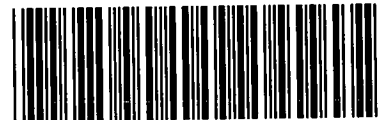


Company Registration No. 03083607 (England and Wales)

NARANG WHOLESALERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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COMPANIES HOUSE

NARANG WHOLESALERS LIMITED

COMPANY INFORMATION

Directors	Mr M Y Hussain Mr J Kalsi Mr J Pauley Mr J Narang
Secretary	Mr J Kalsi
Company number	03083607
Registered office	Narang House 121 City Road Bradford BD8 8JR
Auditors	Henton & Co LLP Northgate 118 North Street Leeds LS2 7PN
Business address	Narang House 121 City Road Bradford BD8 8JR
Bankers	HSBC Bank plc PO Box 45 47 Market Street Bradford BD1 1LW

NARANG WHOLESALERS LIMITED

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NARANG WHOLESALERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

Review of the business

The company's resilience in its operation has resulted in marked growth in its beer and wines distribution business as part of their ongoing strategy in developing products in new and existing markets. As a reliable and dedicated supplier the aim is to become a single distribution point. The company aims to continue to build on this success by meeting changing customer needs.

While the company has cleared up the effects caused by the water flooding by the burst water pipe, the company is still involved in agreeing the ultimate settlement of the claim.

The trading business environment is still challenging but the company remains focused to be able to meet the changing needs in their diverse activities. The company has a strong outlook for the future and still maintains a vigorous risk assessment and efficiency drive and the directors remain confident in this strategy to deliver future growth and profitability.

The directors feel that the company has the financial base to allow it to continue to expand and have continued their policy of retaining profits within the company.

Principal risks and uncertainties

The company is well established and recognised in its three diverse trading activities which minimises potential changes in market conditions to the business. Each division operates in varied markets which further mitigates the associated risk.

The company has a good structure of a dedicated and experienced management team to be responsive and flexible to quickly take advantage of new potential growth.

Key Performance Indicators

The directors monitor progress on the overall company strategy by reference to certain KPI's. Performance during the year, against that for the comparative period is set out below:

	2013	2012
Growth in Turnover	17.3%	(4.3%)
Gross Profit margin	9.5%	9.96%

The reduction of the overall gross profit margin in the business arises from the change in relative turnover from the different activities of the company.

Mr J Narang

Director

26 September 2014

NARANG WHOLESALERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

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.

Results and dividends

The results for the year are set out on page 6.

Directors

The following directors have held office since 1 January 2013:

Mr M Y Hussain
Mr J Kalsi
Mr J Pauley
Mr J Narang

Auditors

The auditors, Henton & Co LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

NARANG WHOLESALERS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

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

Mr J Narang
Director

26 September 2014

NARANG WHOLESALERS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NARANG WHOLESALERS LIMITED

We have audited the financial statements of Narang Wholesalers Limited for the year ended 31 December 2013 set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

NARANG WHOLESALERS LIMITED

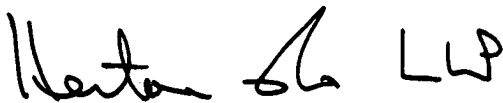
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF NARANG WHOLESALERS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mr Nadeem Ahmed (Senior Statutory Auditor)
for and on behalf of Henton & Co LLP

29 September 2014

Chartered Accountants
Statutory Auditor

Northgate
118 North Street
Leeds
LS2 7PN

NARANG WHOLESALERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	31,118,634	26,439,234
Cost of sales		(28,153,955)	(23,805,877)
Gross profit		<u>2,964,679</u>	<u>2,633,357</u>
Administrative expenses		(2,564,860)	(2,471,942)
Other operating income		46,369	29,491
Operating profit	3	<u>446,188</u>	<u>190,906</u>
Interest payable and similar charges	4	(33,492)	(36,232)
Profit on ordinary activities before taxation		<u>412,696</u>	<u>154,674</u>
Tax on profit on ordinary activities	5	(39,442)	(42,943)
Profit for the year	16	<u><u>373,254</u></u>	<u><u>111,731</u></u>

