

PARMAR LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1995

	Index
Page	
1	Company information
2	Directors' report
4	Auditors' report
5	Profit and loss account
6	Balance sheet
7	Notes to the financial statements



PARMAR LIMITED

COMPANY INFORMATION

DIRECTORS	Mr U G Parmar Mr B G Parmar
SECRETARY	Mrs K Parmar
BANKERS	National Westminster Bank Plc., 1 High Street, Woking, Surrey, GU21 1BE.
AUDITORS	Khanbhai and Company, 4 Cresswell Corner, Anchor Hill, Woking, Surrey, GU21 2JD.
REGISTERED OFFICE	Khanbhai House, 4 Cresswell Corner, Anchor Hill, Woking, Surrey, GU21 2JD.
REGISTERED NUMBER	2,311,552 (England and Wales)

PARMAR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 1995

The directors present their annual report together with the audited financial statements of the company for the year ended 30 April 1995.

PRINCIPAL ACTIVITY

The principal activity of the company throughout the year continued to be that of the provision of management services to subsidiary companies.

REVIEW OF BUSINESS

The results for the year are set out in the annexed profit and loss account.

Turnover has increased during the year by 9.2% to £121,702.

DIVIDENDS

The directors do not recommend the payment of a dividend for the year.

No dividends were declared in respect of the previous year.

DIRECTORS

The directors who held office during the year and their beneficial interests in the issued share capital were as follows:

	<u>Ordinary shares of £1 each</u>	
	30 April 1995	30 April 1994
Mr U G Parmar	2,030	2,030
Mr B G Parmar	1,040	1,040

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;

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 enable them to ensure that the financial statements comply with the Companies Act. 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.

PARMAR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 1995

AUDITORS

The auditors, Khanbhai and Company, will be proposed for re-appointment in accordance with Section 384 of the Companies Act 1985.

Signed on behalf of the board of directors

MRS K PARMAR

Mrs K Parmar
Secretary

Approved by the board on: 30 January 1996

AUDITORS' REPORT TO THE SHAREHOLDERS OF
PARMAR LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 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 that 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 the company's affairs at 30 April 1995 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the Company is entitled for the year ended 30 April 1995 to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts.

Khanbhai and company.

KHANBHAI AND COMPANY,
Registered Auditor and,
Certified Accountants,
4 Cresswell Corner,
Anchor Hill, Woking,
Surrey, GU21 2JD.

30 January 1996

PARMAR LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 1995

	Notes	1995		1994	
		£	£	£	£
TURNOVER	2		121,702		111,489
Administrative expenses		80,342		86,013	
			80,342		86,013
OPERATING PROFIT	3		41,360		25,476
Other operating income			10		157
Interest payable	5		41,370 29		25,633 248
PROFIT on ordinary activities before taxation			41,341		25,385
TAXATION on profit on ordinary activities	6		4,208		3,841
PROFIT on ordinary activities after taxation			37,133		21,544
DEFICIT BROUGHT FORWARD			(12,347)		(33,891)
BALANCE CARRIED FORWARD			£ 24,786		£ (12,347)

There were no recognised gains nor losses other than those included in the profit and loss account.

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

The notes on pages 7 to 10 form part of these financial statements.

PARMAR LIMITED

BALANCE SHEET - 30 APRIL 1995

	Notes	1995		1994	
		£	£	£	£
FIXED ASSETS					
Investments	7		2,100		2,100
			<u>2,100</u>		<u>2,100</u>
CURRENT ASSETS					
Debtors	8	148,907		84,149	
Cash at bank and in hand		2		5,536	
		<u>148,909</u>		<u>89,685</u>	
CREDITORS: amounts falling due within one year	9	116,223		94,132	
		<u>116,223</u>		<u>94,132</u>	
NET CURRENT ASSETS/(LIABILITIES)			32,686		(4,447)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 34,786</u>		<u>£ (2,347)</u>
CAPITAL AND RESERVES					
Called up share capital	11		10,000		10,000
Profit and loss account			24,786		(12,347)
			<u>34,786</u>		<u>(2,347)</u>
SHAREHOLDERS FUNDS	12		<u>£ 34,786</u>		<u>£ (2,347)</u>

Approved by the board of directors on 30 January 1996 and signed on its behalf.

.....
 Mr U G Parmar
 Director

The notes on pages 7 to 10 form part of these financial statements.

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 1995

1 ACCOUNTING POLICIES

The principal accounting policies which are adopted in the preparation of the financial statements are set out below.

Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention (as modified by the revaluation of certain assets).

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

2 TURNOVER

The turnover and profit for the year before taxation is attributable to the one principal activity of the company.

No exports were made by the company during the year.

