

C/HOUSE

COMPANY REGISTRATION NUMBER 3010238

SUN OIL LIMITED
ABBREVIATED ACCOUNTS
FOR
31ST AUGUST 2004



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

SUN OIL LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2004

CONTENTS	PAGE
The director report	1
Independent auditor's report to the company	1
Abbreviated balance sheet	4
Abbreviated profit and loss account	5
Cash flow statement	6
Notes to the abbreviated accounts	7

SUN OIL LIMITED**THE DIRECTOR'S REPORT****YEAR ENDED 31ST AUGUST 2004**

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31st August 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

RESULTS AND DIVIDENDS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The director has recommended the following dividends:

	2004 £	2003 £
Proposed dividends on ordinary shares	<u>51,000</u>	<u>—</u>

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:

		At 31 August 2004	At 1 September 2003
Dr R S Ranger	Ordinary	70,000	70,000
Mrs Renu Ranger	Ordinary	<u>90,000</u>	<u>90,000</u>

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the director is required to:

select suitable accounting policies, as described on page 7, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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 which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director 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.

SUN OIL LIMITED**THE DIRECTOR'S REPORT** *(continued)***YEAR ENDED 31ST AUGUST 2004****DONATIONS**

During the year the company made the following contributions:

	2004	2003
	£	£
Other	<u>8,703</u>	<u>7,917</u>

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 9th December 2004

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

I have examined the abbreviated accounts on pages 4 to 13, together with the financial statements of the company for the year ended 31st August 2004 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 accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

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. The scope of my work for the purpose of this report did not include examining or dealing with events after the date of my report on the financial statements.

OPINION

In my opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act, and the abbreviated accounts on pages 4 to 13 are properly prepared in accordance with those provisions.

Station House
11 Masons Avenue
Harrow
Middlesex HA3 5AH

10th December 2004



BHAGANI & CO
Chartered Accountants
& Registered Auditor

BHAGANI & CO.
CHARTERED ACCOUNTANTS
11 MASON'S AVENUE, HARROW,
MIDDLESEX HA3 5AH
TEL: 0181-606 8800 FAX: 0181-606 1207

SUN OIL LIMITED**ABBREVIATED BALANCE SHEET****31ST AUGUST 2004**

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible assets	2	1,981,402	1,135,497
CURRENT ASSETS			
Stocks	3	1,023,864	1,202,189
Debtors	4	1,340,867	1,316,616
Cash at bank		689,946	911,999
		<u>3,054,677</u>	<u>3,430,804</u>
CREDITORS: Amounts falling due within one year	5	<u>2,431,757</u>	<u>2,536,951</u>
NET CURRENT ASSETS		<u>622,920</u>	<u>893,853</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,604,322</u>	<u>2,029,350</u>
CREDITORS: Amounts falling due after more than one year	6	<u>1,182,613</u>	<u>741,823</u>
		<u>1,421,709</u>	<u>1,287,527</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	170,000	170,000
Profit and loss account		1,251,709	1,117,527
SHAREHOLDER'S FUNDS	9	<u>1,421,709</u>	<u>1,287,527</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 on 9th December 2004.


DR R S RANGER
Director

SUN OIL LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST AUGUST 2004**

	Note	2004 £	2003 £
GROSS PROFIT		1,248,614	1,413,676
Distribution Costs		125,541	106,566
Administrative expenses		855,698	764,596
OPERATING PROFIT	10	267,375	542,514
Loss on disposal of fixed assets		—	(2,161)
		267,375	540,353
Interest receivable		7,293	5,228
Interest payable and similar charges	13	(4,475)	(3,780)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		270,193	541,801
Tax on profit on ordinary activities	14	85,011	169,504
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		185,182	372,297
Dividends	15	51,000	—
RETAINED PROFIT FOR THE FINANCIAL YEAR		134,182	372,297
Balance brought forward		1,117,527	745,230
Balance carried forward		1,251,709	1,117,527

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.

