

PARMAR LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR
30 APRIL 2004



PARMAR LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2004

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PARMAR LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

U. G. Parmar

COMPANY SECRETARY

Mrs J. Parmar

REGISTERED OFFICE

19/21 Dartmouth Avenue
Sheerwater
Woking
Surrey
GU21 5PE

ACCOUNTANTS

Menzies
Chartered Accountants
Sandringham
Guildford Road
Woking
Surrey
GU22 7QL

BANKERS

National Westminster Bank Plc
1 High Street
Woking
Surrey
GU21 1BE

PARMAR LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 30 APRIL 2004

The director presents his report and the unaudited financial statements of the company for the year ended 30 April 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of the provision of management services.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 April 2004	At 1 May 2003
U. G. Parmar	5,000	5,000

B. G. Parmar retired as a director on 6 August 2003.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
19/21 Dartmouth Avenue
Sheerwater
Woking
Surrey
GU21 5PE

Signed by order of the director



Mrs J. Parmar
Company Secretary

Approved by the director on

PARMAR LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2004

	Note	2004 £	2003 £
TURNOVER		13,500	40,500
Administrative expenses		79,133	38,082
OPERATING (LOSS)/PROFIT	2	<u>(65,633)</u>	<u>2,418</u>
Interest receivable		-	17
Interest payable and similar charges		(3,890)	(2,819)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(69,523)</u>	<u>(384)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(69,523)</u>	<u>(384)</u>

The notes on pages 6 to 9 form part of these financial statements.

PARMAR LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30 APRIL 2004

	2004	2003
	£	£
Loss for the financial year attributable to the shareholders	(69,523)	(384)
Unrealised profit on revaluation of certain fixed assets	86,584	-
Total gains and losses recognised since the last annual report	<u>17,061</u>	<u>(384)</u>

The notes on pages 6 to 9 form part of these financial statements.

PARMAR LIMITED

BALANCE SHEET

30 APRIL 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	4		304,033		227,497
CURRENT ASSETS					
Debtors	5	811		57,481	
Cash at bank		-		4,004	
		<u>811</u>		<u>61,485</u>	
CREDITORS: Amounts falling due within one year	6	<u>199,886</u>		<u>194,435</u>	
NET CURRENT LIABILITIES			<u>(199,075)</u>		<u>(132,950)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>104,958</u>		<u>94,547</u>
CREDITORS: Amounts falling due after more than one year	7		<u>37,448</u>		<u>44,098</u>
			<u>67,510</u>		<u>50,449</u>
CAPITAL AND RESERVES					
Called-up equity share capital	10		10,000		10,000
Revaluation reserve	11		148,600		63,517
Profit and loss account	12		(91,090)		(23,068)
SHAREHOLDERS' FUNDS			<u>67,510</u>		<u>50,449</u>

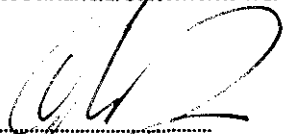
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved and signed by the director on 14 December 2005



U. G. Parmar

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are recorded at historic cost less accumulated depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings	-	2% straight line
Fixtures & Fittings	-	25% straight line
Motor Vehicles	-	25% straight line

Freehold land is treated as a non-depreciating fixed asset. The cost or valuation of freehold 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.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pension costs

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.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2004	2003
	£	£
Depreciation of owned fixed assets	10,048	2,384
Depreciation of assets held under hire purchase agreements	-	6,800

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2004

3. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were:

	2004 £	2003 £
Aggregate emoluments	-	9,473
Value of company pension contributions to money purchase schemes	-	300
	<u>-</u>	<u>9,773</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2004 No	2003 No
Money purchase schemes	<u>2</u>	<u>2</u>

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Other plant & machinery etc. £	Total £
COST OR VALUATION			
At 1 May 2003	238,416	36,658	275,074
Revaluation	86,584	-	86,584
At 30 April 2004	<u>325,000</u>	<u>36,658</u>	<u>361,658</u>
DEPRECIATION			
At 1 May 2003	17,720	29,857	47,577
Charge for the year	3,250	6,798	10,048
At 30 April 2004	<u>20,970</u>	<u>36,655</u>	<u>57,625</u>
NET BOOK VALUE			
At 30 April 2004	<u>304,030</u>	<u>3</u>	<u>304,033</u>
At 30 April 2003	<u>220,696</u>	<u>6,801</u>	<u>227,497</u>

A professional valuation was undertaken in November 2003 by Vail Williams of Southampton, Hampshire on an open market, existing use basis at £325,000. The directors consider this valuation to be appropriate at 30 April 2004.

