

REGISTERED NUMBER: 04855200 (England and Wales)

MASALA BAZAAR LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

WEDNESDAY



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COMPANIES HOUSE

MASALA BAZAAR LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2014

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MASALA BAZAAR LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTOR: S HUSSAIN

SECRETARY: S GHAFOR

REGISTERED OFFICE: Churchgate House
3 Church Road
Whitchurch
CARDIFF
CF14 2DX

REGISTERED NUMBER: 04855200 (England and Wales)

AUDITORS: HODGE BAKSHI
CHARTERED ACCOUNTANTS &
STATUTORY AUDITORS
CHURCHGATE HOUSE
CHURCH ROAD
CARDIFF
CF14 2DX

MASALA BAZAAR LIMITED

STRATEGIC REPORT **FOR THE YEAR ENDED 31 DECEMBER 2014**

The director presents his strategic report for the year ended 31 December 2014.

REVIEW OF BUSINESS

The company continued its principal activity throughout the current year.

Details of the company's performance for the financial year are set out in detail on page 8. Its results and future prospects are considered to be satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

The Management continually monitor the key risks facing the company together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the company are as follows;

Competitor risks

Competitive pressure in the UK and the general economic environment is a continuing risk to the company as is the ability of suppliers to keep pace with the competition. The company manages this risk by providing fast response times in fulfilling sales orders and by maintaining strong relationships with key customers and suppliers.

Reliance on key suppliers

The company's purchasing activities could expose it to over reliance on certain suppliers and inflationary pricing pressure. The company manages this risk by ensuring there is enough breath in its supplier base and by constantly seeking to find potential alternative suppliers that may be used if necessary.

Economic downturn

The company acknowledges the importance of maintain close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties. Sales trends in its major markets are constantly reviewed to enable early action to be taken in the event of sales declining.

Loss of key personnel

This would present significant operational difficulties for the company. Management seek to ensure that key personnel are appropriately remunerated to ensure that good performance is recognised.

MASALA BAZAAR LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

DEVELOPMENT AND FINANCIAL PERFORMANCE DURING THE YEAR

During the year the company recorded a turnover of £11.0m compared to the previous year of £9.2m. The company generated an operating profit of £41,498 in the year. The directors will continue to focus on improving margins and driving down costs in the company where possible for the forthcoming year.

The director is generally satisfied with the results for the year, given the ever challenging retail environment in which the company operates. The opening of a new store in Swindon has facilitated an increase of £1.8m in turnover, whilst gross profit margin has held steady in the 21% region. Ongoing uncertainty regarding the general economic recovery of the UK poses a threat to the business, particularly any squeeze on the cost of living of customers, which could have a detrimental impact on the retail sales of Masala Bazaar.

Key performance indicators

Management use a range of performance measures to monitor and manage the business. One of the company's key measurements of effectiveness of its operations is calculating gross margin after direct costs. The company achieved a gross margin after direct costs of 21.4% (2013-22.2%).

Financial Position at the reporting date

The balance sheet on Page 10 shows that the company's net liabilities have reduced by £4,376 compared to the prior year.

Having considered the above, the director is generally optimistic regarding the future expansion of the business, with new outlets being planned in the near future. This is also taking into account the consideration on going concern on page 14 in note 1 to these financial statements.

ON BEHALF OF THE BOARD:



S HUSSAIN - Director

29 September 2015

MASALA BAZAAR LIMITED

REPORT OF THE DIRECTOR **FOR THE YEAR ENDED 31 DECEMBER 2014**

The director presents his report with the accounts of the company for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of general retail sales.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2014.

FUTURE DEVELOPMENTS

The Directors aim is to continue implement the management policies which have been introduced in recent years which have assisted in successfully developing the company in recent years. Overall, the directors believe that the company is well placed in terms of strategic and market position to maximise its ability to generate sales and satisfy customer demand.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the accounts.

