63,710

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

	1999 £	1998 £
Net book values:		
Motor vehicles	9,750	-
Depreciation charge for the year:		
Motor vehicles	3,250	-

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

9. STOCKS

	1999 £	1998 £
Finished goods and goods for resale	1,925	1,432

SUPERNOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

10. DEBTORS

	1999 £	1998 £
Trade debtors	54,335	66,362
Other debtors	300	300
Prepayments and accrued income	-	4,107
	<u>54,635</u>	<u>70,769</u>

11. CREDITORS: amounts falling due within one year

	1999 £	1998 £
Bank loans and overdrafts	29,485	82,532
Net obligations under finance leases and hire purchase contracts	3,667	3,667
Trade creditors	34,689	26,628
Amounts owed to group undertakings	79,565	64,262
Other taxes and social security costs	12,573	3,160
Other creditors	65,880	73,898
Accruals and deferred income	20,600	19,563
	<u>246,459</u>	<u>273,710</u>

Bank overdrafts amounting to £29,485 (1998 £82,532) are secured by a specific legal charge over the short leasehold property and by a fixed and floating charge over the assets of the company.

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

	1999 £	1998 £
Net obligations under finance leases and hire purchase contracts	<u>3,361</u>	<u>7,028</u>

13. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	1999 £	1998 £
The company's obligations are repayable as follows:		
Net obligations analysed as follows:		
Included in creditors - amounts falling due within one year	3,667	3,667
Included in creditors - amounts falling due after more than one year	<u>3,361</u>	<u>7,028</u>
	<u>7,028</u>	<u>10,695</u>

SUPERNOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

14. SHARE CAPITAL

	1999 £	1998 £
Authorised:		
Equity interests:		
1,800 Ordinary shares of £1 each	<u>1,800</u>	<u>1,000</u>
Allotted, called up and fully paid:		
Equity interests:		
1,800 Ordinary shares of £1 each	<u>1,800</u>	<u>1,000</u>

15. SHARE PREMIUM ACCOUNT

	1999 £	1998 £
Equity interests:		
Premium on shares issued during the year	29,200	-
Balance at year end	<u>29,200</u>	<u>-</u>

16. PROFIT AND LOSS ACCOUNT

	1999 £	1998 £
Accumulated loss as at 1 September 1998	(100,354)	(76,280)
Loss for the year	(3,688)	(24,074)
Accumulated loss as at 31 August 1999	<u>(104,042)</u>	<u>(100,354)</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Loss for the year	(3,688)	(24,074)
New share capital subscribed	800	-
Premium on shares issued	29,200	-
Net addition / (reduction) to shareholders' funds	<u>26,312</u>	<u>(24,074)</u>
Opening shareholders' funds	(99,354)	(75,280)
Closing shareholders' funds	<u>(73,042)</u>	<u>(99,354)</u>
Represented by:-		
Equity interests	<u>(73,042)</u>	<u>(99,354)</u>

SUPERNOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 1999

18. REVENUE COMMITMENTS

At the year end the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	Land and buildings		Other	
	1999	1998	1999	1998
	£	£	£	£
More than one year and less than five years	22,000	22,000	-	-

19. CONTINGENT LIABILITIES

The company has contingent liabilities in respect of guarantees given to secure the bank borrowings, commercial loans and finance leases of certain related companies.

The aggregate amount of these borrowings at 31 August 1999 was £ 441,313 (1998 - £373,260).

20. ULTIMATE PARENT COMPANY

At 31 August 1999 the immediate parent company is Shirepond Limited and the ultimate parent company is Sands Catering Company Limited.