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

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Intangible assets	7	270,000		288,000	
Tangible assets	8 & 9	1,325,890		1,317,846	
		<u>1,595,890</u>		<u>1,605,846</u>	
Current assets					
Stocks	10	4,723,800		5,086,952	
Debtors	11	4,050,199		2,847,962	
Cash at bank and in hand		330,556		85,500	
		<u>9,104,555</u>		<u>8,020,414</u>	
Creditors: amounts falling due within one year	12	(6,068,560)		(5,208,806)	
Net current assets		<u>3,035,995</u>		<u>2,811,608</u>	
Total assets less current liabilities		<u>4,631,885</u>		<u>4,417,454</u>	
Creditors: amounts falling due after more than one year	13	(275,612)		(383,355)	
Provisions for liabilities	14	(35,616)		(26,696)	
		<u>4,320,657</u>		<u>4,007,403</u>	
Capital and reserves					
Called up share capital	15	2		2	
Revaluation reserve	16	579,891		579,891	
Profit and loss account	16	3,740,764		3,427,510	
Shareholders' funds	17	<u>4,320,657</u>		<u>4,007,403</u>	

NARANG WHOLESALERS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2013

Approved by the Board and authorised for issue on 26 September 2014



Mr J Narang
Director

Company Registration No. 03083607

NARANG WHOLESALERS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		310,290		247,851
Returns on investments and servicing of finance				
Interest paid	(33,492)		(36,232)	
Net cash outflow for returns on investments and servicing of finance		(33,492)		(36,232)
Taxation		(49,000)		(73,000)
Capital expenditure				
Payments to acquire tangible assets	(96,764)		(122,226)	
Receipts from sales of tangible assets	9,596		12,450	
Net cash outflow for capital expenditure		(87,168)		(109,776)
Equity dividends paid		(60,000)		(66,600)
Net cash inflow/(outflow) before management of liquid resources and financing		80,630		(37,757)
Financing				
Other new short term loans	80,000		-	
Repayment of long term bank loan	(98,809)		(99,940)	
Capital element of hire purchase contracts	(21,165)		(31,057)	
Net cash outflow from financing		(39,974)		(130,997)
Increase/(decrease) in cash in the year		40,656		(168,754)

NARANG WHOLESALERS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Reconciliation of operating profit to net cash outflow from operating activities	2013	2012
	£	£
Operating profit	446,188	190,906
Depreciation of tangible assets	62,726	67,406
Amortisation of intangible assets	18,000	18,000
Loss on disposal of tangible assets	16,399	9,605
Decrease in stocks	363,152	226,128
(Increase)/decrease in debtors	(1,202,236)	88,577
Increase/(decrease) in creditors within one year	606,061	(352,771)
Net cash inflow from operating activities	310,290	247,851

2 Analysis of net debt	1 January 2013	Cash flow	Other non-cash changes	31 December 2013
	£	£	£	£
Net cash:				
Cash at bank and in hand	85,500	245,056	-	330,556
Bank overdrafts	(937,340)	(204,400)	-	(1,141,740)
	(851,840)	40,656	-	(811,184)
Bank deposits	-	-	-	-
Debt:				
Finance leases	(51,455)	21,165	-	(30,290)
Debts falling due within one year	(165,212)	(66,773)	-	(231,985)
Debts falling due after one year	(353,065)	85,580	-	(267,485)
	(569,732)	39,972	-	(529,760)
Net debt	(1,421,572)	80,628	-	(1,340,944)

3 Reconciliation of net cash flow to movement in net debt	2013	2012
	£	£
Increase/(decrease) in cash in the year	40,656	(168,754)
Cash outflow from decrease in debt and lease financing	39,972	52,622
Movement in net debt in the year	80,628	(116,132)
Opening net debt	(1,421,572)	(1,305,440)
Closing net debt	(1,340,944)	(1,421,572)

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

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 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life, which has been assessed as 20 years.

1.5 Tangible fixed assets and depreciation

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

Land and buildings Freehold	2% straight line
Land and buildings Leasehold	2% straight line
Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% and 20% reducing balance
Motor vehicles	20% reducing balance

No depreciation is provided in respect of freehold land.

