

# NARANG WHOLESALERS LIMITED

Company Number 03083607

## ABBREVIATED ACCOUNTS For The Year Ended 31 December 2008

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Company Registration No 03083607 (England and Wales)

**NARANG WHOLESALERS LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

# NARANG WHOLESALERS LIMITED

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# NARANG WHOLESALERS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report and financial statements for the year ended 31 December 2008

#### 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 turnover of the Company has fallen during the year due entirely to the decline in the alcohol turnover, consistent with market conditions, with sales down £4.7M to £22.2M

Improved margin contribution from the bathroom division (£0.3M) has helped the overall gross profit to grow from £2.53M (6.67%) to £2.67M (9.55%)

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 directors are satisfied with the financial position at the end of the year.

Management information for the year ended 31 December 2009 suggest that the continued improvements will continue with regard to both sales and margin in the further growth of the business.

#### Results and dividends

The results for the year are set out on page 4

#### Directors

The following directors have held office since 1 January 2008

M Hussain

J Kalsi

A Narang

(Resigned 30 July 2009)

J Pauley

J Narang

(Appointed 9 September 2008)

| Charitable donations | 2008<br>£ | 2007<br>£ |
|----------------------|-----------|-----------|
|----------------------|-----------|-----------|

During the year the company made the following payments

|                      |       |     |
|----------------------|-------|-----|
| Charitable donations | 1,839 | 270 |
|----------------------|-------|-----|

Charitable donations - The recipients and amounts of the charitable donations are as follows

Action for blind £600

Air Ambulance £500

All other individual donations were under £200 for the year

#### 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 2008**

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### **Statement of 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 these 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

J Narang  
Director

9 February 2010

# **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 16, together with the financial statements of Narang Wholesalers Limited for the year ended 31 December 2008 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 auditors' 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**

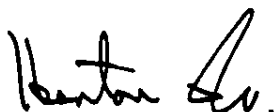
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246A(3) of 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

9 February 2010

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 2008**

|                                                      |              | <b>2008</b> | <b>2007</b> |
|------------------------------------------------------|--------------|-------------|-------------|
|                                                      | <b>Notes</b> | <b>£</b>    | <b>£</b>    |
| <b>Gross profit</b>                                  |              | 2,774,927   | 2,599,675   |
| Administrative expenses                              |              | (2,436,115) | (2,281,731) |
| <b>Operating profit</b>                              | <b>2</b>     | 338,812     | 317,944     |
| Interest payable and similar charges                 | <b>3</b>     | (73,818)    | (71,726)    |
| <b>Profit on ordinary activities before taxation</b> |              | 264,994     | 246,218     |
| Tax on profit on ordinary activities                 | <b>4</b>     | (57,000)    | (73,634)    |
| <b>Profit for the year</b>                           | <b>12</b>    | 207,994     | 172,584     |

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 2008

|                                                                | Notes   | 2008<br>£   | £         | 2007<br>£   | £         |
|----------------------------------------------------------------|---------|-------------|-----------|-------------|-----------|
| <b>Fixed assets</b>                                            |         |             |           |             |           |
| Tangible assets                                                | 5 and 6 |             | 618,828   |             | 487,544   |
| <b>Current assets</b>                                          |         |             |           |             |           |
| Stocks                                                         | 7       | 3,602,223   |           | 4,119,483   |           |
| Debtors                                                        | 8       | 6,615,961   |           | 4,895,663   |           |
| Cash at bank and in hand                                       |         | 540,073     |           | 114,467     |           |
|                                                                |         | 10,758,257  |           | 9,129,613   |           |
| <b>Creditors: amounts falling due within one year</b>          | 9       | (7,971,926) |           | (6,348,884) |           |
| <b>Net current assets</b>                                      |         |             | 2,786,331 |             | 2,780,729 |
| <b>Total assets less current liabilities</b>                   |         |             | 3,405,159 |             | 3,268,273 |
| <b>Creditors: amounts falling due after more than one year</b> | 10      |             | (493,722) |             | (564,830) |
|                                                                |         |             | 2,911,437 |             | 2,703,443 |
| <b>Capital and reserves</b>                                    |         |             |           |             |           |
| Called up share capital                                        | 11      |             | 2         |             | 2         |
| Profit and loss account                                        | 12      |             | 2,911,435 |             | 2,703,441 |
| <b>Shareholders' funds</b>                                     | 13      |             | 2,911,437 |             | 2,703,443 |