DIRECTOR

S HUSSAIN was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.12.14	1.1.14
Ordinary £1 shares	900	900

FINANCIAL INSTRUMENTS

The company operates a centralised treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities. The company principle financial instruments include bank overdrafts. In addition, the company has various financial assets and liabilities such as trade receivables and trade payables arising from its operations.

Liquidity risk- The operations of the company are financed by a mixture of retained profits and cash. The company's policy to manage liquidity risk and cash flow risk is to ensure that adequate funds are held in readily accessible current accounts, to meet the working capital requirements of the company. The directors of the company monitor these risks carefully and, when appropriate, steps are taken to ensure liquidity risk and cash flow risk are reduced.

Interest rate risk- The company operates an overdraft account. As such, it is exposed to interest rate risks. This risk is managed by regular and consistent monitoring of interest rates.

Credit risk -The company is exposed to credit risk. It is company policy to assess the credit risk of all customers before entering into a trading relationship and to ensure that credit risk is kept to a minimum.

GOING CONCERN

The directors have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future, therefore it continues to adopt the going concern basis for accounting in preparing the annual financial statements.

POST BALANCE SHEET EVENT

Immediately after the year end, on the 1st January 2015, the board decided to reconstruct the organisation. 75% of the share holding are acquired by Masala Foods Group Limited at the consideration of £500 per share making Masala Bazaar Limited a subsidiary of Masala Foods Group Limited.

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS INDEMNITY

The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company.

EMPLOYEE CONSULTATION

The company is committed to employee involvement and encourages the development of co-operation with employees. To this end, the company's policy is to ensure that employees are kept informed on matters which affect them, through direct communication and established procedures for joint consultation.

The company has continued to examine ways and means of providing employment for disabled employees, under normal terms and conditions, with opportunities and established procedures for joint consultation.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director 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). Under company law the director must not approve the financial statements unless he is satisfied that they 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 accounting 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 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 enable him to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

MASALA BAZAAR LIMITED

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2014

AUDITORS

The auditors, HODGE DAKSHI, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



S HUSSAIN - Director

29 September 2015

REPORT OF THE INDEPENDENT AUDITORS TO
MASALA BAZAAR LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

CHARTERED ACCOUNTANTS
& CHARTERED TAX ADVISERS

We have examined the abbreviated accounts set out on pages nine to nineteen, together with the full financial statements of Masala Bazaar Limited for the year ended 31 December 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we 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 our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Other information

On 30th September 2015 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 December 2014 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

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Directors • Pankaj Bakshi FCA CTA • Khurshed Bamji BSc (Hons) ACA FCA (ICAI) FCCA
Churchgate House, 3 Church Road, Whitchurch, Cardiff CF14 2DX: Tel: 029 2052 9529 Fax: 029 2052 1666
e-mail: enquiries@hodgebakshi.com Web: www.hodgebakshi.com

Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business by the Institute of Chartered Accountants in England and Wales.

Registered with The Chartered Institute of Taxation as a firm of Chartered Tax Advisers.

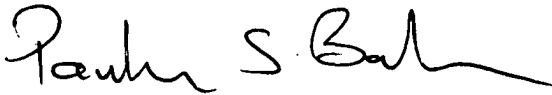
Hodge Bakshi is the trading name of Hodge Bakshi Limited Company number 07199071. Registered in Wales at the above address.

REPORT OF THE INDEPENDENT AUDITORS TO
MASALA BAZAAR LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

CHARTERED ACCOUNTANTS
& CHARTERED TAX ADVISERS

"Emphasis of Matter

Without qualifying our opinion, in forming our opinion on the financial statements, we draw attention to Note 1 in the financial statements which indicate that the Company, as at 31 December 2014, is continuing in operational existence as a result of its continuing dependence on financial support from the director, its bankers with whom the company owes £92,801 and connected businesses with whom the company owes £1,747,975. As a result of the above, as at the 31st December 2014 the company has current liabilities exceeding total assets by £1,514,439. These conditions, along with the other matters explained in the note 1 on page 8 to the financial statements, indicate the existence of a material uncertainty, which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern."