Should the company's property be sold at its estimated market value, a corporation tax liability of approximately £23,000 would crystallise. The directors have no present intention of disposing of this property in the foreseeable future and accordingly no provision has been made for the potential tax liability.

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2004

4. TANGIBLE FIXED ASSETS *(continued)*

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2004 £	2003 £
Net book value at end of year	304,030	220,696
Historical cost	170,843	170,843
Depreciation:		
At 1 May 2003	13,664	11,956
Charge for year	1,708	1,708
At 30 April 2004	15,372	13,664
Net historical cost value:		
At 30 April 2004	155,471	157,179
At 1 May 2003	157,179	158,887

5. DEBTORS

	2004 £	2003 £
Amounts owed by group undertakings	-	56,423
Other debtors	811	1,058
	811	57,481

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

6. CREDITORS: Amounts falling due within one year

	2004 £	2003 £
Bank loans and overdrafts	12,902	12,902
Trade creditors	1,371	1,196
Amounts owed to group undertakings	157,400	137,800
Other taxation and social security	6,912	3,436
Other creditors	21,301	39,101
	199,886	194,435

The bank loan and overdraft are secured.

7. CREDITORS: Amounts falling due after more than one year

	2004 £	2003 £
Bank loans and overdrafts	37,448	44,098

The bank loan is secured.

8. CONTINGENCIES

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 2004 the borrowings of the related companies amounted to £199,013 (2003 - £71,423).

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2004

9. RELATED PARTY TRANSACTIONS

During the year the company raised management charges on its related companies Parmar Supermarkets Limited, of which B.G. Parmar is a director and Parmar Foods & Wines Limited of which U.G. Parmar is a director, amounting to £13,500 (2003 - £13,500) and £nil (2003 - £27,000) respectively.

At the year end Parmar Limited owed Parmar Foods & Wines Limited £156,510 (2003 - £121,502) and Parmar Supermarkets Limited £790 (2003 - £16,298).

U.G. Parmar is also a director of Vitawell Limited (formerly The Living Well Spring Limited). At the year end the company was owed £56,423 (2003 - £56,423) from Vitawell Limited. This debt has been fully provided against.

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 party is U.G. Parmar.

10. SHARE CAPITAL

Authorised share capital:

	2004 £	2003 £
500,000 Ordinary shares of £1 each	500,000	500,000

Allotted, called up and fully paid:

	2004 No	£	2003 No	£
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

11. REVALUATION RESERVE

	2004 £	2003 £
Balance brought forward	63,517	64,193
Revaluation of fixed assets	86,584	-
Transfer to the Profit and Loss Account	(1,501)	(676)
Balance carried forward	148,600	63,517

12. PROFIT AND LOSS ACCOUNT

	2004 £	2003 £
Balance brought forward	(23,068)	(23,360)
Accumulated loss for the financial year	(69,523)	(384)
Transfer from revaluation reserve	1,501	676
Balance carried forward	(91,090)	(23,068)

PARMAR LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 30 APRIL 2004

The following pages do not form part of the statutory financial statements.

PARMAR LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED FINANCIAL STATEMENTS OF PARMAR LIMITED

YEAR ENDED 30 APRIL 2004

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company set out on pages 3 to 9 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Director, as a body, 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 Director 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 Director, as a body, 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 and 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 as at 30 April 2004 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.

Menzie

MENZIES
Chartered Accountants

Sandringham
Guildford Road
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Surrey
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(17 December 2004)