1.6 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.

1.7 Stock

Stock is valued at the lower of cost and net realisable value. Cost of stock bought in foreign currencies are converted into sterling at a standard exchange rate. These stock items include import duties, freight and other associated charges in arriving at their cost value.

1.8 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.

1.9 Foreign currency translation

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.

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover and profit on ordinary activities before taxation

	Turnover	
	2013	2012
	£	£
Class of business		
Beer, wines, spirits and other beverages	26,530,975	21,699,474
Electrical and plumbing goods	3,201,852	3,459,920
Textiles	1,115,807	1,144,138
	<u>30,848,634</u>	<u>26,303,532</u>

3 Operating profit

	2013	2012
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	18,000	18,000
Depreciation of tangible assets	62,726	67,406
Loss on disposal of tangible assets	16,399	9,605
and after crediting:		
Profit on foreign exchange transactions	<u>(306)</u>	<u>(654)</u>

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts	11,000	11,000
Tax compliance	2,900	3,000
Company Secretarial work	-	75
Business support and advisory work	-	4,000
Assistance with preparation of financial statements	3,000	3,000
	<u>16,900</u>	<u>21,075</u>

4 Interest payable

	2013	2012
	£	£
On bank loans and overdrafts	31,601	34,425
Hire purchase interest	1,891	1,807
	<u>33,492</u>	<u>36,232</u>

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

5	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	30,522	39,382
	Adjustment for prior years	-	2,647
	Total current tax	30,522	42,029
	Deferred tax		
	Deferred tax charge/credit current year	8,920	914
		39,442	42,943
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	412,696	154,674
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2012 - 20.00%)	82,539	30,935
	Effects of:		
	Non deductible expenses	5,613	5,425
	Depreciation add back	15,825	19,002
	Capital allowances	(24,745)	(15,980)
	Tax losses utilised	(48,800)	-
	Adjustments to previous periods	-	2,647
	Marginal relief	90	-
		(52,017)	11,094
	Current tax charge for the year	30,522	42,029
6	Dividends	2013 £	2012 £
	Ordinary final paid	60,000	66,600

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2013 & at 31 December 2013	360,000
Amortisation	
At 1 January 2013	72,000
Charge for the year	18,000
At 31 December 2013	90,000
Net book value	
At 31 December 2013	270,000
At 31 December 2012	288,000

8 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2013	200,000	75,000	28,636	214,924	328,454	847,014
Additions	-	-	-	54,257	42,507	96,764
Disposals	-	-	(6,100)	(342)	(57,047)	(63,489)
At 31 December 2013	200,000	75,000	22,536	268,839	313,914	880,289
Depreciation						
At 1 January 2013	-	-	15,916	96,560	166,691	279,167
On disposals	-	-	(5,523)	(199)	(31,772)	(37,494)
Charge for the year	-	-	2,428	25,512	34,786	62,726
At 31 December 2013	-	-	12,821	121,873	169,705	304,399
Net book value						
At 31 December 2013	200,000	75,000	9,715	146,966	144,209	575,890
At 31 December 2012	200,000	75,000	12,720	118,364	161,762	567,846

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tangible fixed assets

(Continued)

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

	Motor vehicles £
Net book values	
At 31 December 2013	40,775
At 31 December 2012	50,968
Depreciation charge for the year	
At 31 December 2013	10,193
At 31 December 2012	12,744

9 Tangible fixed assets

Investment
properties
£

Cost or valuation	
At 1 January 2013 & at 31 December 2013	750,000
Net book value	
At 31 December 2013	750,000
At 31 December 2012	750,000

The valuations of investment properties were made by Sanderson Weatherall LLP in July 2010, on an open market basis. No depreciation is provided in respect of these properties.

On an historical cost basis these investment properties would have been included at an original cost of £227,075. No provision has been made for depreciation in the past due to the policy of regular maintenance, with charges being reflected in the profit and loss account, in order that the assets maintain their previously assessed standard of performance.

