

Registered number 06820675

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**BANSAL GROUP LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 1 APRIL 2010**

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**BANSAL GROUP LIMITED**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	Mrs R K Bansal J S Bansal
<b>COMPANY NUMBER</b>	06820675
<b>REGISTERED OFFICE</b>	Leytonstone House Hanbury Drive Leytonstone London E11 1GA
<b>AUDITOR</b>	Barnes Roffe LLP Chartered Accountants Statutory Auditor Leytonstone House Hanbury Drive Leytonstone London E11 1GA

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**BANSAL GROUP LIMITED**

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## **BANSAL GROUP LIMITED**

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### **DIRECTORS' REPORT FOR THE PERIOD ENDED 1 APRIL 2010**

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The directors present their report and the financial statements for the period ended 1 April 2010

#### **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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **PRINCIPAL ACTIVITY**

The company's principal activity is that of a holding company.

The principal activity of the subsidiary, Bansal Limited, is that of distributors of heating and plumbing materials.

#### **BUSINESS REVIEW**

Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

During the year the share capital of Bansal Limited was acquired by Bansal Group Limited.

Bansal Limited continues to trade in the distribution of plumbing and heating materials and operates from branches based around the M25.

The challenging market condition resulting from the credit crunch continued during the year. However as a direct result of the complete review of all the operations of Bansal Limited in the last financial year and continued review in this financial year, we were able to take advantage of the opportunities that transpired during the year.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of Bansal Limited, these being turnover and gross profit. Turnover at £14.8m improved by 8.6% in Bansal Limited and despite the difficult market conditions we were able to increase the gross profit. The net profit of Bansal Limited during the year was £437k against £179k last year.

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**BANSAL GROUP LIMITED**

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**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**RESULTS**

The profit for the period, after taxation, amounted to £395,620

**DIRECTORS**

The directors who served during the period were

Mrs R K Bansal (appointed 16 February 2009)  
J S Bansal (appointed 6 April 2009)

J Cowdry was appointed director on 16 February 2009 and resigned as director on 16 February 2009

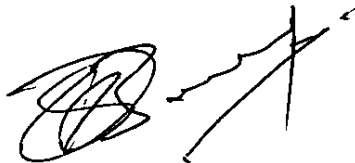
**PROVISION OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information

This report was approved by the board on 4/11/2010

and signed on its behalf



**J S Bansal**  
Director

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## **BANSAL GROUP LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BANSAL GROUP LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of Bansal Group Limited for the period ended 1 April 2010, set out on pages 5 to 23. 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 auditor's 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 statement of directors' responsibilities, 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 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 group's and the parent 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.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 1 April 2010 and of the group's profit for the period 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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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**BANSAL GROUP LIMITED**

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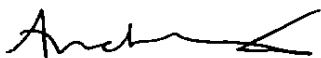
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BANSAL GROUP LIMITED**

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**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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Andrew D May (senior statutory auditor)  
for and on behalf of  
**BARNES ROFFE LLP**  
Chartered Accountants  
Statutory Auditor  
Leytonstone House  
Hanbury Drive  
Leytonstone  
London  
E11 1GA

Date 9 November 2010

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**BANSAL GROUP LIMITED**

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**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 1 APRIL 2010**

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	Note	Period ended 1 April 2010 £
<b>TURNOVER</b>	1,2	
Acquisitions		<u>14,846,591</u>
		<u>14,846,591</u>
Cost of sales	4	<u>(12,314,917)</u>
<b>GROSS PROFIT</b>		<b>2,531,674</b>
Selling and distribution costs	4	<u>(1,078,969)</u>
Administrative expenses	4	<u>(859,050)</u>
Other operating income	3,4	<u>16,669</u>
<b>OPERATING PROFIT</b>	5	
Acquisitions		<u>610,324</u>
Interest receivable and similar income		<u>2</u>
Interest payable and similar charges	8	<u>(42,431)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>567,895</b>
Tax on profit on ordinary activities	9	<u>(172,275)</u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	18	<b>£ 395,620</b>

There were no recognised gains and losses for 2010 other than those included in the profit and loss account

The notes on pages 9 to 23 form part of these financial statements



**BANSAL GROUP LIMITED**  
**REGISTERED NUMBER 06820675**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 1 APRIL 2010**

