
NARANG WHOLESALERS LIMITED

Company Number 03083607

ABBREVIATED ACCOUNTS

For The Year Ended 31 December 2007

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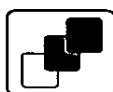
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COMPANIES HOUSE



HENTON & CO
CHARTERED ACCOUNTANTS

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Company Registration No. 03083607 (England and Wales)

NARANG WHOLESALERS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007

NARANG WHOLESALERS LIMITED

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NARANG WHOLESALERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and financial statements for the year ended 31 December 2007.

Principal activities and review of the business

The principal activity of the company continued to be wholesalers of textiles, electrical and plumbing goods and beers, wines, spirits and other beverages.

The Company continues to grow with Turnover increasing during the year and Gross Profit to £2,538,879.

The operation of the 3 divisions of the business in distinct markets allows the Company to cover trading risks in one area. The operation of each division is also further diversified into numerous customers further reducing risks to the business.

The Company has strengthened its financial basis with retaining the profits within the Company. The increased in stocks has been planned to cover the growth of the business within 2008. The directors are satisfied with the financial position at the end of the year.

Results and dividends

The results for the year are set out on page 4.

Directors

The following directors have held office since 1 January 2007:

M Hussain
J Kalsi
A Narang
J Pauley

Auditors

Henton & Co LLP were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

NARANG WHOLESALERS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

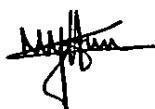
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M Hussain

Director

23 March 2009

NARANG WHOLESALERS LIMITED

INDEPENDENT AUDITORS' REPORT TO NARANG WHOLESALERS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of Narang Wholesalers Limited for the year ended 31 December 2007 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

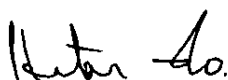
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Henton & Co LLP

23 March 2009

**Chartered Accountants
Registered Auditor**

**St Andrew's House
St Andrew's Street
Leeds
LS3 1LF**

NARANG WHOLESALERS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 £	2006 £
Gross profit		2,599,675	2,539,062
Administrative expenses		(2,281,731)	(1,954,319)
Operating profit	2	317,944	584,743
Interest payable and similar charges	3	(71,726)	(45,112)
Profit on ordinary activities before taxation		246,218	539,631
Tax on profit on ordinary activities	4	(73,634)	(134,863)
Profit for the year	12	172,584	404,768

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

NARANG WHOLESALERS LIMITED

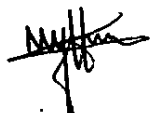
ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	5 and 6		487,544		523,212
Current assets					
Stocks	7	4,119,483		3,043,793	
Debtors	8	4,895,663		5,192,625	
Cash at bank and in hand		114,467		-	
		9,129,613		8,236,418	
Creditors: amounts falling due within one year	9	(6,337,211)		(6,102,685)	
Net current assets			2,792,402		2,133,733
Total assets less current liabilities			3,279,946		2,656,945
Creditors: amounts falling due after more than one year	10		(576,503)		(126,086)
			2,703,443		2,530,859
Capital and reserves					
Called up share capital	11		2		2
Profit and loss account	12		2,703,441		2,530,857
Shareholders' funds	13		2,703,443		2,530,859

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the Board and authorised for issue on 23 March 2009



M Hussain
Director

NARANG WHOLESALERS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	£	2007 £	£	2006 £
Net cash inflow/(outflow) from operating activities		466,324		(156,874)
Returns on investments and servicing of finance				
Interest paid	(71,726)		(45,112)	
Net cash outflow for returns on investments and servicing of finance		(71,726)		(45,112)
Taxation		(135,568)		(114,159)
Capital expenditure				
Payments to acquire tangible assets	(20,430)		(66,090)	
Receipts from sales of tangible assets	-		2,383	
Net cash outflow for capital expenditure		(20,430)		(63,707)
Net cash inflow/(outflow) before management of liquid resources and financing		238,600		(379,852)
Financing				
Other new long term loans	448,500		-	
Repayment of long term bank loan	(18,391)		(48,853)	
Repayment of other long term loans	(8,509)		(12,285)	
Capital element of hire purchase contracts	1,623		(122,900)	
Net cash inflow/(outflow) from financing		423,223		(184,038)
Increase/(decrease) in cash in the year		661,823		(563,890)

