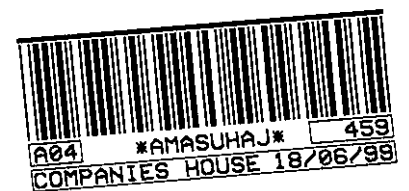


C.R.O

Registration Number 2565374

HURRYKEEP LIMITED
Directors' Report and Financial Statements
for the year ended 30 April 1998



HURRYKEEP LIMITED

Company Information

Directors	G.G. Garnett Mrs. D.J. Garnett
Company Number	2565374
Registered Office	Northside House Mount Pleasant Barnet, Herts. EN4 9EE
Auditors	Davis Bonley Northside House Mount Pleasant Barnet, Herts. EN4 9EE
Business Address	Geoffrey's of London La Galerie du Port Rue Lacan 06500 Antibes, France

HURRYKEEP LIMITED

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HURRYKEEP LIMITED

Directors' Report for the year ended 30 April 1998

The directors present their report and the financial statements for the year ended 30 April 1998.

Principal Activity

The principal activity of the company continues to be that of a Food retailer in France.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	1998	1997
G.G. Garnett	1	1
Mrs. D.J. Garnett	99	99

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Davis Bonley be reappointed as auditors of the company will be put to the Annual General Meeting.

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 15/6/99 and signed on its behalf by


G.G. Garnett
Secretary

HURRYKEEP LIMITED

Auditors' Report to the Shareholders of HURRYKEEP LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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, except that the scope of our work was limited as explained below. 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 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. However, the evidence available to us was limited because of the company's activities being mainly carried out overseas.

However although continuous stock records are maintained we did not attend the physical stock taking and therefore physical verification of stock was not possible.

With regard to the Company's retail outlet in France we have received independent confirmation from an Expert Comptable that the records maintained in France, and incorporated within these financial statements represent a true and fair view of the French business. However, we have carried out no independent audit verification of sales and overseas wages.

Any adjustment to the figures would have a consequential significant effect on the results for the year.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION: disclaimer on view given by financial statements

Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 30 April 1998 or of its loss for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.

HURRYKEEP LIMITED

In respect of the limitation on our work relating to sales, stock and overseas wages:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and


Davis Bonley

Registered Auditors

**Northside House
Mount Pleasant
Barnet, Herts.
EN4 9EE**

15-6-99.

HURRYKEEP LIMITED

Profit and Loss Account for the year ended 30 April 1998

		Continuing operations	
		1998	1997
	Notes	£	£
Turnover	2	539,261	605,640
Cost of sales		(296,784)	(331,293)
Gross profit		<u>242,477</u>	<u>274,347</u>
Distribution costs		(123,928)	(131,223)
Administrative expenses		(156,834)	(207,484)
Operating loss	3	<u>(38,285)</u>	<u>(64,360)</u>
Interest receivable and similar income		6	4
Interest payable and similar charges	4	(4,887)	(4,977)
(Loss) for the year		<u>(43,166)</u>	<u>(69,333)</u>
Accumulated (loss) brought forward		(93,616)	(24,283)
Accumulated (loss) carried forward		<u>(136,782)</u>	<u>(93,616)</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 10 form an integral part of these financial statements.

HURRYKEEP LIMITED

Balance Sheet as at 30 April 1998

	Notes	1998 £	1997 £
Fixed Assets			
Tangible assets	6	61,944	84,560
Current Assets			
Stocks		45,386	53,279
Debtors	7	13,116	13,396
Cash at bank and in hand		9,444	8,886
		<u>67,946</u>	<u>75,561</u>
Creditors: amounts falling due within one year	8	<u>(257,075)</u>	<u>(231,446)</u>
Net Current Liabilities		<u>(189,129)</u>	<u>(155,885)</u>
Total Assets Less Current Liabilities		<u>(127,185)</u>	<u>(71,325)</u>
Creditors: amounts falling due after more than one year	9	<u>(9,497)</u>	<u>(22,191)</u>
Deficiency of Assets		<u><u>(136,682)</u></u>	<u><u>(93,516)</u></u>
Capital and Reserves			
Called up share capital	10	100	100
Profit and loss account		<u>(136,782)</u>	<u>(93,616)</u>
Equity Shareholders' Funds	11	<u><u>(136,682)</u></u>	<u><u>(93,516)</u></u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 15/6/99 and signed on its behalf by


G.G. Garnett
Director

The notes on pages 6 to 10 form an integral part of these financial statements.