	Note	2010 £	£
<b>FIXED ASSETS</b>			
Intangible assets	10		790,476
Tangible assets	11		145,149
Investments	12		1,250
			<u>936,875</u>
<b>CURRENT ASSETS</b>			
Stocks	13	1,183,299	
Debtors	14	3,289,585	
Cash at bank and in hand		868,341	
		<u>5,341,225</u>	
<b>CREDITORS</b> amounts falling due within one year	15	<u>(4,873,203)</u>	
<b>NET CURRENT ASSETS</b>			<u>468,022</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,404,897</u>
<b>CREDITORS</b> amounts falling due after more than one year	16		<u>(786,820)</u>
<b>NET ASSETS</b>			<u>£ 618,077</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17		1,199
Other reserves	18		301,258
Profit and loss account	18		315,620
<b>SHAREHOLDERS' FUNDS</b>	19		<u>£ 618,077</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4/11/2010



**J S Bansal**  
Director

The notes on pages 9 to 23 form part of these financial statements

**BANSAL GROUP LIMITED**  
**REGISTERED NUMBER 06820675**

**COMPANY BALANCE SHEET**  
**AS AT 1 APRIL 2010**

	Note	2010 £	£
<b>FIXED ASSETS</b>			
Investments	12		1,534,567
<b>CURRENT ASSETS</b>			
Debtors	14	761	
Cash at bank		1,666	
		<u>2,427</u>	
<b>CREDITORS</b> amounts falling due within one year	15	<u>(526,204)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(523,777)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,010,790</u>
<b>CREDITORS</b> amounts falling due after more than one year	16		<u>(708,333)</u>
<b>NET ASSETS</b>			<u><u>£ 302,457</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17		1,199
Other reserves	18		<u>301,258</u>
<b>SHAREHOLDERS' FUNDS</b>	19		<u><u>£ 302,457</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4/11/2010-

  
**J S Bansal**  
 Director

The notes on pages 9 to 23 form part of these financial statements

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**BANSAL GROUP LIMITED**

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**CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 1 APRIL 2010**

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		Period ended 1 April 2010 £
	Note	
Net cash flow from operating activities	22	725,083
Returns on investments and servicing of finance	23	(42,429)
Taxation		(127,013)
Capital expenditure and financial investment	23	(2,380)
Acquisitions and disposals	23	388,685
Equity dividends paid		(80,000)
<b>CASH INFLOW BEFORE FINANCING</b>		<b>861,946</b>
Financing	23	6,395
<b>INCREASE IN CASH IN THE PERIOD</b>		<b>£ 868,341</b>

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE PERIOD ENDED 1 APRIL 2010**

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	Period ended 1 April 2010 £
Increase in cash in the period	868,341
Cash inflow from increase in debt and lease financing	(6,395)
<b>CHANGE IN NET DEBT RESULTING FROM CASH FLOWS</b>	<b>861,946</b>
Other non-cash changes	(2,263,611)
<b>MOVEMENT IN NET DEBT IN THE PERIOD</b>	<b>(1,401,665)</b>
<b>NET DEBT AT 1 APRIL 2010</b>	<b>£ (1,401,665)</b>

The notes on pages 9 to 23 form part of these financial statements

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## BANSAL GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 APRIL 2010

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#### 1 ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### 1.2 Basis of consolidation

The financial statements consolidate the accounts of Bansal Group Limited and all of its subsidiary undertakings ('subsidiaries')

The results of subsidiaries acquired during the period are included from the effective date of acquisition

##### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of value added tax

##### 1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life

##### 1.5 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following annual bases:

Leasehold buildings	-	10% straight line
Plant and machinery	-	10% straight line
Motor vehicles	-	20% & 25% straight line
Fixtures and fittings	-	10% reducing balance
Computer equipment	-	20% straight line

##### 1.6 Investments

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment
- (ii) **Other investments**  
Investments held as fixed assets are shown at cost less provision for impairment

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## **BANSAL GROUP LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 APRIL 2010**

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#### **1 ACCOUNTING POLICIES (continued)**

##### **1 7 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 8 Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### **1 9 Stocks**

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

##### **1 10 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### **1 11 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

##### **1 12 Pensions**

The group operates defined contribution pension schemes and the pension charge represents the amounts payable by the group to the funds in respect of the period.