SUN OIL LIMITED**CASH FLOW STATEMENT****YEAR ENDED 31ST AUGUST 2004**

	Note	2004 £	£	2003 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	16		427,294		812,580
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	16		(54,599)		(43,155)
TAXATION	16		(165,766)		(33,754)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	16		(905,417)		(17,550)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING			<hr/> (698,488)		<hr/> 718,121
FINANCING	16		476,435		(18,911)
(DECREASE)/INCREASE IN CASH	16		<hr/> (222,053)		<hr/> 699,210

SUN OIL LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2004****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.

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 31ST AUGUST 2004****2. TANGIBLE FIXED ASSETS**

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Sep 2003	1,055,017	47,390	32,424	64,019	36,526	1,235,376
Additions	893,849	—	593	—	10,975	905,417
At 31 Aug 2004	1,948,866	47,390	33,017	64,019	47,501	2,140,793
DEPRECIATION						
At 1 Sep 2003	16,000	26,064	12,268	22,630	22,917	99,879
Charge for the year	32,500	5,526	4,491	10,347	6,648	59,512
At 31 Aug 2004	48,500	31,590	16,759	32,977	29,565	159,391
NET BOOK VALUE						
At 31 Aug 2004	1,900,366	15,800	16,258	31,042	17,936	1,981,402
At 31 Aug 2003	1,039,017	21,326	20,156	41,389	13,609	1,135,497

Hire purchase agreements

Included within the net book value of £1,981,402 is £41,166 (2003 - £54,889) 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 £13,723 (2003 - £18,298).

3. STOCKS

	2004 £	2003 £
Stock	1,023,864	1,202,189

4. DEBTORS

	2004 £	2003 £
Trade debtors	1,279,831	1,214,663
VAT recoverable	49,050	83,558
Other debtors	6,547	10,822
Prepayments and accrued income	5,439	7,573
	1,340,867	1,316,616

SUN OIL LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2004****5. CREDITORS: Amounts falling due within one year**

	2004 £	2003 £
Bank loans and overdrafts	109,033	68,374
Trade creditors	1,327,720	1,393,836
Amounts owed to group undertakings	500,001	346,375
Other creditors including taxation and social security:		
Corporation tax	84,303	165,058
PAYE and social security	9,529	9,374
Hire purchase agreements	22,378	27,392
Dividends payable	51,000	—
	<u>167,210</u>	<u>201,824</u>
Accruals and deferred income	327,793	526,542
	<u>2,431,757</u>	<u>2,536,951</u>

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

	2004 £	2003 £
Bank loans and overdrafts	<u>109,033</u>	<u>68,374</u>

6. CREDITORS: Amounts falling due after more than one year

	2004 £	2003 £
Bank loans and overdrafts	1,163,638	699,968
Other creditors:		
Hire purchase agreements	18,975	41,855
	<u>1,182,613</u>	<u>741,823</u>

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

	2004 £	2003 £
Bank loans and overdrafts	<u>1,163,638</u>	<u>699,968</u>

7. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2004 £	2003 £
Amounts payable within 1 year	22,378	27,392
Amounts payable between 2 to 5 years	18,975	41,855
	<u>41,353</u>	<u>69,247</u>

SUN OIL LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2004****8. SHARE CAPITAL****Authorised share capital:**

	2004 £	2003 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2004 No	£	2003 No	£
Ordinary shares of £1 each	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2004 £	2003 £
Profit for the financial year	185,182	372,297
Dividends	<u>(51,000)</u>	<u>—</u>
	134,182	372,297
Opening shareholder's equity funds	<u>1,287,527</u>	<u>915,230</u>
Closing shareholder's equity funds	<u>1,421,709</u>	<u>1,287,527</u>

10. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004 £	2003 £
Depreciation of owned fixed assets	45,789	29,867
Depreciation of assets held under hire purchase agreements	13,723	18,298
Auditor's remuneration		
- as auditor	9,400	10,000
Net profit on foreign currency translation	<u>(3,253)</u>	<u>(16,736)</u>