HURRYKEEP LIMITED

Notes to the Financial Statements for the year ended 30 April 1998

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

Turnover represents money received by the company in respect of goods sold during the year stated net of French Value Added Tax.

1.3 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:

Computer & Office

Equipment - 25% Reducing Balance

Fixtures, fittings

and equipment - 25% Reducing Balance

Motor vehicles - 25% Reducing Balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

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

1.5 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.6 Foreign currencies

Monetary assets and liabilities denominated in French francs are translated into sterling at the rates of exchange prevailing at the accounting date. As the whole of the company's trade is carried out in France, the average rate of exchange has been used to convert transactions in French francs into sterling. All differences are taken to the Profit and Loss account.

HURRYKEEP LIMITED

Notes to the Financial Statements for the year ended 30 April 1998

..... continued

2. Turnover

In the year ended 30 April 1998 100% of the company's turnover was to markets outside the United Kingdom. (1997 100%)

3. Operating loss	1998 £	1997 £
Operating loss is stated after charging:		
Depreciation of tangible assets	20,649	28,187
Loss on disposal of tangible fixed assets	1,463	-
Loss on foreign currencies	12,173	45,271
Operating lease rentals		
- Plant and machinery	7,335	8,525

4. Interest payable and similar charges

	1998 £	1997 £
On bank loans and overdrafts	2,257	1,508
Hire purchase interest	2,630	3,469
	4,887	4,977

5. Directors' emoluments

	1998 £	1997 £
Remuneration and other benefits	25,950	31,472

HURRYKEEP LIMITED

Notes to the Financial Statements for the year ended 30 April 1998

..... continued

6. Tangible fixed assets

	Plant and machinery	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 May 1997	27,221	93,533	57,624	178,378
Additions	-	1,496	-	1,496
Disposals	-	-	(8,208)	(8,208)
At 30 April 1998	<u>27,221</u>	<u>95,029</u>	<u>49,416</u>	<u>171,666</u>
Depreciation				
At 1 May 1997	14,030	52,326	27,462	93,818
On disposals	-	-	(4,745)	(4,745)
Charge for the year	3,298	10,676	6,675	20,649
At 30 April 1998	<u>17,328</u>	<u>63,002</u>	<u>29,392</u>	<u>109,722</u>
Net book values				
At 30 April 1998	<u>9,893</u>	<u>32,027</u>	<u>20,024</u>	<u>61,944</u>
At 30 April 1997	<u>13,191</u>	<u>41,207</u>	<u>30,162</u>	<u>84,560</u>

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

Asset description	1998		1997	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>19,714</u>	<u>6,571</u>	<u>29,748</u>	<u>9,616</u>

7. Debtors

	1998 £	1997 £
Other debtors	11,732	10,538
Prepayments and accrued income	1,384	2,858
	<u>13,116</u>	<u>13,396</u>

HURRYKEEP LIMITED

Notes to the Financial Statements for the year ended 30 April 1998

..... continued

8. Creditors: amounts falling due within one year	1998	1997
	£	£
Bank overdraft	15,560	23,873
Bank loan	5,058	10,560
Net obligations under finance leases and hire purchase contracts	6,704	8,652
Trade creditors	65,756	38,180
Corporation tax	85	85
Other taxes and social security costs	19,475	16,359
Directors' accounts	132,062	117,627
Other creditors	5,375	5,610
Accruals and deferred income	7,000	10,500
	<u>257,075</u>	<u>231,446</u>
9. Creditors: amounts falling due after more than one year	1998	1997
	£	£
Bank loan	-	5,280
Net obligations under finance leases and hire purchase contracts	9,497	16,911
	<u>9,497</u>	<u>22,191</u>
Loans		
Repayable in one year or less, or on demand (Note 8)	5,058	10,560
Repayable between one and two years	-	5,280
	<u>5,058</u>	<u>15,840</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	9,245	11,387
Repayable between one and five years	13,097	23,320
	<u>22,342</u>	<u>34,707</u>
Finance charges and interest allocated to future accounting periods	6,141	9,144
	<u>16,201</u>	<u>25,563</u>

HURRYKEEP LIMITED

Notes to the Financial Statements for the year ended 30 April 1998

..... continued

10. Share capital	1998 £	1997 £
Allotted, called up and fully paid equity 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
11. Reconciliation of movements in shareholders' funds	1998 £	1997 £
Loss for the year	(43,166)	(69,333)
Opening shareholders' funds	(93,516)	(24,183)
	<u>(136,682)</u>	<u>(93,516)</u>
12.		