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**2. TURNOVER**

All turnover arose within the United Kingdom

The whole of the turnover and profit before taxation from continuing activities are attributable to the principal activity as disclosed in the directors' report

**3 OTHER OPERATING INCOME**

	Period ended 1 April 2010 £
Rental income	12,589
Government grants released	4,080
	<hr/>
	£ 16,669

**4 COST OF SALES AND EXPENSES**

	Period ended 1 April 2010 Continuing £
Cost of sales	12,314,917
Selling and distribution costs	1,078,969
Administrative expenses	859,050
Other operating income	(16,669)

The following amounts were included within continuing activities in relation to acquisitions during the period

	Period ended 1 April 2010 £
Cost of sales	12,314,917
Selling and distribution costs	1,078,969
Administrative expenses	859,050
Other operating income	(16,669)

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**5 OPERATING PROFIT**

The operating profit is stated after charging

	Period ended 1 April 2010 £
Amortisation - intangible fixed assets	41,605
Depreciation of tangible fixed assets	
- owned by the group	34,742
- held under finance leases	10,934
Auditors' remuneration	9,000
Operating lease rentals	
- plant and machinery	121,552
- other operating leases	222,532
Government grants released	(4,080)
Pension costs	55,662
	<hr/> <hr/>

**6 STAFF COSTS**

Staff costs, including directors' remuneration, were as follows

	Period ended 1 April 2010 £
Wages and salaries	854,387
Social security costs	94,776
Other pension costs	55,662
	<hr/>
	£ 1,004,825
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The average monthly number of employees, including the directors, during the period was as follows

	Period ended 1 April 2010 No
Distribution and sales	32
Administration	4
	<hr/>
	36
	<hr/> <hr/>

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**7 DIRECTORS' REMUNERATION**

	Period ended 1 April 2010 £
Emoluments	£ 20,718
Company pension contributions to money purchase pension schemes	£ 6,295

During the period retirement benefits were accruing to 1 director in respect of money purchase pension schemes

**8 INTEREST PAYABLE AND SIMILAR CHARGES**

	Period ended 1 April 2010 £
On bank loans and overdrafts	234
Other loan interest	42,197
	£ 42,431

**9. TAXATION**

	Period ended 1 April 2010 £
UK corporation tax charge on profit for the period	£ 172,275



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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**9 TAXATION (continued)****Factors affecting tax charge for the period**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (28%). The differences are explained below

	<b>Period ended 1 April 2010 £</b>
Profit on ordinary activities before tax	£ 567,895
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	159,011
<b>Effects of:</b>	
Expenses not deductible for tax purposes	9,546
Capital allowances for period in excess of depreciation	6,505
Marginal relief	(14,436)
Goodwill on consolidation	11,649
<b>Current tax charge for the period (see note above)</b>	<b>£ 172,275</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges

**10 INTANGIBLE FIXED ASSETS**

	<b>Goodwill £</b>
<b>Group</b>	
<b>Cost</b>	
Additions	832,081
At 1 April 2010	832,081
<b>Amortisation</b>	
Charge for the period	41,605
At 1 April 2010	41,605
<b>Net book value</b>	
At 1 April 2010	<b>£ 790,476</b>

**BANSAL GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

**11 TANGIBLE FIXED ASSETS**

	Short term leasehold buildings £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and computer equipment £	Total £
<b>Group</b>					
<b>Cost</b>					
Additions	42,208	85,321	1	63,295	190,825
At 1 April 2010	42,208	85,321	1	63,295	190,825
<b>Depreciation</b>					
Charge for the period	10,553	13,625	-	21,498	45,676
At 1 April 2010	10,553	13,625	-	21,498	45,676
<b>Net book value</b>					
At 1 April 2010	£ 31,655	£ 71,696	£ 1	£ 41,797	£ 145,149

**12 FIXED ASSET INVESTMENTS**

	Other investments £
<b>Group</b>	
<b>Cost or valuation</b>	
Additions	1,250
At 1 April 2010	£ 1,250

The investment is in quoted shares. It is the opinion of the directors that the market value of the investments is in excess of the cost, but not materially so.