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 9 February 2010

J Narang  
Director

Company Registration No. 03083607

# NARANG WHOLESALERS LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

|                                                                                      | £         | 2008<br>£ | £        | 2007<br>£ |
|--------------------------------------------------------------------------------------|-----------|-----------|----------|-----------|
| <b>Net cash inflow from operating activities</b>                                     |           | 171,930   |          | 446,142   |
| <b>Returns on investments and servicing of finance</b>                               |           |           |          |           |
| Interest paid                                                                        | (73,818)  |           | (71,726) |           |
| <b>Net cash outflow for returns on investments and servicing of finance</b>          |           | (73,818)  |          | (71,726)  |
| <b>Taxation</b>                                                                      |           | (134,892) |          | (135,568) |
| <b>Capital expenditure</b>                                                           |           |           |          |           |
| Payments to acquire tangible assets                                                  | (195,575) |           | (20,430) |           |
| Receipts from sales of tangible assets                                               | 11,890    |           | -        |           |
| <b>Net cash outflow for capital expenditure</b>                                      |           | (183,685) |          | (20,430)  |
| <b>Net cash (outflow)/inflow before management of liquid resources and financing</b> |           | (220,465) |          | 218,418   |
| <b>Financing</b>                                                                     |           |           |          |           |
| New long term bank loan                                                              | 150,000   |           | -        |           |
| Other new long term loans                                                            | -         |           | 448,500  |           |
| Repayment of long term bank loan                                                     | (25,124)  |           | (18,391) |           |
| Repayment of other long term loans                                                   | (163,996) |           | -        |           |
| Capital element of hire purchase contracts                                           | (12,397)  |           | 1,623    |           |
| <b>Net cash (outflow)/inflow from financing</b>                                      |           | (51,517)  |          | 431,732   |
| <b>(Decrease)/increase in cash in the year</b>                                       |           | (271,982) |          | 650,150   |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

| 1 | Reconciliation of operating profit to net cash inflow from operating activities | 2008           | 2007           |
|---|---------------------------------------------------------------------------------|----------------|----------------|
|   |                                                                                 | £              | £              |
|   | Operating profit                                                                | 338,812        | 317,944        |
|   | Depreciation of tangible assets                                                 | 41,401         | 47,628         |
|   | Loss on disposal of tangible assets                                             | 11,000         | 48,747         |
|   | Decrease/(increase) in stocks                                                   | 517,260        | (1,075,690)    |
|   | (Increase)/decrease in debtors                                                  | (1,720,298)    | 296,962        |
|   | Increase in creditors within one year                                           | 983,755        | 810,551        |
|   | <b>Net cash inflow from operating activities</b>                                | <b>171,930</b> | <b>446,142</b> |

| 2 | Analysis of net debt              | 1 January 2008     | Cash flow        | Other non-cash changes | 31 December 2008   |
|---|-----------------------------------|--------------------|------------------|------------------------|--------------------|
|   |                                   | £                  | £                | £                      | £                  |
|   | Net cash                          |                    |                  |                        |                    |
|   | Cash at bank and in hand          | 114,467            | 425,606          | -                      | 540,073            |
|   | Bank overdrafts                   | (880,405)          | (697,588)        | -                      | (1,577,993)        |
|   |                                   | <u>(765,938)</u>   | <u>(271,982)</u> | <u>-</u>               | <u>(1,037,920)</u> |
|   | Bank deposits                     | -                  | -                | -                      | -                  |
|   | Debt                              |                    |                  |                        |                    |
|   | Finance leases                    | (40,279)           | 12,397           | -                      | (27,882)           |
|   | Debts falling due within one year | (29,838)           | (18,572)         | -                      | (48,410)           |
|   | Debts falling due after one year  | (536,948)          | 57,692           | -                      | (479,256)          |
|   |                                   | <u>(607,065)</u>   | <u>51,517</u>    | <u>-</u>               | <u>(555,548)</u>   |
|   | <b>Net debt</b>                   | <b>(1,373,003)</b> | <b>(220,465)</b> | <b>-</b>               | <b>(1,593,468)</b> |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