NARANG WHOLESALERS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2007		2006	
		£		£	
	Operating profit	317,944		584,743	
	Depreciation of tangible assets	47,628		62,322	
	Loss on disposal of tangible assets	48,747		6,104	
	Increase in stocks	(1,075,690)		(662,430)	
	Decrease/(increase) in debtors	296,962		(20,073)	
	Increase/(decrease) in creditors within one year	830,733		(127,540)	
	Net cash inflow/(outflow) from operating activities	466,324		(156,874)	
2	Analysis of net debt	1 January 2007	Cash flow	Other non-cash changes	31 December 2007
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	-	114,467	-	114,467
	Bank overdrafts	(1,416,088)	547,356	-	(868,732)
		(1,416,088)	661,823	-	(754,265)
	Debt:				
	Finance leases	1,621	(1,623)	(40,277)	(40,279)
	Debts falling due within one year	(29,152)	(686)	-	(29,838)
	Debts falling due after one year	(127,707)	(420,914)	-	(548,621)
		(155,238)	(423,223)	(40,277)	(618,738)
	Net debt	(1,571,326)	238,600	(40,277)	(1,373,003)
3	Reconciliation of net cash flow to movement in net debt	2007		2006	
		£		£	
	Increase/(decrease) in cash in the year	661,823		(563,890)	
	Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(423,223)		184,038	
	Change in net debt resulting from cash flows	238,600		(379,852)	
	New finance lease	(40,277)		-	
	Movement in net debt in the year	198,323		(379,852)	
	Opening net debt	(1,571,326)		(1,191,474)	
	Closing net debt	(1,373,003)		(1,571,326)	

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% and 20% reducing balance
Motor vehicles	20% reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating profit

	2007 £	2006 £
Operating profit is stated after charging:		
Depreciation of tangible assets	47,628	54,102
Loss on disposal of tangible assets	48,747	6,104
Operating lease rentals	120,000	-
Auditors' remuneration (including expenses and benefits in kind)	13,000	19,000

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

3	Interest payable	2007	2006
		£	£
	On bank loans and overdrafts	48,122	29,948
	On other loans wholly repayable within five years	9,260	9,451
	Hire purchase interest	10,060	5,713
	On overdue tax	4,284	-
		<u>71,726</u>	<u>45,112</u>
4	Taxation	2007	2006
		£	£
	Domestic current year tax		
	U.K. corporation tax	57,547	134,863
	Adjustment for prior years	16,087	-
	Current tax charge	<u>73,634</u>	<u>134,863</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>246,218</u>	<u>539,631</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.75% (2006 - 30.00%)	<u>48,628</u>	<u>161,889</u>
	Effects of:		
	Non deductible expenses	3,106	-
	Depreciation add back	19,034	18,062
	Capital allowances	(13,221)	(18,599)
	Adjustments to previous periods	16,087	-
	Marginal relief	-	(26,489)
		<u>25,006</u>	<u>(27,026)</u>
	Current tax charge	<u>73,634</u>	<u>134,863</u>

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

5 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2007	20,100	47,817	388,399	456,316
Additions	5,300	6,040	49,367	60,707
Disposals	-	1,162	(118,051)	(116,889)
At 31 December 2007	25,400	55,019	319,715	400,134
Depreciation				
At 1 January 2007	14,961	16,686	194,742	226,389
On disposals	-	9,138	(77,280)	(68,142)
Charge for the year	2,088	5,288	40,252	47,628
At 31 December 2007	17,049	31,112	157,714	205,875
Net book value				
At 31 December 2007	8,351	23,907	162,001	194,259
At 31 December 2006	5,139	31,131	193,657	229,927

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 December 2007	93,436
At 31 December 2006	71,903
Depreciation charge for the year	
At 31 December 2007	23,359