10 Stocks

2013
£ 2012
£

Finished goods and goods for resale	4,723,800	5,086,952
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NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

11 Debtors	2013 £	2012 £
Trade debtors	2,341,333	1,705,059
Other debtors	1,526,111	1,042,562
Prepayments and accrued income	182,755	100,341
	<u>4,050,199</u>	<u>2,847,962</u>

Amounts falling due after more than one year and included in the debtors above are:

	2013 £	2012 £
Other debtors	<u>1,184,648</u>	<u>1,004,248</u>

12 Creditors: amounts falling due within one year	2013 £	2012 £
Bank loans and overdrafts	1,238,725	1,047,552
Net obligations under hire purchase contracts	22,163	21,165
Trade creditors	3,998,707	3,285,014
Amounts owed to parent and fellow subsidiary undertakings	160,520	200,520
Corporation tax	20,904	39,382
Other taxes and social security costs	154,074	110,598
Directors' current accounts	131,955	106,752
Other creditors	220,947	243,144
Accruals and deferred income	120,565	154,679
	<u>6,068,560</u>	<u>5,208,806</u>

The day to day financing of the company arises from the overdraft facilities provided by its bankers. The facility is due for renewal in October 2014 and the directors have no reasons to doubt the renewal of these facilities.

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

13 Creditors: amounts falling due after more than one year	2013 £	2012 £
Bank loans	267,485	353,065
Net obligations under hire purchase contracts	8,127	30,290
	<u>275,612</u>	<u>383,355</u>
Analysis of loans		
Wholly repayable within five years	499,470	518,277
	<u>499,470</u>	<u>518,277</u>
Included in current liabilities	(231,985)	(165,212)
	<u>267,485</u>	<u>353,065</u>
Loan maturity analysis		
In more than one year but not more than two years	85,581	96,835
In more than two years but not more than five years	181,904	256,231
	<u>267,485</u>	<u>353,065</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.		
Net obligations under hire purchase contracts		
Repayable within one year	22,163	21,165
Repayable between one and five years	8,127	30,290
	<u>30,290</u>	<u>51,455</u>
Included in liabilities falling due within one year	(22,163)	(21,165)
	<u>8,127</u>	<u>30,290</u>

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

14 Provisions for liabilities

Deferred tax liability £

Balance at 1 January 2013	26,696
Profit and loss account	8,920
Balance at 31 December 2013	<u>35,616</u>

The deferred tax liability is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	<u>35,616</u>	<u>26,696</u>

15 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

16 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2013	579,891	3,427,510
Profit for the year	-	373,254
Dividends paid	-	(60,000)
Balance at 31 December 2013	<u>579,891</u>	<u>3,740,764</u>

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

17	Reconciliation of movements in shareholders' funds	2013 £	2012 £
	Profit for the financial year	373,254	111,731
	Dividends	(60,000)	(66,600)
	Net addition to shareholders' funds	313,254	45,131
	Opening shareholders' funds	4,007,403	3,962,272
	Closing shareholders' funds	4,320,657	4,007,403

18 Contingent liabilities

HSBC Bank plc has given a guarantee dated 30 March 1999 for £30,000 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.

19	Directors' remuneration	2013 £	2012 £
	Remuneration for qualifying services	60,400	60,400

NARANG WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

20 Employees

Number of employees

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

	2013 Number	2012 Number
Management and Admin	34	32
Warehouse	21	20
Drivers	22	24
Sales	24	17
	<u>101</u>	<u>93</u>

Employment costs

	2013 £	2012 £
Wages and salaries	1,445,184	1,363,162
Social security costs	90,602	95,776
	<u>1,535,786</u>	<u>1,458,938</u>

21 Control

The company is controlled by Jas & Ravi Narang by virtue of their shareholding in Narang Group Limited, a company registered in England and Wales.

22 Related party relationships and transactions

Other transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

During the year, the company was charged £20,000 (2012 - £20,000) by Region Enterprises Limited for property rental. At the balance sheet date, the company was owed by Region Enterprises Limited £1,064,648 (2012 - £1,004,248).

At the balance sheet date, the company owed J.S. Narang (a director of this company) and his close family £266,955 (2012 - £161,752).