

SUN OIL LIMITED
ABBREVIATED ACCOUNTS
FOR
31 AUGUST 2006



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

SUN OIL LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2006

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SUN OIL LIMITED
THE DIRECTOR'S REPORT
YEAR ENDED 31 AUGUST 2006

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31 August 2006.

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.

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 not recommended a dividend.

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 were as follows:

		At	At
	Class of share	31 August 2006	1 September 2005
Dr R S Ranger	Ordinary	70,000	70,000
Mrs Renu Ranger	Ordinary	90,000	90,000

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 and of the profit or loss of the company for that year. 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 that 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.

In so far as the director is aware:

- there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

SUN OIL LIMITED
THE DIRECTOR'S REPORT *(continued)*
YEAR ENDED 31 AUGUST 2006

DONATIONS

During the year the company made the following contributions:

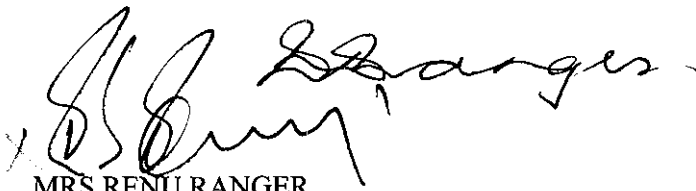
	2006	2005
	£	£
Charitable	<u>5,522</u>	<u>2,691</u>
Other	<u>8,626</u>	<u>7,200</u>

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 30 November 2006

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 set out on pages 4 to 14, together with the financial statements of Sun Oil Limited for the year ended 31 August 2006 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

5 December 2006


BHAGANI & CO
Chartered Accountants
& Registered Auditor

BHAGANI & Co.,
CHARTERED ACCOUNTANTS
STATION HOUSE
11 MASON'S AVENUE, HARROW,
MIDDLESEX, HA3 5AH
TEL: 861-2000 FAX 863 1207

SUN OIL LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 AUGUST 2006

	Note	2006 £	2005 £
GROSS PROFIT		1,688,799	1,658,677
Distribution Costs		140,089	113,387
Administrative expenses		1,412,221	1,171,905
OPERATING PROFIT	2	136,489	373,385
Interest receivable		10,788	6,194
Interest payable and similar charges	5	(1,979)	(3,379)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		145,298	376,200
Tax on profit on ordinary activities	6	56,866	121,206
PROFIT FOR THE FINANCIAL YEAR		88,432	254,994
Balance brought forward		1,506,703	1,251,709
Balance carried forward		1,595,135	1,506,703

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 7 to 14 form part of these abbreviated accounts.

SUN OIL LIMITED
ABBREVIATED BALANCE SHEET

31 AUGUST 2006

	Note	2006 £	£	2005 £	£
FIXED ASSETS					
Tangible assets	7		4,128,440		2,907,199
CURRENT ASSETS					
Stocks	8	1,631,977		1,348,195	
Debtors	9	1,951,440		2,067,324	
Cash at bank		504,319		903,660	
		<u>4,087,736</u>		<u>4,319,179</u>	
CREDITORS: Amounts falling due within one year	10	<u>3,861,626</u>		<u>3,769,639</u>	
NET CURRENT ASSETS			<u>226,110</u>		<u>549,540</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,354,550</u>		<u>3,456,739</u>
CREDITORS: Amounts falling due after more than one year	11		<u>2,585,177</u>		<u>1,780,036</u>
			<u>1,769,373</u>		<u>1,676,703</u>
PROVISIONS FOR LIABILITIES					
Deferred taxation	13		<u>4,238</u>		<u>—</u>
			<u>1,765,135</u>		<u>1,676,703</u>
CAPITAL AND RESERVES					
Called-up equity share capital	14		170,000		170,000
Profit and loss account			<u>1,595,135</u>		<u>1,506,703</u>
SHAREHOLDER'S FUNDS	15		<u>1,765,135</u>		<u>1,676,703</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 30 November 2006.


DR R S RANGER
Director

The notes on pages 7 to 14 form part of these abbreviated accounts.

