

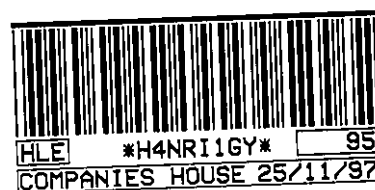
REPORT AND ABBREVIATED ACCOUNTS

(As per Sections 246 and 247 of the Companies Act 1985)

NARANG WHOLESALERS LIMITED

Company number: 3083607

31 DECEMBER 1996



NARANG WHOLESALERS LIMITED

31 DECEMBER 1996

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AUDITORS REPORTTO THE DIRECTORS OF NARANG WHOLESALERS LIMITED

Pursuant to Paragraph 24 of Schedule 8 of the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of Narang Wholesalers Limited, prepared under Section 226 of the Companies Act 1985 for the period ended 31 December 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered 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 under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the period ended 31 December 1996 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that Schedule.

Other information

On 25 November 1997 we reported, as auditors of Narang Wholesalers Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the period ended 31 December 1996 and our audit report is duplicated below.

AUDITORS' REPORTTO THE SHAREHOLDERS OF NARANG WHOLESALERS LIMITED

We have audited the financial statements on pages 5 to 9 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.

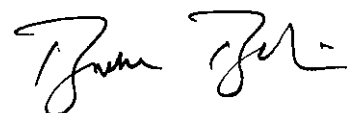
Basis of opinion

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 judgments 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 as at 31 December 1996 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Sanderson House
Station Road
Horsforth
Leeds
LS18 5NT

BUCKLE BARTON
Chartered Accountants

REGISTERED AUDITOR

Dated: 25 November 1997

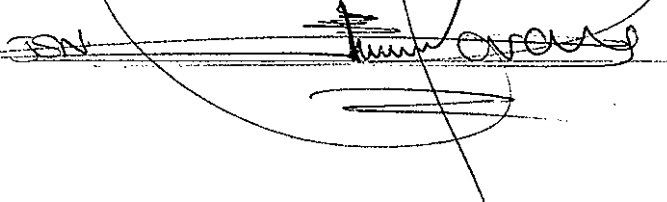
NARANG WHOLESALERS LIMITEDABBREVIATED BALANCE SHEET31 DECEMBER 1996

	Notes	£
FIXED ASSETS		
Tangible assets	2	35,250
CURRENT ASSETS		
Stocks		229,524
Debtors		63,513
Cash at bank and in hand		785
		293,822
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	(251,127)
NET CURRENT ASSETS		42,695
TOTAL ASSETS LESS CURRENT LIABILITIES		77,945
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		(40,000)
NET ASSETS		37,945
CAPITAL AND RESERVES		
Called up share capital	4	2
Profit and loss account		37,943
		37,945

The directors have taken advantage of the exemptions conferred on small companies by the Companies Act 1985, Schedule 8, Part III. In the opinion of the directors the company qualifies as a small sized company and is entitled to make use of the exemptions.

The directors have taken advantage, in the preparation of these accounts, of special exemptions applicable to small companies under Schedule 8 Part I of the Companies Act 1985. In the opinion of the directors the company qualifies as a small company and is entitled to make use of the special exemptions.

J S NARANG - Director



Dated: 25 November 1997

NARANG WHOLESALERS LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE PERIOD FROM 25 JULY 1995 TO 31 DECEMBER 19961. *ACCOUNTING POLICIES**Accounting convention*

The accounts are prepared under the historical cost convention, and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible fixed assets, at the following rates on the bases stated:

Motor vehicles	- 20% p.a. on cost
Fixtures and equipment	- 20% p.a. on cost
Leasehold property	- over 50 years on cost

A full period's depreciation is provided in the period of purchase.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Fixed assets

All fixed assets are stated at cost less accumulated depreciation.

Operating leases

Operating lease rentals and equivalent hire purchase contracts are charged as an expense in the profit and loss account.

Deferred taxation

Deferred taxation is provided on the liability method and represents full provision for potential amounts of deferred tax, where applicable except where, in the opinion of the directors, these are unlikely to reverse in the foreseeable future.

2. *TANGIBLE FIXED ASSETS*

	Total
	£
Cost:	
Additions	42,449
Disposals	(2,200)
At 31 December 1996	40,249
Depreciation:	
Provided during the period	4,999
At 31 December 1996	4,999
Net book value:	
At 31 December 1996	35,250

NARANG WHOLESALERS LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS31 DECEMBER 1996

		£
3.	<i>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</i>	
	Includes the following:	
	Bank loan (secured)	12,000
4.	<i>CALLED UP SHARE CAPITAL</i>	
	Authorised:	
	100,000 ordinary shares of £1 each	100,000
	Allotted, issued and fully paid:	
	2 ordinary shares of £1 each	2
	During the period 2 ordinary shares of £1 each, with an aggregate nominal value of £1, were issued fully paid for cash being the initial share capital of the company.	