	Shares in group undertakings £
<b>Company</b>	
<b>Cost or valuation</b>	
At 4 April 2009	-
Additions	1,534,567
At 1 April 2010	£ 1,534,567

Details of the principal subsidiaries can be found under note number 31

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**13 STOCKS**

	Group 2010 £	Company 2010 £
Finished goods and goods for resale	£ 1,183,299	£ -

**14 DEBTORS**

	Group 2010 £	Company 2010 £
Trade debtors	3,178,840	-
Other debtors	36,530	761
Prepayments and accrued income	74,215	-
	<u>£ 3,289,585</u>	<u>£ 761</u>

**15 CREDITORS**

**Amounts falling due within one year**

	Group 2010 £	Company 2010 £
Amounts due to invoice discounting	1,048,340	-
Other loans	443,333	383,333
Trade creditors	3,002,213	-
Amounts owed to group undertakings	-	142,871
Corporation tax	172,868	-
Social security and other taxes	78,320	-
Other creditors	79,795	-
Accruals and deferred income	48,334	-
	<u>£ 4,873,203</u>	<u>£ 526,204</u>

Within other loans is a loan of £60,000 from Bansal Limited Suntrust Retirement Benefit Scheme, which is secured by a legal charge over the group's assets

Included in creditors is an amount of £1,048,340 secured on certain sales ledger balances of the group

**BANSAL GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

**16 CREDITORS**

**Amounts falling due after more than one year**

	Group 2010 £	Company 2010 £
Loan notes	708,333	708,333
Other loans	70,000	-
Other creditors	8,487	-
	<u>£ 786,820</u>	<u>£ 708,333</u>

Other loans of £70,000 from Bansal Limited Suntrust Retirement Benefit Scheme are secured by a legal charge over the group's assets

**17 SHARE CAPITAL**

	2010 £
<b>Allotted, called up and fully paid</b>	
1,199 Ordinary shares of £1 each	<u>£ 1,199</u>

During the period 1,199 Ordinary shares of £1 were issued at par

**18 RESERVES**

<b>Group</b>	Merger reserve £	Profit and loss account £
Profit for the period	-	395,620
Dividends Equity capital	-	(80,000)
Movement on merger reserve	301,258	-
At 1 April 2010	<u>£ 301,258</u>	<u>£ 315,620</u>
<b>Company</b>	Merger reserve £	Profit and loss account £
Profit for the period	-	80,000
Dividends Equity capital	-	(80,000)
Movement on merger reserve	301,258	-
At 1 April 2010	<u>£ 301,258</u>	<u>£ -</u>

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**19 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

<b>Group</b>	<b>2010 £</b>
Opening shareholders' funds	-
Profit for the period	395,620
Dividends (Note 20)	(80,000)
Shares issued during the period	1,199
Movement on merger reserve	301,258
	<hr/>
Closing shareholders' funds	<b>£ 618,077</b>
	<hr/>
<b>Company</b>	<b>2010 £</b>
Opening shareholders' funds	-
Profit for the period	80,000
Dividends (Note 20)	(80,000)
Shares issued during the period	1,199
Movement on merger reserve	301,258
	<hr/>
Closing shareholders' funds	<b>£ 302,457</b>
	<hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the period dealt with in the accounts of the company was £Nil

On 7 April 2009, 1,199 shares were issued to former shareholders of Bansal Limited in exchange for £1 Ordinary shares in Bansal Group Limited

**20 DIVIDENDS**

	<b>Period ended 1 April 2010 £</b>
Dividends paid on equity capital	<b>£ 80,000</b>
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After the year end dividends of £40,000 have been declared

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**21. ACQUISITIONS AND DISPOSALS****Acquisitions - Bansal Limited**

	Vendors' book value £	Fair value to the group £
<b>Assets and liabilities acquired</b>		
Tangible fixed assets	188,445	188,445
Fixed asset investments	1,250	1,250
Stocks	1,287,242	1,287,242
Debtors	2,384,406	2,384,406
Cash at bank	421,556	421,556
Loans and finance leases	(193,593)	(193,593)
Other creditors and provisions	(3,386,820)	(3,386,820)
Net assets acquired	<u>£ 702,486</u>	<u>£ 702,486</u>
<b>Satisfied by</b>		
Consideration		
Shares		301,696
Loan notes		1,200,000
Acquisition costs		32,871
		<u>£ 1,534,567</u>
Goodwill arising on consolidation (see note 10)		<u>£ 832,081</u>
Goodwill being amortised		

The date of acquisition was the 7th April 2009 and the start of Bansal Limited's accounting period was the 5th April 2009. Therefore the summarised profit and loss account for Bansal Limited for the period from 5th April 2009 to the date of acquisition is deemed to be nil.

