

**PARMAR LIMITED**

**REGISTERED NUMBER : 2311552**

**REPORT AND ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 1999**

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# REPORT OF THE AUDITORS TO

## PARMAR LIMITED

### UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 6 together with the full financial statements of Parmar Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 April 1999.

#### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

#### Basis of opinion

We have carried out procedures we consider necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

#### Opinion

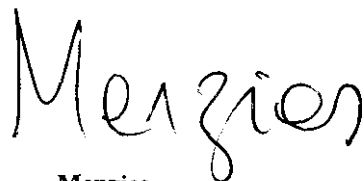
In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 30 April 1999 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with those provisions.

#### Other information

On 28 September 1999 we reported, as auditors of Parmar Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 April 1999 and our report included the following paragraph :

#### Fundamental uncertainty

"In forming our opinion, we have considered the adequacy of the disclosures made in note 11 to the financial statements concerning the company's contingent liability in respect of the cross guarantee in favour of National Westminster Bank PLC securing the bank borrowings of related companies. The appropriateness of the going concern basis assumes that no liability will arise on the company in respect of this security, which in turn assumes reliance on the ongoing support of the related company's bankers. In view of this uncertainty we consider that the matter should be drawn to your attention but our opinion is not qualified in this respect."



**Menzies**  
**Chartered Accountants**  
**and Registered Auditors**

Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

28 September 1999

**PARMAR LIMITED**

**ABBREVIATED BALANCE SHEET**

**30 APRIL 1999**

		1999		1998	
	Note	£	£	£	£
<b>FIXED ASSETS</b>	2		232,077		236,826
<b>CURRENT ASSETS</b>					
Debtors	3	63,937		47,890	
Cash at bank and in hand		3,219		-	
		<u>67,156</u>		<u>47,890</u>	
<b>CREDITORS: amounts falling due within one year</b>	4	192,297		158,795	
<b>NET CURRENT (LIABILITIES)</b>			(125,141)		(110,905)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>106,936</u>		<u>125,921</u>
<b>CREDITORS: amounts falling due after more than one year</b>	4		71,767		92,464
			<u>35,169</u>		<u>33,457</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	5		10,000		10,000
Revaluation reserve			66,221		66,897
Profit and loss account			(41,052)		(43,440)
			<u>35,169</u>		<u>33,457</u>

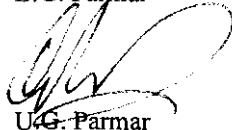
The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 27 September 1999.

**DIRECTORS**

*B.G. PARMAR*

B.G. Parmar



U.G. Parmar

*The notes on pages 4 to 6 form part of these financial statements.*

# PARMAR LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1999

### 1 ACCOUNTING POLICIES

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

#### **Accounting convention**

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999) and under the historical cost convention as modified by the revaluation of certain fixed assets.

#### **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

#### **Depreciation**

Depreciation is charged on the following bases to reduce the cost or valuation of the company's tangible fixed assets to their net realisable values over their estimated useful lives at the following rates:

Freehold buildings	2% straight line
Furniture and equipment	25% straight line

Freehold land is treated as a non-depreciating fixed asset. The cost or valuation of freehold buildings are determined separately and depreciated accordingly.

#### **Freehold property**

The company's freehold property is revalued periodically and the aggregate surplus or deficit is transferred to the company's revaluation reserve.

Formal professional valuations will be produced periodically and interim valuations will be provided by the directors.

#### **Pension fund arrangements**

The company has entered into pension fund arrangements for the benefit of its directors. Contributions made by the company are administered by trustees in a fund independent from the company's assets.

Contributions are charged to the profit and loss account as incurred.

**PARMAR LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 1999**

**2 FIXED ASSETS**

	<b>Tangible fixed assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>COST OR VALUATION</b>		
At 1 May 1998	247,874	247,874
At 30 April 1999	<u>247,874</u>	<u>247,874</u>
<b>DEPRECIATION</b>		
At 1 May 1998	11,048	11,048
Charge for the year	4,749	4,749
At 30 April 1999	<u>15,797</u>	<u>15,797</u>
<b>NET BOOK VALUE</b>		
At 30 April 1998	<u>236,826</u>	<u>236,826</u>
At 30 April 1999	<u>232,077</u>	<u>232,077</u>

**3 DEBTORS**

All amounts included in debtors are considered receivable within one year of the balance sheet date.

**4 CREDITORS**

A bank loan amounting to £92,882 (1998 - £111,562) is secured.

**5 CALLED UP SHARE CAPITAL**

	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
Ordinary shares of £1 each	500,000	500,000
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

# PARMAR LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1999

### 6 CONTINGENT LIABILITIES

The company is a party to a composite cross guarantee in favour of National Westminster Bank PLC securing the bank borrowings of the company and its related companies Parmar Supermarkets Limited and Parmar Foods & Wines Limited. At 30 April 1999 the borrowings of the related companies amounted to £55,760 (1998 - £57,191).

The borrowings relate to a £50,000 overdraft facility granted to Parmar Foods & Wines Limited, which had been exceeded as at 30 April 1999.

The directors consider it appropriate to prepare the financial statements on the going concern basis which assumes the continuation and renewal of the above overdraft facility, such that no liability would arise on the company in respect of the cross guarantee.

### 7 RELATED PARTY TRANSACTIONS

During the year the company raised management charges on its related companies Parmar Supermarkets Limited and Parmar Foods & Wines Limited amounting to £30,000 (1998 - £94,720) and £60,000 (1998 - £146,750) respectively.

Amounts owed to related companies at 30 April 1999 were as follows :

Parmar Foods & Wines Limited    £95,095 (1998 - £10,058)

Amounts due from related companies at 30 April 1999 were as follows :

Parmar Supermarkets Limited    £47,561 (1998 - £41,996)

U.G. Parmar and B.G. Parmar have provided personal guarantees in favour of National Westminster Bank Plc securing the bank borrowings of the company.

The ultimate controlling parties are U.G. Parmar and B.G. Parmar.