

SUN OIL LIMITED
ABBREVIATED ACCOUNTS
FOR
31 AUGUST 2007



BHAGANI & CO
Chartered Accountants & Registered Auditor
Station House
11 Masons Avenue
Harrow
Middlesex HA3 5AH

SUN OIL LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

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SUN OIL LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31 AUGUST 2007

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31 August 2007

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was distribution and export of food and consumer products both overseas and in the UK

I am pleased to report that the company has continued its efforts in the year ended 31st August 2007. The consistent growth and success of the company has been achieved over the years and it is the result of product development and the progressive market penetration worldwide. An analysis of company's Turnover during the year is given below

	2007	2006
	£	£
United Kingdom	5,369,681	5,151,289
Overseas	26,589,720	20,451,185
	-----	-----
	31,959,401	25,602,474
	=====	=====

The reasons behind this success is due to the following three factors

- 1 Focus on providing our customers with a range of products
- 2 The strength and expertise of a well motivated management team who takes pride in the success of their company and believe in my vision
- 3 The support of our suppliers with whom we work as partners to achieve good quality and value for money products

I would like to thank all the staff and suppliers for their valuable contribution to another successful year

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £656,521. Particulars of dividends paid are detailed in note 7 to the financial statements

THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows

	Ordinary Shares of £1 each	
	At	At
	31 August 2007	1 September 2006
Dr R S Ranger	160,000	160,000
	-----	-----

Dr R S Ranger has beneficial interests in Sea Air and Land Forwarding Limited which owns the remaining 10,000 ordinary shares in Sun Oil Limited

SUN OIL LIMITED

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31 AUGUST 2007

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director is 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 director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

In so far as the director is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

DONATIONS

During the year the company made the following contributions

	2007 £	2006 £
Charitable	<u>5,902</u>	<u>5,522</u>
Other	<u>775</u>	<u>8,626</u>

SUN OIL LIMITED
THE DIRECTOR'S REPORT *(continued)*
YEAR ENDED 31 AUGUST 2007

AUDITOR

A resolution to re-appoint Bhagani & Co as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office
Station House
11 Masons Avenue
Harrow
Middlesex
HA3 5AH

Signed by order of the director



MRS RENU RANGER
Company Secretary

Approved by the director on 18 December 2007

SUN OIL LIMITED
INDEPENDENT AUDITOR'S REPORT TO SUN OIL LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

I have examined the abbreviated accounts, together with the financial statements of Sun Oil Limited for the year ended 31 August 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. My work has been undertaken so that I might state to the company those matters I am required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company for my audit work, for this report, or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITOR

The director is responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is my 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

I conducted my 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 I have carried out the procedures I 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 my 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.

Station House
11 Masons Avenue
Harrow
Middlesex HA3 5AH

18 December 2007


BHAGANI & CO
Chartered Accountants
& Registered Auditor

BHAGANI & Co.,
CHARTERED ACCOUNTANTS
STATION HOUSE
11 MASONIC AVENUE, HARROW,
MIDDLESEX HA3 5AH
TEL: 0181-2000 FAX 863 1207

SUN OIL LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 AUGUST 2007

	Note	2007 £	2006 £
TURNOVER		31,959,401	25,602,474
Cost of Sales		<u>29,341,610</u>	<u>24,014,100</u>
GROSS PROFIT		2,617,791	1,588,374
Distribution Costs		125,951	140,089
Administrative expenses		1,706,968	1,412,221
Other operating income		<u>(171,699)</u>	<u>(100,425)</u>
OPERATING PROFIT	2	956,571	136,489
Interest receivable		17,724	10,788
Interest payable and similar charges	5	<u>(1,081)</u>	<u>(1,979)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		973,214	145,298
Tax on profit on ordinary activities	6	316,693	56,866
PROFIT FOR THE FINANCIAL YEAR		<u>656,521</u>	<u>88,432</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
year as set out above

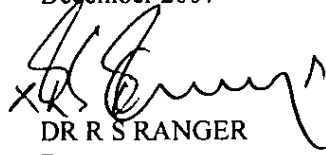
The notes on pages 8 to 16 form part of these abbreviated accounts

SUN OIL LIMITED
ABBREVIATED BALANCE SHEET
31 AUGUST 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	8	4,291,569	4,128,440
CURRENT ASSETS			
Stocks	9	1,976,028	1,631,977
Debtors	10	2,662,684	1,951,440
Cash at bank		893,497	504,319
		<u>5,532,209</u>	<u>4,087,736</u>
CREDITORS: Amounts falling due within one year	11	<u>4,919,043</u>	<u>3,861,626</u>
NET CURRENT ASSETS		<u>613,166</u>	<u>226,110</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,904,735</u>	<u>4,354,550</u>
CREDITORS: Amounts falling due after more than one year	12	<u>2,529,294</u>	<u>2,585,177</u>
		<u>2,375,441</u>	<u>1,769,373</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	14	<u>4,785</u>	<u>4,238</u>
		<u>2,370,656</u>	<u>1,765,135</u>
CAPITAL AND RESERVES			
Called-up equity share capital	15	170,000	170,000
Profit and loss account	16	<u>2,200,656</u>	<u>1,595,135</u>
SHAREHOLDER'S FUNDS	17	<u>2,370,656</u>	<u>1,765,135</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved and signed by the director and authorised for issue on 18 December 2007