SUN OIL LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 AUGUST 2006

	Note	2006 £	£	2005 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	16		355,848		786,905
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	16		(171,290)		(75,964)
TAXATION	16		(121,206)		(84,303)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	16		(1,335,202)		(1,006,592)
EQUITY DIVIDENDS PAID			—		(51,000)
			<hr/>		<hr/>
CASH OUTFLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING			(1,271,850)		(430,954)
MANAGEMENT OF LIQUID RESOURCES					
Cash placed in short term deposits		(131,245)		—	
				<hr/>	
NET CASH OUTFLOW FROM MANAGEMENT OF LIQUID RESOURCES			(131,245)		—
FINANCING	16		872,509		644,668
			<hr/>		<hr/>
(DECREASE)/INCREASE IN CASH	16		<u>(530,586)</u>		<u>213,714</u>

The notes on pages 7 to 14 form part of these abbreviated accounts.

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2006

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 2006

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2006	2005
	£	£
Depreciation of owned fixed assets	107,534	70,502
Depreciation of assets held under hire purchase agreements	6,427	10,293
Auditor's remuneration - as auditor	10,800	9,000
Net profit on foreign currency translation	<u>(11,626)</u>	<u>(50,229)</u>

3. PARTICULARS OF EMPLOYEES

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

	2006	2005
	No	No
Number of administrative staff	<u>25</u>	<u>20</u>

The aggregate payroll costs of the above were:

	2006	2005
	£	£
Wages and salaries	367,363	314,842
Social security costs	153,143	143,132
	<u>520,506</u>	<u>457,974</u>

4. DIRECTOR'S EMOLUMENTS

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

	2006	2005
	£	£
Emoluments receivable	<u>25,000</u>	<u>25,000</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Finance charges	<u>1,979</u>	<u>3,379</u>

SUN OIL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2006

6. TAXATION ON ORDINARY ACTIVITIES

	2006 £	2005 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	52,628	121,206
Total current tax	52,628	121,206
Deferred tax:		
Origination and reversal of timing differences (note 13)		
Capital allowances	4,238	-
Tax on profit on ordinary activities	56,866	121,206

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Sep 2005	2,917,324	47,390	48,467	64,019	70,185	3,147,385
Additions	1,269,734	33,300	28,052	-	4,116	1,335,202
At 31 Aug 2006	4,187,058	80,690	76,519	64,019	74,301	4,482,587
DEPRECIATION						
At 1 Sep 2005	99,500	35,541	24,687	40,738	39,720	240,186
Charge for the year	75,250	11,287	12,958	5,821	8,645	113,961
At 31 Aug 2006	174,750	46,828	37,645	46,559	48,365	354,147
NET BOOK VALUE						
At 31 Aug 2006	4,012,308	33,862	38,874	17,460	25,936	4,128,440
At 31 Aug 2005	2,817,824	11,849	23,780	23,281	30,465	2,907,199

Hire purchase agreements

Included within the net book value of £4,128,440 is £19,279 (2005 - £30,873) 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 £6,427 (2005 - £10,293).

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2006

8. STOCKS

	2006 £	2005 £
Stock	<u>1,631,977</u>	<u>1,348,195</u>

9. DEBTORS

	2006 £	2005 £
Trade debtors	1,829,259	1,941,078
VAT recoverable	96,701	115,446
Other debtors	6,981	2,961
Prepayments and accrued income	18,499	7,839
	<u>1,951,440</u>	<u>2,067,324</u>

10. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Bank loans and overdrafts	238,967	165,089
Trade creditors	2,531,826	2,577,254
Amounts owed to group undertakings	450,000	450,000
Other creditors including taxation and social security:		
Corporation tax	52,628	121,206
PAYE and social security	12,191	11,536
Hire purchase agreements	7,057	13,567
Other creditors	10,500	—
Directors current accounts	71,949	146,000
	<u>154,325</u>	292,309
Accruals and deferred income	486,508	284,987
	<u>3,861,626</u>	<u>3,769,639</u>