| <b>3</b> | <b>Reconciliation of net cash flow to movement in net debt</b>             | <b>2008</b> | <b>2007</b> |
|----------|----------------------------------------------------------------------------|-------------|-------------|
|          |                                                                            | <b>£</b>    | <b>£</b>    |
|          | (Decrease)/increase in cash in the year                                    | (271,982)   | 650,150     |
|          | Cash outflow/(inflow) from decrease/(increase) in debt and lease financing | 51,517      | (431,732)   |
|          |                                                                            | <hr/>       | <hr/>       |
|          | Change in net debt resulting from cash flows                               | (220,465)   | 218,418     |
|          | New finance lease                                                          | -           | (40,277)    |
|          |                                                                            | <hr/>       | <hr/>       |
|          | <b>Movement in net debt in the year</b>                                    | (220,465)   | 178,141     |
|          | Opening net debt                                                           | (1,373,003) | (1,551,144) |
|          |                                                                            | <hr/>       | <hr/>       |
|          | <b>Closing net debt</b>                                                    | (1,593,468) | (1,373,003) |
|          |                                                                            | <hr/>       | <hr/>       |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

### 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.

#### 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.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

| 2 Operating profit                                               | 2008   | 2007   |
|------------------------------------------------------------------|--------|--------|
|                                                                  | £      | £      |
| Operating profit is stated after charging                        |        |        |
| Depreciation of tangible assets                                  | 41,401 | 47,628 |
| Loss on disposal of tangible assets                              | 11,000 | 48,747 |
| Auditors' remuneration (including expenses and benefits in kind) | 14,000 | 13,000 |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

| 3 Interest payable                                                                                                        | 2008<br>£      | 2007<br>£      |
|---------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| On bank loans and overdrafts                                                                                              | 57,124         | 48,122         |
| On other loans wholly repayable within five years                                                                         | 9,227          | 9,260          |
| Hire purchase interest                                                                                                    | 2,669          | 10,060         |
| On overdue tax                                                                                                            | 4,798          | 4,284          |
|                                                                                                                           | <u>73,818</u>  | <u>71,726</u>  |
| 4 Taxation                                                                                                                | 2008<br>£      | 2007<br>£      |
| <b>Domestic current year tax</b>                                                                                          |                |                |
| U K corporation tax                                                                                                       | 57,000         | 57,547         |
| Adjustment for prior years                                                                                                | -              | 16,087         |
| <b>Current tax charge</b>                                                                                                 | <u>57,000</u>  | <u>73,634</u>  |
| <b>Factors affecting the tax charge for the year</b>                                                                      |                |                |
| Profit on ordinary activities before taxation                                                                             | <u>264,994</u> | <u>246,218</u> |
| Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.75% (2007 - 19.75%) | <u>54,986</u>  | <u>48,628</u>  |
| Effects of                                                                                                                |                |                |
| Non deductible expenses                                                                                                   | 3,702          | 3,106          |
| Depreciation add back                                                                                                     | 10,873         | 19,034         |
| Capital allowances                                                                                                        | (12,561)       | (13,221)       |
| Adjustments to previous periods                                                                                           | -              | 16,087         |
|                                                                                                                           | <u>2,014</u>   | <u>25,006</u>  |
| <b>Current tax charge</b>                                                                                                 | <u>57,000</u>  | <u>73,634</u>  |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2008