DR R S RANGER
Director

The notes on pages 8 to 16 form part of these abbreviated accounts

SUN OIL LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 AUGUST 2007

	Note	2007 £	£	2006 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	18		1,007,534		355,848
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	18		(172,064)		(171,290)
TAXATION	18		(52,628)		(121,206)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	18		(279,724)		(1,335,202)
EQUITY DIVIDENDS PAID			(51,000)		—
CASH INFLOW/(OUTFLOW) BEFORE USE OF LIQUID RESOURCES AND FINANCING			452,118		(1,271,850)
MANAGEMENT OF LIQUID RESOURCES					
Cash placed in short term deposits		<u>(372,234)</u>		<u>(131,245)</u>	
NET CASH OUTFLOW FROM MANAGEMENT OF LIQUID RESOURCES			(372,234)		(131,245)
FINANCING	18		(62,940)		872,509
INCREASE/(DECREASE) IN CASH	18		<u>16,944</u>		<u>(530,586)</u>

The notes on pages 8 to 16 form part of these abbreviated accounts

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Buildings	2% Straight Line
Plant & Machinery	25% WDV
Fixtures & Fittings	25% WDV
Motor Vehicles	25% WDV
Equipments	25% WDV

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

2 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2007 £	2006 £
Depreciation of owned fixed assets	112,925	107,534
Depreciation of assets held under hire purchase agreements	4,662	6,427
Profit on disposal of fixed assets	(992)	-
Auditor's remuneration - as auditor	11,000	10,800
Net loss/(profit) on foreign currency translation	<u>57,549</u>	<u>(11,626)</u>

3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2007 No	2006 No
Number of administrative staff	<u>29</u>	<u>25</u>

The aggregate payroll costs of the above were

	2007 £	2006 £
Wages and salaries	413,810	367,363
Social security costs	168,783	153,143
	<u>582,593</u>	<u>520,506</u>

4 DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were

	2007 £	2006 £
Emoluments receivable	<u>25,000</u>	<u>25,000</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Finance charges	<u>1,081</u>	<u>1,979</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

6 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2007 £	2006 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year	<u>316,146</u>	<u>52,628</u>
Total current tax	316,146	52,628
Deferred tax		
Origination and reversal of timing differences (note 14)		
Capital allowances	<u>547</u>	<u>4,238</u>
Tax on profit on ordinary activities	<u>316,693</u>	<u>56,866</u>

7 DIVIDENDS

Equity dividends

	2007 £	2006 £
Paid during the year		
Equity dividends on ordinary shares	<u>51,000</u>	<u>—</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Sep 2006	4,187,058	80,690	76,519	64,019	74,301	4,482,587
Additions	247,288	16,000	15,694	—	6,242	285,224
Disposals	—	—	—	(19,000)	—	(19,000)
At 31 Aug 2007	4,434,346	96,690	92,213	45,019	80,543	4,748,811
DEPRECIATION						
At 1 Sep 2006	174,750	46,828	37,645	46,559	48,365	354,147
Charge for the year	80,196	12,466	13,641	3,238	8,046	117,587
On disposals	—	—	—	(14,492)	—	(14,492)
At 31 Aug 2007	254,946	59,294	51,286	35,305	56,411	457,242
NET BOOK VALUE						
At 31 Aug 2007	4,179,400	37,396	40,927	9,714	24,132	4,291,569
At 31 Aug 2006	4,012,308	33,862	38,874	17,460	25,936	4,128,440

Hire purchase agreements

Included within the net book value of £4,291,569 is £13,984 (2006 - £19,279) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £4,662 (2006 - £6,427).

9. STOCKS

	2007 £	2006 £
Stock	<u>1,976,028</u>	<u>1,631,977</u>

10. DEBTORS

	2007 £	2006 £
Trade debtors	2,444,309	1,829,259
VAT recoverable	124,079	96,701
Other debtors	41,140	6,981
Prepayments and accrued income	18,372	18,499
Advance payments for Trademark Registration	34,784	—
	<u>2,662,684</u>	<u>1,951,440</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

