

P K Trading (UK) Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2004

Company Registration No. 4047223



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PK Trading (UK) Limited
DIRECTORS AND OFFICERS
FOR THE YEAR ENDED 31 JANUARY 2004

DIRECTORS

Mrs S Kandial
Mrs C Glassup

SECRETARY

Mr G De Sousa

AUDITORS

Faria and Associates

REGISTERED OFFICE

Unit 8
Ashford Business Complex
158 – 166 Feltham Road
Ashford
Middlesex TW15 1YQ

PK Trading (UK) Limited
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2004

The directors submit their report and the financial statements of PK Trading (UK) Limited for the year ended 31 January, 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of wholesale and retail trading.

DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>Ordinary shares of £1 each</i>
Mrs S Kandial	1
Mrs C Glassup	1


BASIS OF PREPARATION

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

AUDITORS

In the year, Messers Faria and Associates were appointed auditors. A resolution to re-appoint Faria and Associates, as auditors will be put to the members at the annual general meeting.

By order of the board


G De Sousa
Secretary

Date 26 November 2004

PK Trading (UK) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors 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 directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. 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.

PK Trading (UK) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF P K TRADING (UK) LIMITED

We have audited the financial statements on pages five to ten.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 any one 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

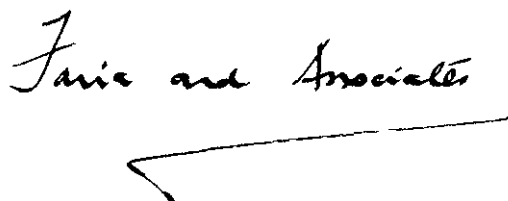
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 January, 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

FARIA AND ASSOCIATES

Chartered Certified Accountants
and Registered Auditors



Date *26 November, 2004*

PK Trading (UK) Limited
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 JANUARY 2004

	<i>Notes</i>	2004 £	2003 £
TURNOVER	1	1,926,266	1,522,302
Cost of sales		(1,409,616)	(1,112,725)
Gross profit		<u>516,650</u>	<u>409,577</u>
Other income		2,730	840
Administrative expenses		(368,161)	(280,488)
PROFIT ON ORDINARY ACTIVITIES	2	<u>151,219</u>	<u>129,929</u>
Tax on profit on ordinary activities	3	(30,624)	(25,013)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u> </u>	<u> </u>
	8	120,595	104,916
Dividends		(54,000)	(14,000)
		<u>66,595</u>	<u>90,916</u>

The profit for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

PK Trading (UK) Limited

BALANCE SHEET

31 JANUARY 2004

	Notes	2004	2003
		£	£
FIXED ASSETS			
Tangible assets	4	51,730	32,094
CURRENT ASSETS			
Stock		68,661	63,980
Debtors	5	524,378	333,582
Cash at bank and in hand		199	1,641
		593,238	399,203
CREDITORS: Amounts falling due within one year	6	(398,845)	(255,018)
NET CURRENT ASSETS		194,393	144,185
		246,123	176,279
CREDITORS: Amounts falling due within one year	7	(3,249)	-
NET ASSETS		242,874	176,279
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account	9	244,606	176,277
SHAREHOLDERS' FUNDS	10	244,608	176,279

We acknowledge that as directors of the company it is our responsibility:

- to keep accounting records which comply with Section 221 of the Companies Act 1985; and
- to prepare accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to the accounts.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 26 November 2004

S Kandial-Director

C Glassup-Director

S Kandial
C Glassup

PK Trading (UK) Limited

BALANCE SHEET

31 JANUARY 2004

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Fixtures, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance

DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of services provided to customers.

PK Trading (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2004

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activity.

	2004	2003
	£	£
2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
This is stated after charging:		
Depreciation of tangible fixed assets	9,554	6,048
Directors' remuneration	60,000	54,257
Auditors' remuneration	2,750	2,750
3 TAXATION	<u>2004</u>	<u>2003</u>
	£	£
UK Corporation tax on profits of the year	28,890	25,013
Adjustment for previous years	1,734	-
Tax on profit on ordinary activities	<u>30,624</u>	<u>25,013</u>
Factors affecting tax charge for the year:		
	£	£
The tax assessed for the year is lower than the rate of corporation tax for the company 19% (2003: 19% and 20%) as explained below:		
Profit on ordinary activities before tax	151,219	129,929
Profit on ordinary activities multiplied by the rate of corporation tax for the company 19% (2003: 19% and 20%)	<u>28,732</u>	<u>24,896</u>
Effects of:		
Expenses not deductible for tax purposes	1,833	943
Capital allowances less than (in excess of) depreciation	(1,675)	(826)
Small companies relief		
Utilisation of tax losses/losses carried forward		-
Current tax charge for the year	<u>28,890</u>	<u>25,013</u>

PK Trading (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2004

4	TANGIBLE FIXED ASSETS	<i>Fixtures & fittings</i> £	<i>Motor Vehicles</i> £	<i>Total</i> £
	Cost			
		28,427	14,583	43,010
	Additions	-	32,395	32,395
	Disposals	-	(7,000)	(7,000)
	At 31 January 2004	28,427	39,978	68,405
	Depreciation			
	1 February 2003	4,712	6,204	10,916
	Disposals	-	(3,795)	(3,795)
	Charged in the year	4,742	4,812	9,554
	At 31 January 2004	9,454	7,220	16,675
	Net book value			
	At 31 January 2004	18,973	32,758	51,730
	Net book value			
	At 31 January 2003	23,715	8,379	32,094
			2004 £	2003 £
	Assets held under finance lease capitalised in vehicles			
	Cost		27,545	-
	Aggregate depreciation		(2,804)	-
	Net book value		24,741	-
			2004 £	2003 £
5	DEBTORS			
	Due within one year:			
	Trade debtors		487,675	327,954
	Other debtors and prepayments		36,703	5,628
			524,378	333,582

PK Trading (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2004

6	CREDITORS: Amounts falling due within one year	2004 £	2003 £
	Bank overdraft	52,525	-
	Trade creditors	188,203	133,344
	Corporation tax	28,890	23,279
	Other taxes and social security costs	17,977	4,270
	Hire purchase creditor	-	-
	Other creditors	111,250	94,125
		<u>398,845</u>	<u>255,018</u>
7	CREDITORS: Amounts falling due after one year	2004 £	2003 £
	Hire Purchase creditors	3,249	-
	This is the net liability due within 5 years, finance costs to be expensed over the remainder of the agreement are £223.		
8	SHARE CAPITAL	2004 £	2003 £
	Authorised: 25,000 ordinary shares of £1 each	25,000	25,000
	Allotted, issued and fully paid: 2 ordinary shares of £1 each	2	2
9	PROFIT AND LOSS ACCOUNT	2004 £	2003 £
	Balance at 1 February 2003	176,277	85,361
	Profit for the year	66,595	90,916
	Balance at 31 January 2004	<u>242,872</u>	<u>176,277</u>
10	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2004 £	2003 £
	Profit for the year	66,595	90,916
	Net addition to shareholders' funds	66,595	90,916
	Opening shareholders' funds	176,279	85,363
	Closing shareholders' funds	<u>242,874</u>	<u>176,279</u>