Pankaj Bakshi (Senior Statutory Auditor)
for and on behalf of HODGE BAKSHI
CHARTERED ACCOUNTANTS &
STATUTORY AUDITORS
CHURCHGATE HOUSE
CHURCH ROAD
CARDIFF
CF14 2DX

Date:30/9/2015.....

Page 8



Directors • Pankaj Bakshi FCA CTA • Khurshed Bamji BSc (Hons) ACA FCA (ICAI) FCCA
Churchgate House, 3 Church Road, Whitchurch, Cardiff CF14 2DX. Tel: 029 2052 9529 Fax: 029 2052 1666
e-mail: enquiries@hodgebakshi.com Web: www.hodgebakshi.com

Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business by the Institute of Chartered Accountants in England and Wales.

Registered with The Chartered Institute of Taxation as a firm of Chartered Tax Advisers.

Hodge Bakshi is the trading name of Hodge Bakshi Limited Company number 07199071. Registered in Wales at the above address.

MASALA BAZAAR LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
TURNOVER	2	11,010,271	9,217,600
Cost of sales and other operating income		(8,641,992)	(7,164,020)
		<hr/> 2,368,279	<hr/> 2,053,580
Administrative expenses		<hr/> 2,326,781	<hr/> 2,018,630
OPERATING PROFIT	4	<hr/> 41,498	<hr/> 34,950
Interest receivable and similar income		<hr/> 2,180	<hr/> -
		<hr/> 43,678	<hr/> 34,950
Interest payable and similar charges	5	<hr/> 39,302	<hr/> 31,612
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> 4,376	<hr/> 3,338
Tax on profit on ordinary activities	6	<hr/> -	<hr/> -
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 4,376	<hr/> <hr/> 3,338

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

ABBREVIATED BALANCE SHEET
31 DECEMBER 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	7	903,822	954,448
CURRENT ASSETS			
Stocks	8	753,842	623,793
Debtors	9	356,601	436,942
Cash in hand		242,649	65,210
		<u>1,353,092</u>	<u>1,125,945</u>
CREDITORS			
Amounts falling due within one year	10	<u>2,867,531</u>	<u>2,693,856</u>
NET CURRENT LIABILITIES		<u>(1,514,439)</u>	<u>(1,567,911)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(610,617)</u>	<u>(613,463)</u>
ACCRUALS AND DEFERRED INCOME		<u>1,126</u>	<u>2,656</u>
NET LIABILITIES		<u><u>(611,743)</u></u>	<u><u>(616,119)</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	900	900
Profit and loss account	16	<u>(612,643)</u>	<u>(617,019)</u>
SHAREHOLDERS' FUNDS	21	<u><u>(611,743)</u></u>	<u><u>(616,119)</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the director on 29 September 2015 and were signed by:



S HUSSAIN - Director

The notes form part of these abbreviated accounts

MASALA BAZAAR LIMITED**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	1	280,344	306,108
Returns on investments and servicing of finance	2	(37,122)	(31,612)
Capital expenditure	2	(112,883)	(201,404)
		<u>130,339</u>	<u>73,092</u>
Financing	2	(11,109)	(10,851)
Increase in cash in the period		<u>119,230</u>	<u>62,241</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>119,230</u>	<u>62,241</u>
Change in net funds resulting from cash flows		<u>119,230</u>	<u>62,241</u>
Movement in net funds in the period		119,230	62,241
Net funds/(debt) at 1 January		<u>30,618</u>	<u>(31,623)</u>
Net funds at 31 December		<u>149,848</u>	<u>30,618</u>