11. CREDITORS: Amounts falling due within one year

	2007		2006
	£	£	£
Bank loans		238,967	238,967
Trade creditors		2,937,976	2,531,826
Amounts owed to group undertakings		590,000	450,000
Other creditors including taxation and social security			
Corporation tax	316,146		52,628
PAYE and social security	15,229		12,191
Hire purchase agreements	-		7,057
Other creditors	10,500		10,500
Directors current accounts	-		71,949
		<u>341,875</u>	<u>154,325</u>
Accruals and deferred income		810,225	486,508
		<u>4,919,043</u>	<u>3,861,626</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007	2006
	£	£
Bank loans	<u>238,967</u>	<u>238,967</u>

12 CREDITORS: Amounts falling due after more than one year

	2007	2006
	£	£
Bank loans and overdrafts	<u>2,529,294</u>	<u>2,585,177</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	<u>2,529,294</u>	<u>2,585,177</u>

13 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2007	2006
	£	£
Amounts payable within 1 year	-	7,057
	<u>-</u>	<u>7,057</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

14. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2007 £	2006 £
Provision brought forward	4,238	-
Profit and loss account movement arising during the year	<u>547</u>	<u>4,238</u>
Provision carried forward	<u>4,785</u>	<u>4,238</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	<u>4,785</u>	<u>4,238</u>
	<u>4,785</u>	<u>4,238</u>

15. SHARE CAPITAL

Authorised share capital:

	2007 £	2006 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid.

	2007 No	£	2006 No	£
Ordinary shares of £1 each	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>

16 PROFIT AND LOSS ACCOUNT

	2007 £	2006 £
Balance brought forward	1,595,135	1,506,703
Profit for the financial year	656,521	88,432
Equity dividends	<u>(51,000)</u>	<u>-</u>
Balance carried forward	<u>2,200,656</u>	<u>1,595,135</u>

SUN OIL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2007

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2007 £	2006 £
Profit for the financial year	656,521	88,432
Equity dividends	<u>(51,000)</u>	<u>—</u>
Net addition to shareholder's funds	605,521	88,432
Opening shareholder's funds	<u>1,765,135</u>	<u>1,676,703</u>
Closing shareholder's funds	<u>2,370,656</u>	<u>1,765,135</u>

18. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating profit	956,571	136,489
Interest payable	188,707	180,099
Depreciation	117,587	113,961
Profit on disposal of fixed assets	(992)	—
Increase in stocks	(344,051)	(283,782)
(Increase)/decrease in debtors	(711,244)	115,884
Increase in creditors	<u>800,956</u>	<u>93,197</u>
Net cash inflow from operating activities	<u>1,007,534</u>	<u>355,848</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2007 £	2006 £
Interest received	17,724	10,788
Interest paid	(188,707)	(180,099)
Interest element of hire purchase	<u>(1,081)</u>	<u>(1,979)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(172,064)</u>	<u>(171,290)</u>

TAXATION

	2007 £	2006 £
Taxation	<u>(52,628)</u>	<u>(121,206)</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

18 NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

CAPITAL EXPENDITURE

	2007 £	2006 £
Payments to acquire tangible fixed assets	(285,224)	(1,335,202)
Receipts from sale of fixed assets	<u>5,500</u>	<u>—</u>
Net cash outflow from capital expenditure	<u>(279,724)</u>	<u>(1,335,202)</u>

FINANCING

	2007 £	2006 £
(Repayment of)/increase in bank loans	(55,883)	886,076
Capital element of hire purchase	<u>(7,057)</u>	<u>(13,567)</u>
Net cash (outflow)/inflow from financing	<u>(62,940)</u>	<u>872,509</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007 £	2006 £
Increase/(decrease) in cash in the period	16,944	(530,586)
Net cash outflow from/(inflow) from bank loans	55,883	(886,076)
Cash outflow in respect of hire purchase	7,057	13,567
Cash used to increase liquid resources	<u>372,234</u>	<u>131,245</u>
	<u>452,118</u>	<u>(1,271,850)</u>
Change in net debt	452,118	(1,271,850)
Net debt at 1 September 2006	<u>(2,326,882)</u>	<u>(1,055,032)</u>
Net debt at 31 August 2007	<u>(1,874,764)</u>	<u>(2,326,882)</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2007

18. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2006 £	Cash flows £	At 31 Aug 2007 £
Net cash			
Cash in hand and at bank	504,319	389,178	893,497
Less deposits treated as liquid resources	<u>(131,245)</u>	<u>(372,234)</u>	<u>(503,479)</u>
	<u>373,074</u>	<u>16,944</u>	<u>390,018</u>
Liquid resources			
Deposits included in cash	<u>131,245</u>	<u>372,234</u>	<u>503,479</u>
Debt			
Debt due within 1 year	(238,967)	–	(238,967)
Debt due after 1 year	(2,585,177)	55,883	(2,529,294)
Hire purchase agreements	<u>(7,057)</u>	<u>7,057</u>	<u>–</u>
	<u>(2,831,201)</u>	<u>62,940</u>	<u>(2,768,261)</u>
Net debt	<u>(2,326,882)</u>	<u>452,118</u>	<u>(1,874,764)</u>