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

6 Tangible fixed assets

	Investment properties £
Cost	
At 1 January 2007 & at 31 December 2007	<u>293,285</u>

7 Stocks

	2007 £	2006 £
Finished goods and goods for resale	<u>4,119,483</u>	<u>3,043,793</u>

8 Debtors

	2007 £	2006 £
Trade debtors	3,782,873	4,228,450
Other debtors	1,095,651	947,971
Prepayments and accrued income	<u>17,139</u>	<u>16,204</u>
	<u>4,895,663</u>	<u>5,192,625</u>

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

9	Creditors: amounts falling due within one year	2007 £	2006 £
	Bank loans and overdrafts	898,570	1,445,240
	Net obligations under hire purchase contracts	12,397	-
	Trade creditors	4,686,951	4,039,821
	Corporation tax	192,440	254,374
	Other taxes and social security costs	28,742	-
	Other creditors	507,906	363,250
	Accruals and deferred income	10,205	-
		6,337,211	6,102,685

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

10 Creditors: amounts falling due after more than one year	2007 £	2006 £
Bank loans	88,448	107,525
Other loans	460,173	20,182
Net obligations under hire purchase contracts	27,882	(1,621)
	<u>576,503</u>	<u>126,086</u>
Analysis of loans		
Wholly repayable within five years	578,459	156,859
	<u>578,459</u>	<u>156,859</u>
Included in current liabilities	(29,838)	(29,152)
	<u>548,621</u>	<u>127,707</u>
Loan maturity analysis		
In more than one year but not more than two years	43,254	28,217
In more than two years but not more than five years	84,749	97,869
In more than five years	448,500	-
	<u>576,503</u>	<u>126,086</u>

A first mortgage dated 31 January 2000 over the freehold of 103/103A City Road, Bradford, West Yorkshire is held by HSBC Bank plc.

A first mortgage dated 6 September 2004 over the freehold of 254 Thornton Road, Bradford, West Yorkshire is held by HSBC Bank plc.

A debenture including fixed charge over all present freehold and leasehold property, first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first floating charge over all assets and undertaking both present and future dated 17 April 1997 is held by HSBC Bank plc.

Net obligations under hire purchase contracts		
Repayable within one year	12,397	-
Repayable between one and five years	27,822	-
	<u>40,219</u>	<u>-</u>
Finance charges and interest allocated to future accounting periods	-	1,621
	<u>40,219</u>	<u>1,621</u>
Included in liabilities falling due within one year	(12,397)	-
	<u>27,822</u>	<u>1,621</u>

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

11 Share capital	2007	2006
	£	£
Authorised		
1,000 Ordinary of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
2 Ordinary of £1 each	2	2
	<u> </u>	<u> </u>
12 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 January 2007		2,530,857
Profit for the year		172,584
		<u> </u>
Balance at 31 December 2007		2,703,441
		<u> </u>
13 Reconciliation of movements in shareholders' funds	2007	2006
	£	£
Profit for the financial year	172,584	404,768
Opening shareholders' funds	2,530,859	2,126,091
	<u> </u>	<u> </u>
Closing shareholders' funds	2,703,443	2,530,859
	<u> </u>	<u> </u>

14 Contingent liabilities

The bank have given a guarantee dated 15 March 1999 for £15,000 in favour of HM Revenue & Customs.

The company has given a cross guarantee to the bank in respect of Region Enterprises Limited.

NARANG WHOLESALERS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

15 Financial commitments

At 31 December 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2008:

	Land and buildings	
	2007	2006
	£	£
Operating leases which expire:		
Between two and five years	120,000	-

16 Directors' emoluments

	2007	2006
	£	£
Emoluments for qualifying services	48,333	44,367

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2007	2006
	Number	Number
Management and Admin	27	28
Warehouse	19	13
Drivers	26	23
Sales	14	12
	86	76

Employment costs

	2007	2006
	£	£
Wages and salaries	1,034,727	959,496
Social security costs	80,302	76,336
	1,115,029	1,035,832