#### 5 Tangible fixed assets

|                       | Plant and<br>machinery | Fixtures,<br>fittings &<br>equipment | Motor<br>vehicles | Total    |
|-----------------------|------------------------|--------------------------------------|-------------------|----------|
|                       | £                      | £                                    | £                 | £        |
| <b>Cost</b>           |                        |                                      |                   |          |
| At 1 January 2008     | 25,400                 | 55,019                               | 319,715           | 400,134  |
| Additions             | -                      | 29,253                               | 14,498            | 43,751   |
| Disposals             | -                      | -                                    | (38,967)          | (38,967) |
| At 31 December 2008   | 25,400                 | 84,272                               | 295,246           | 404,918  |
| <b>Depreciation</b>   |                        |                                      |                   |          |
| At 1 January 2008     | 17,049                 | 31,112                               | 157,714           | 205,875  |
| On disposals          | -                      | -                                    | (16,077)          | (16,077) |
| Charge for the year   | 1,671                  | 9,004                                | 30,726            | 41,401   |
| At 31 December 2008   | 18,720                 | 40,116                               | 172,363           | 231,199  |
| <b>Net book value</b> |                        |                                      |                   |          |
| At 31 December 2008   | 6,680                  | 44,156                               | 122,883           | 173,719  |
| At 31 December 2007   | 8,351                  | 23,907                               | 162,001           | 194,259  |

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

|                                         | Motor<br>vehicles<br>£ |
|-----------------------------------------|------------------------|
| <b>Net book values</b>                  |                        |
| At 31 December 2008                     | 53,187                 |
| At 31 December 2007                     | 93,436                 |
| <b>Depreciation charge for the year</b> |                        |
| At 31 December 2008                     | 13,298                 |
| At 31 December 2007                     | 23,359                 |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

### 6 Tangible fixed assets

|                     | Investment<br>properties<br>£ |
|---------------------|-------------------------------|
| <b>Cost</b>         |                               |
| At 1 January 2008   | 293,285                       |
| Additions           | 151,824                       |
|                     | <u>445,109</u>                |
| At 31 December 2008 | <u>445,109</u>                |

Investment properties are included in the balance sheet at their original cost as they are held for the purposes of property rental income and not investment purposes. No depreciation has been made as, in the opinion of the directors, the depreciation charge and the accumulated depreciation would be immaterial due to the residual value of the assets not being materially different to the carrying amount.

The company has a policy of regular maintenance and repair, with charges being reflected in the profit and loss account, in order that the assets maintain their previously assessed standard of performance. Freehold land and buildings are reviewed for impairment at the end of each financial year.

| 7 Stocks                            | 2008<br>£        | 2007<br>£        |
|-------------------------------------|------------------|------------------|
| Finished goods and goods for resale | <u>3,602,223</u> | <u>4,119,483</u> |

| 8 Debtors                      | 2008<br>£        | 2007<br>£        |
|--------------------------------|------------------|------------------|
| Trade debtors                  | 5,598,298        | 3,782,873        |
| Other debtors                  | 1,003,476        | 1,095,651        |
| Prepayments and accrued income | 14,187           | 17,139           |
|                                | <u>6,615,961</u> | <u>4,895,663</u> |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

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| 9 | Creditors: amounts falling due within one year | 2008<br>£ | 2007<br>£ |
|---|------------------------------------------------|-----------|-----------|
|   | Bank loans and overdrafts                      | 1,626,403 | 910,243   |
|   | Net obligations under hire purchase contracts  | 13,416    | 12,397    |
|   | Trade creditors                                | 5,323,141 | 4,686,951 |
|   | Corporation tax                                | 114,548   | 192,440   |
|   | Other taxes and social security costs          | 21,892    | 28,742    |
|   | Other creditors                                | 839,921   | 507,906   |
|   | Accruals and deferred income                   | 32,605    | 10,205    |
|   |                                                | <hr/>     | <hr/>     |
|   |                                                | 7,971,926 | 6,348,884 |
|   |                                                | <hr/>     | <hr/>     |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