SUN OIL LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2004****11. PARTICULARS OF EMPLOYEES**

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

	2004	2003
	No	No
Number of administrative staff	<u>21</u>	<u>20</u>

The aggregate payroll costs of the above were:

	2004	2003
	£	£
Wages and salaries	271,615	256,582
Social security costs	<u>111,412</u>	<u>108,565</u>
	<u>383,027</u>	<u>365,147</u>

12. DIRECTOR'S EMOLUMENTS

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

	2004	2003
	£	£
Emoluments receivable	<u>25,000</u>	<u>25,000</u>

13. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Finance charges	<u>4,475</u>	<u>3,780</u>

14. TAXATION ON ORDINARY ACTIVITIES

	2004	2003
	£	£
Current tax:		
UK Corporation tax based on the results for the year	84,303	165,058
Over/under provision in prior year	<u>708</u>	<u>4,446</u>
Total current tax	<u>85,011</u>	<u>169,504</u>

15. DIVIDENDS

The following dividends have been proposed in respect of the year:

	2004	2003
	£	£
Proposed dividend on ordinary shares	<u>51,000</u>	<u>—</u>

SUN OIL LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2004****16. NOTES TO THE STATEMENT OF CASH FLOWS****RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2004	2003
	£	£
Operating profit	267,375	542,514
Interest payable	57,417	44,603
Depreciation	59,512	48,165
Decrease/(increase) in stocks	178,325	(359,392)
Increase in debtors	(24,251)	(575,463)
(Decrease)/increase in creditors	(111,084)	1,112,153
Net cash inflow from operating activities	<u>427,294</u>	<u>812,580</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2004	2003
	£	£
Interest received	7,293	5,228
Interest paid	(57,417)	(44,603)
Interest element of hire purchase	(4,475)	(3,780)
Net cash outflow from returns on investments and servicing of finance	<u>(54,599)</u>	<u>(43,155)</u>

TAXATION

	2004	2003
	£	£
TAXATION	<u>(165,766)</u>	<u>(33,754)</u>

CAPITAL EXPENDITURE

	2004	2003
	£	£
Payments to acquire tangible fixed assets	(905,417)	(34,255)
Receipts from sale of fixed assets	—	16,705
Net cash outflow from capital expenditure	<u>(905,417)</u>	<u>(17,550)</u>

FINANCING

	2004	2003
	£	£
Repayment of bank loans	504,329	(22,479)
Capital element of hire purchase	(27,894)	3,568
Net cash inflow/(outflow) from financing	<u>476,435</u>	<u>(18,911)</u>

SUN OIL LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2004****16. NOTES TO THE STATEMENT OF CASH FLOWS** *(continued)***RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2004		2003	
	£	£	£	£
(Decrease)/increase in cash in the period	(222,053)		699,210	
Net cash (inflow) from/outflow from bank loans	(504,329)		22,479	
Cash outflow in respect of hire purchase	<u>27,894</u>		<u>(3,568)</u>	
		(698,488)		718,121
Change in net debt		(698,488)		718,121
Net funds at 1 September 2003		<u>74,410</u>		(643,711)
Net debt at 31 August 2004		<u>(624,078)</u>		<u>74,410</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2003 £	Cash flows £	At 31 Aug 2004 £
Net cash:			
Cash in hand and at bank	<u>911,999</u>	<u>(222,053)</u>	<u>689,946</u>
Debt:			
Debt due within 1 year	(68,374)	(40,659)	(109,033)
Debt due after 1 year	(699,968)	(463,670)	(1,163,638)
Hire purchase agreements	<u>(69,247)</u>	<u>27,894</u>	<u>(41,353)</u>
	<u>(837,589)</u>	<u>(476,435)</u>	<u>(1,314,024)</u>
Net debt	<u>74,410</u>	<u>(698,488)</u>	<u>(624,078)</u>