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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**22 NET CASH FLOW FROM OPERATING ACTIVITIES**

	Period ended 1 April 2010 £
Operating profit	610,324
Amortisation of intangible fixed assets	41,605
Depreciation of tangible fixed assets	45,676
Government grants	(4,080)
Decrease in stocks	103,943
Increase in debtors	(905,179)
Increase in creditors	832,794
<b>Net cash inflow from operations</b>	<b>£ 725,083</b>

**23 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	Period ended 1 April 2010 £
<b>Returns on investments and servicing of finance</b>	
Interest received	2
Interest paid	(42,431)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>£ (42,429)</b>
	Period ended 1 April 2010 £
<b>Capital expenditure and financial investment</b>	
Purchase of tangible fixed assets	£ (2,380)
	Period ended 1 April 2010 £
<b>Acquisitions and disposals</b>	
Cash acquired with subsidiary	421,556
Acquisition expenses	(32,871)
<b>Net cash inflow from acquisitions and disposals</b>	<b>£ 388,685</b>

**BANSAL GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

**23 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	Period ended 1 April 2010 £
<b>Financing</b>	
Movement on invoice discounting	178,322
Repayment of other loans	(168,334)
Repayment of finance leases	(3,593)
<b>Net cash inflow from financing</b>	<b>£ 6,395</b>

**24 ANALYSIS OF CHANGES IN NET DEBT**

	4 April 2009 £	Cash flow £	Acquisition £	Other non-cash changes £	1 April 2010 £
Cash at bank and in hand	-	868,341	-	-	868,341
<b>Debt</b>					
Debts due within one year	-	(6,395)	(948,611)	(536,667)	(1,491,673)
Debts falling due after more than one year	-	-	(115,000)	(663,333)	(778,333)
<b>Net funds</b>	<b>£ -</b>	<b>£ 861,946</b>	<b>(1,063,611)</b>	<b>£ (1,200,000)</b>	<b>£ (1,401,665)</b>

**25 MAJOR NON-CASH TRANSACTIONS**

On 7 April 2009 Bansal Group Limited acquired 100% of the share capital of Bansal Limited for consideration of £1,534,567 by way of a mixture of shares and loan notes



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**BANSAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 APRIL 2010**

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**26 PENSION COMMITMENTS**

The group operates defined contribution pension schemes for the director and certain employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds and amounted to £18,885 (2009 - £18,885).

The group also operates a group personal pension scheme which is available to all employees. The pension cost charge represents contributions payable to the fund and amounted to £36,777 (2009 - £42,753). At the balance sheet date contributions totalling £4,795 (2009 - £893 receivable from) were payable to the fund and are included in other creditors (2009 - other debtors) due within one year.

**27 OPERATING LEASE COMMITMENTS**

At 1 April 2010 the Group had annual commitments under non-cancellable operating leases as follows

<b>Group</b>	<b>2010 £</b>
<b>Expiry date</b>	
Within 1 year	33,866
Between 2 and 5 years	65,073
After more than 5 years	<u>153,037</u>

**28 DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES**

Directors advances and credits during the year were as follows

**J S BANSAL**

	<b>2010 £</b>
Balance brought forward owed to the group	-
Balance on acquisition	21,185
Total advances during the year	32,415
Total repayments during the year	<u>(30,000)</u>
Balance carried forward owed to the group	<u><u>£ 23,600</u></u>

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## **BANSAL GROUP LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 APRIL 2010**

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#### **29 RELATED PARTY TRANSACTIONS**

The Group has taken exemption from disclosing related party transactions with its subsidiary, which is included in these consolidated accounts

At the period end an amount of £75,000 was owed by the company to Mrs R K Bansal, a director of the company

Included within creditors at the period end are amounts due within one year of £60,000 and due after one year of £70,000 which are loans from the Bansal Limited Suntrust Retirement Benefit Scheme. Interest is charged at commercial rates.

The group occupies a property owned by the Bansal Limited Suntrust Retirement Benefit Scheme. The rent charged was £40,000.

The directors have an interest in dividends paid during the period of £80,000.

#### **30. CONTROLLING PARTY**

The ultimate controlling party is J S Bansal.

#### **31 PRINCIPAL SUBSIDIARIES**

<b>Company name</b>	<b>Percentage Shareholding</b>	<b>Description</b>
Bansal Limited	100%	Distributors of heating and plumbing materials