| 10 Creditors amounts falling due after more than one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2008<br>£      | 2007<br>£      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Bank loans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 194,752        | 88,448         |
| Other loans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 284,504        | 448,500        |
| Net obligations under hire purchase contracts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 14,466         | 27,882         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>493,722</u> | <u>564,830</u> |
| <b>Analysis of loans</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |                |
| Wholly repayable within five years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 527,666        | 566,786        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>527,666</u> | <u>566,786</u> |
| Included in current liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | (48,410)       | (29,838)       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>479,256</u> | <u>536,948</u> |
| <b>Loan maturity analysis</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                |                |
| In more than one year but not more than two years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 51,792         | 43,254         |
| In more than two years but not more than five years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 109,850        | 73,076         |
| In more than five years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 332,080        | 448,500        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>517,722</u> | <u>564,830</u> |
| 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, together with mortgage charges over the freehold properties of 103/103A City Road, Bradford, West Yorkshire, 254 Thornton Road, Bradford, West Yorkshire and KBS Bathroom Showroom, Richmond Road, Richmond Mills, Halifax |                |                |
| <b>Net obligations under hire purchase contracts</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                |
| Repayable within one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 13,416         | 12,397         |
| Repayable between one and five years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 14,466         | 27,822         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>27,882</u>  | <u>40,219</u>  |
| Included in liabilities falling due within one year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | (13,416)       | (12,397)       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>14,466</u>  | <u>27,822</u>  |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2008

|                                                                                                                |                   |                                |
|----------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| <b>11 Share capital</b>                                                                                        | <b>2008</b>       | <b>2007</b>                    |
|                                                                                                                | <b>£</b>          | <b>£</b>                       |
| <b>Authorised</b>                                                                                              |                   |                                |
| 1,000 Ordinary of £1 each                                                                                      | 1,000             | 1,000                          |
|                                                                                                                | <u>          </u> | <u>          </u>              |
| <b>Allotted, called up and fully paid</b>                                                                      |                   |                                |
| 2 Ordinary of £1 each                                                                                          | 2                 | 2                              |
|                                                                                                                | <u>          </u> | <u>          </u>              |
| <b>12 Statement of movements on profit and loss account</b>                                                    |                   | <b>Profit and loss account</b> |
|                                                                                                                |                   | <b>£</b>                       |
| Balance at 1 January 2008                                                                                      |                   | 2,703,441                      |
| Profit for the year                                                                                            |                   | 207,994                        |
|                                                                                                                |                   | <u>          </u>              |
| Balance at 31 December 2008                                                                                    |                   | 2,911,435                      |
|                                                                                                                |                   | <u>          </u>              |
| <b>13 Reconciliation of movements in shareholders' funds</b>                                                   | <b>2008</b>       | <b>2007</b>                    |
|                                                                                                                | <b>£</b>          | <b>£</b>                       |
| Profit for the financial year                                                                                  | 207,994           | 172,584                        |
| Opening shareholders' funds                                                                                    | 2,703,443         | 2,530,859                      |
|                                                                                                                | <u>          </u> | <u>          </u>              |
| Closing shareholders' funds                                                                                    | 2,911,437         | 2,703,443                      |
|                                                                                                                | <u>          </u> | <u>          </u>              |
| <b>14 Contingent liabilities</b>                                                                               |                   |                                |
| HSBC Bank plc has given a guarantee dated 30 March 1999 for £15,000 in favour of HM Revenue & Customs          |                   |                                |
| The company has given a cross guarantee dated 19 May 1998 to the bank in respect of Region Enterprises Limited |                   |                                |
| <b>15 Directors' emoluments</b>                                                                                | <b>2008</b>       | <b>2007</b>                    |
|                                                                                                                | <b>£</b>          | <b>£</b>                       |
| Emoluments for qualifying services                                                                             | 58,455            | 48,333                         |
|                                                                                                                | <u>          </u> | <u>          </u>              |

# NARANG WHOLESALERS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2008

#### 16 Employees

##### Number of employees

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

|                      | 2008<br>Number | 2007<br>Number |
|----------------------|----------------|----------------|
| Management and Admin | 25             | 27             |
| Warehouse            | 16             | 19             |
| Drivers              | 26             | 26             |
| Sales                | 15             | 14             |
|                      | <u>82</u>      | <u>86</u>      |

##### Employment costs

|                       | 2008<br>£        | 2007<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,148,096        | 1,034,727        |
| Social security costs | <u>87,282</u>    | <u>80,302</u>    |
|                       | <u>1,235,378</u> | <u>1,115,029</u> |