3 OPERATING PROFIT

The operating profit is stated after charging:

	1995	1994
	£	£
Directors' emoluments	31,893	24,527
Staff costs	41,497	53,825
Total staff costs (note 4)	73,390	78,352
Auditors' remuneration	900	1,650

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	1995	1994
	£	£
Wages and salaries	68,277	72,670
Social security costs	4,513	3,882
Other pension costs	600	1,800
	73,390	78,352

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 1995

(continued)

The average weekly number of employees during the year was as follows:

Office and management	<u>10</u>	<u>6</u>
-----------------------	-----------	----------

5 INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	£	£
Repayable within five years:		
Bank loans and overdrafts	<u>29</u>	<u>248</u>

6 TAXATION

	<u>1995</u>	<u>1994</u>
	£	£
Corporation tax on ordinary activities at 25%	<u>4,208</u>	<u>3,841</u>

The Company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

7 INVESTMENTS

	<u>1995</u>	<u>1994</u>
	£	£
Unlisted investments at cost		
Fixed asset investments -- unlisted :B/FWD	<u>2,100</u>	<u>2,100</u>

The Company owns 100 Ordinary shares of £1 each in Parmar Supermarkets Limited, an unlisted company registered in England, being 100% of the issued share capital.

The Company owns 1,000 Ordinary shares of £1 each in Parmar Wines Limited, an unlisted company registered in England, being 100% of the issued share capital.

The Company owns 1,000 Ordinary shares of £1 each in Parmar Foods Limited, an unlisted company registered in England, being 100% of the issued share capital.

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 1995

(continued)

8 DEBTORS

	1995	1994
	£	£
Trade debtors	12,000	4,000
Amounts owed by group companies	133,718	77,621
Prepaid expenses	3,189	2,528
	<u>148,907</u>	<u>84,149</u>

9 CREDITORS: amounts falling due within one year

	1995	1994
	£	£
Trade creditors	4,199	-
Amount owed to group company	23,653	18,193
Accrued expenses	1,547	1,531
Social security and other taxes	7,294	5,177
Other creditors	67,370	59,489
	<u>104,063</u>	<u>84,390</u>
Bank loan and overdraft	52	1,842
Taxation	12,108	7,900
	<u>116,223</u>	<u>94,132</u>

10 BANK LOANS AND OVERDRAFTS

The aggregate amount of bank loans and overdrafts was as follows:

	1995	1994
	£	£
Falling due within one year		
Bank overdraft	52	1,842
	<u>52</u>	<u>1,842</u>

PARMAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 1995

(continued)

11 CALLED UP SHARE CAPITAL

	1995	1994
	£	£
Authorised		
Ordinary shares of £1 each	500,000	500,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	10,000	10,000

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995	1994
	£	£
Profit for the year	37,133	21,544
Shareholders' funds at 30 April 1994	(2,347)	(23,891)
Shareholders' funds at 30 April 1995	34,786	(2,347)

13 DIRECTORS CURRENT ACCOUNTS

The directors current account represents amounts due from the Company to the directors for money advanced to the Company. The directors appreciate that these sums are technically repayable on demand but would not be repaid to the detriment of the Company's financial position and the trading figure is based on their support by these loans.

14 CONTINGENT LIABILITIES

The Company is owed £76,691 by Parmar Foods Limited whose principal activity is that of wholesalers and retailers of foodstuffs. The recovery of this debt is dependant on a significant increase in the level of turnover of the business.

It is the director's opinion that this Company may not achieve this level of activity necessary to repay this debt, in the foreseeable future.

PARMAR LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 1995

	1995		1994	
	£	£	£	£
SALES		121,702		111,489
DEDUCT : EXPENSES				
Establishment	2,114		1,025	
Administration	73,774		78,401	
Financial	4,483		6,835	
		80,371		86,261
		<u>41,331</u>		<u>25,228</u>
OTHER INCOME				
Interest receivable		10		157
NET PROFIT BEFORE TAXATION	£	<u>41,341</u>	£	<u>25,385</u>

PARMAR LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 1995

	1995		1994	
	£	£	£	£
ESTABLISHMENT				
Insurance		1,956		630
Computer expenses		158		395
		<u>£ 2,114</u>		<u>£ 1,025</u>
ADMINISTRATION				
Emoluments for services as directors		31,293		22,876
Directors NI employers		-		1,651
Directors pensions		600		-
Salaries		41,497		53,825
Training		384		49
		<u>£ 73,774</u>		<u>£ 78,401</u>
FINANCIAL				
Bank charges and interest		1,205		1,168
Audit remuneration		900		1,650
Legal & professional charges		2,378		4,017
		<u>£ 4,483</u>		<u>£ 6,835</u>