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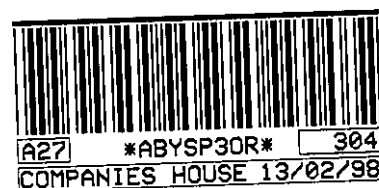
PARMAR LIMITED

REGISTERED NUMBER : 2311552

REPORT AND ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1996

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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 7 together with the full financial statements of Parmar Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 April 1996.

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 1996 and the abbreviated accounts on pages 3 to 7 have been properly prepared in accordance with those provisions.

Other information

On 11 February 1998 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 1996 and our report included the following paragraph :

Going concern

"In forming our opinion, we have considered the adequacy of the disclosures made in note 8 to the financial statements concerning the reliance on the ongoing support of the company's bankers. In view of the significance of the uncertainty as to the continuation and renewal of the company's bank borrowing facility, we consider that it should be drawn to your attention but our opinion is not qualified in this respect."

Sandringham
Guildford Road
Woking
Surrey
GU22 7QL

11 February 1998

Menzies
Menzies
Chartered Accountants
and Registered Auditors

PARMAR LIMITED

ABBREVIATED BALANCE SHEET

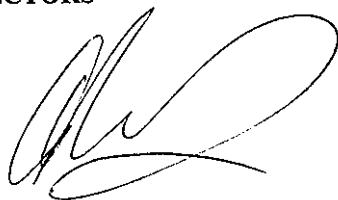
30 APRIL 1996

		1996		1995	
	Note	£	£	£	£
FIXED ASSETS	2		172,789		2,100
CURRENT ASSETS					
Debtors	3	22,808		148,907	
		<u>22,808</u>		<u>148,907</u>	
CREDITORS: amounts falling due within one year	4	97,887		116,221	
NET CURRENT (LIABILITIES)/ASSETS			<u>(75,079)</u>		<u>32,686</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>97,710</u>		<u>34,786</u>
CREDITORS: amounts falling due after more than one year	4		118,223		-
			<u>(20,513)</u>		<u>34,786</u>
CAPITAL AND RESERVES					
Called up share capital	5		10,000		10,000
Profit and loss account			<u>(30,513)</u>		<u>24,786</u>
EQUITY SHAREHOLDERS' FUNDS			<u>(20,513)</u>		<u>34,786</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 11 February 1998

DIRECTORS



U G Parmar

B.G. PARMAR

B G Parmar

The notes on pages 4 to 7 form part of these financial statements.

PARMAR LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1996

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 applicable Accounting Standards and under the historical cost convention.

Turnover

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

Consolidation

The company has taken advantage of the statutory exemption not to prepare group accounts, by virtue of its size, as permitted by Section 248 of the Companies Act 1985.

Income from investments

Investment income comprises dividends declared during the accounting period in respect of listed and un-listed investments, interest receivable on term deposits and fixed interest securities and rents receivable.

Depreciation

Depreciation is charged on the following bases to reduce the cost 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 of freehold buildings are determined separately and depreciated accordingly.

Fixed asset investments

Fixed asset investments are included in the balance sheet at cost after provision for any permanent diminution in value.

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 1996

2 FIXED ASSETS

	Tangible fixed assets	Fixed asset investment	Total
	£	£	£
COST			
At 1 May 1995	-	2,100	2,100
Additions	172,915	-	172,915
At 30 April 1996	<u>172,915</u>	<u>2,100</u>	<u>175,015</u>
DEPRECIATION			
At 1 May 1995	-	-	-
Charge for the year	2,226	-	2,226
At 30 April 1996	<u>2,226</u>	<u>-</u>	<u>2,226</u>
NET BOOK VALUE			
At 30 April 1995	-	2,100	2,100
At 30 April 1996	<u>170,689</u>	<u>2,100</u>	<u>172,789</u>

PARMAR LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1996

Basis of exemption from preparing group accounts

The financial statements present information about Parmar Limited as an individual undertaking and do not include the results of its subsidiary undertakings:

	Country of incorporation	Class of share held	Percentage held by Parmar Limited
Parmar Supermarkets Limited	United Kingdom	Ordinary	100%
Parmar Foods & Wines Limited	United Kingdom	Ordinary	100%
Parmar & Sons Limited	United Kingdom	Ordinary	100%

The company has taken advantage of Section 248(1) of the Companies Act 1985 which permits a parent undertaking not to prepare group accounts where the group in question satisfied two or more of the criteria set out in Section 249(3) of the Companies Act 1985 and so qualifies as a small or medium sized group.

Accordingly, no group accounts have been prepared.

Results of subsidiary undertakings

	Year end	Aggregate capital and reserves	Profit(Loss) for the year
		£	£
Parmar Supermarkets Limited	30 April 1996	29,969	(25,456)
Parmar Foods & Wines Limited	30 April 1996	62,681	(32,547)
Parmar & Sons Limited	30 April 1996	(90,917)	(43,753)

Full provision for the non recoverability of debts totalling £91,751 due from Parmar & Sons Limited has been made in the books of Parmar Limited as at 30 April 1996. The debts still remained as monies owed to Parmar Limited in the books of Parmar & Sons Limited.

3 DEBTORS

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

4 CREDITORS

A bank loan and overdraft amounting to £132,751 (1995 - £nil) and £17,624 (1995 - £50) respectively are secured.

The company meets its day to day working capital requirements through a group overdraft facility which is repayable on demand. At 30 April 1996 the group bank borrowings exceeded the facility, but the directors consider that the company and group will be able to operate within the existing facility currently renewed up to December 1998. However, inherently there can be no certainty in relation to working capital requirements. The directors will undertake to provide support in the form of additional loans if necessary, in order for the company to meet its liabilities as they fall due. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

PARMAR LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1996

5 CALLED UP SHARE CAPITAL

	1996	1995
	£	£
Authorised		
Ordinary shares of £1 each	500,000	500,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

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 subsidiary undertakings, Parmar Supermarkets Limited, Parmar Foods & Wines Limited and Parmar & Sons Limited. At 30 April 1996 the borrowings of the subsidiary undertakings amounted to £45,423.

7 RELATED PARTY TRANSACTIONS

During the year the company raised management charges on its subsidiary undertakings Parmar Supermarkets Limited, Parmar Foods & Wines Limited and Parmar & Sons Limited amounting to £55,319, £87,298 and £3,404 respectively.

Amounts due from group undertakings at 30 April 1996 were as follows :

Parmar Foods & Wines Limited	£15,338
Parmar Supermarkets Limited	£ 3,894
Parmar & Sons Limited	£91,751

Full provision for the non recoverability of the debts totalling £91,751 due from Parmar & Sons Limited has been made in the books of Parmar Limited as at 30 April 1996.