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

	2006 £	2005 £
Bank loans and overdrafts	<u>238,967</u>	<u>165,089</u>

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

	2006 £	2005 £
Bank loans and overdrafts	2,585,177	1,772,979
Other creditors:		
Hire purchase agreements	—	7,057
	<u>2,585,177</u>	<u>1,780,036</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2006

11. CREDITORS: Amounts falling due after more than one year *(continued)*

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

	2006 £	2005 £
Bank loans and overdrafts	<u>2,585,177</u>	<u>1,772,979</u>

12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2006 £	2005 £
Amounts payable within 1 year	7,057	13,567
Amounts payable between 2 to 5 years	-	7,057
	<u>7,057</u>	<u>20,624</u>

13. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2006 £	2005 £
Profit and loss account movement arising during the year	<u>4,238</u>	-
Provision carried forward	<u>4,238</u>	-

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

	2006 £	2005 £
Excess of taxation allowances over depreciation on fixed assets	<u>4,238</u>	-
	<u>4,238</u>	-

SUN OIL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2006

14. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2006 £	2005 £
Profit for the financial year	88,432	254,994
Opening shareholder's funds	<u>1,676,703</u>	<u>1,421,709</u>
Closing shareholder's funds	<u>1,765,135</u>	<u>1,676,703</u>

16. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating profit	136,489	373,385
Interest payable	180,099	78,779
Depreciation	113,961	80,795
Increase in stocks	(283,782)	(324,331)
Decrease/(increase) in debtors	115,884	(726,457)
Increase in creditors	<u>93,197</u>	<u>1,304,734</u>
Net cash inflow from operating activities	<u>355,848</u>	<u>786,905</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2006 £	2005 £
Interest received	10,788	6,194
Interest paid	(180,099)	(78,779)
Interest element of hire purchase	<u>(1,979)</u>	<u>(3,379)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(171,290)</u>	<u>(75,964)</u>

SUN OIL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2006

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

TAXATION

	2006 £	2005 £
TAXATION	<u>(121,206)</u>	<u>(84,303)</u>

CAPITAL EXPENDITURE

	2006 £	2005 £
Payments to acquire tangible fixed assets	<u>(1,335,202)</u>	<u>(1,006,592)</u>
Net cash outflow from capital expenditure	<u>(1,335,202)</u>	<u>(1,006,592)</u>

FINANCING

	2006 £	2005 £
Increase in bank loans	886,076	665,397
Capital element of hire purchase	<u>(13,567)</u>	<u>(20,729)</u>
Net cash inflow from financing	<u>872,509</u>	<u>644,668</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2006 £	2005 £
(Decrease)/increase in cash in the period	(530,586)	213,714
Net cash (inflow) from bank loans	(886,076)	(665,397)
Cash outflow in respect of hire purchase	13,567	20,729
Cash used to increase liquid resources	<u>131,245</u>	<u>—</u>
	<u>(1,271,850)</u>	<u>(430,954)</u>
Change in net debt	(1,271,850)	(430,954)
Net debt at 1 September 2005	<u>(1,055,032)</u>	<u>(624,078)</u>
Net debt at 31 August 2006	<u>(2,326,882)</u>	<u>(1,055,032)</u>

SUN OIL LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2006

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

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2005 £	Cash flows £	At 31 Aug 2006 £
Net cash:			
Cash in hand and at bank	903,660	(399,341)	504,319
Less: deposits treated as liquid resources	<u>—</u>	<u>(131,245)</u>	<u>(131,245)</u>
	<u>903,660</u>	<u>(530,586)</u>	<u>373,074</u>
Liquid resources:			
Deposits included in cash	<u>—</u>	<u>131,245</u>	<u>131,245</u>
Debt:			
Debt due within 1 year	(165,089)	(73,878)	(238,967)
Debt due after 1 year	(1,772,979)	(812,198)	(2,585,177)
Hire purchase agreements	<u>(20,624)</u>	<u>13,567</u>	<u>(7,057)</u>
	<u>(1,958,692)</u>	<u>(872,509)</u>	<u>(2,831,201)</u>
Net debt	<u>(1,055,032)</u>	<u>(1,271,850)</u>	<u>(2,326,882)</u>