The notes form part of these abbreviated accounts

MASALA BAZAAR LIMITED**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2014**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2014	2013
	£	£
Operating profit	41,498	34,950
Depreciation charges	163,509	155,682
Increase in stocks	(130,049)	(237,338)
Decrease/(increase) in debtors	84,537	(274,924)
Increase in creditors	120,849	627,738
	<hr/>	<hr/>
Net cash inflow from operating activities	280,344	306,108
	<hr/>	<hr/>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	2,180	-
Interest paid	(39,302)	(31,612)
	<hr/>	<hr/>
Net cash outflow for returns on investments and servicing of finance	(37,122)	(31,612)
	<hr/>	<hr/>
Capital expenditure		
Purchase of tangible fixed assets	(112,883)	(201,404)
	<hr/>	<hr/>
Net cash outflow for capital expenditure	(112,883)	(201,404)
	<hr/>	<hr/>
Financing		
Amount withdrawn by directors	(11,109)	(10,851)
	<hr/>	<hr/>
Net cash outflow from financing	(11,109)	(10,851)
	<hr/>	<hr/>

The notes form part of these abbreviated accounts

MASALA BAZAAR LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.14	Cash flow	At
	£	£	31.12.14
			£
Net cash:			
Cash at bank and in hand	65,210	177,439	242,649
Bank overdraft	(34,592)	(58,209)	(92,801)
	<u>30,618</u>	<u>119,230</u>	<u>149,848</u>
Total	<u>30,618</u>	<u>119,230</u>	<u>149,848</u>

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of the assumption depends upon the continuing support of its Bankers to which the company owes £92,801 and Connected businesses with whom it has loans and trade creditors totalling £1,747,975. The company has provided forecasted trading results indicating profits in the forthcoming year. The company's forecasted cash flows also indicate a reduction in the company overdraft and an increase in cash available therefore allowing debts to be paid as they fall due. The director remains confident that sufficient monies generated by the trading activities and the support of the connected company will encourage the company's bankers to continue to provide support until the forecasted profits are realised.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts and to provide for further liabilities that might arise, and to reclassify fixed assets and long term liabilities as current assets and liabilities. The Director believes that it is appropriate for the financial statements to be prepared on a going concern basis.

Accounting convention

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

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 5% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Deferred government grants

Grant received from government for the capital expenditure has been written off to profit and loss account over the term of lease of the property occupied.

MASALA BAZAAR LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2014**2. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2014 £	2013 £
United Kingdom	11,010,271	9,217,600
	<u>11,010,271</u>	<u>9,217,600</u>

3. STAFF COSTS

	2014 £	2013 £
Wages and salaries	1,087,553	949,087
Social security costs	37,502	40,198
	<u>1,125,055</u>	<u>989,285</u>

The average monthly number of employees during the year was as follows:

	2014	2013
Management	1	1
Retail	77	67
	<u>78</u>	<u>68</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2014 £	2013 £
Hire of plant and machinery	26,121	7,452
Depreciation - owned assets	163,509	155,682
Auditors' remuneration	5,500	5,200
Rent	366,627	259,582
	<u>-</u>	<u>-</u>
Director's remuneration	-	-

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Bank charges	39,302	31,612

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014**6. TAXATION****Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2014 nor for the year ended 31 December 2013.

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2014	852,628	40,856	659,680
Additions	28,832	-	77,068
At 31 December 2014	881,460	40,856	736,748
DEPRECIATION			
At 1 January 2014	230,934	9,653	379,467
Charge for year	43,351	6,128	104,830
At 31 December 2014	274,285	15,781	484,297
NET BOOK VALUE			
At 31 December 2014	607,175	25,075	252,451
At 31 December 2013	621,694	31,203	280,213
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2014	-	74,630	1,627,794
Additions	3,270	3,713	112,883
At 31 December 2014	3,270	78,343	1,740,677
DEPRECIATION			
At 1 January 2014	-	53,292	673,346
Charge for year	898	8,302	163,509
At 31 December 2014	898	61,594	836,855
NET BOOK VALUE			
At 31 December 2014	2,372	16,749	903,822
At 31 December 2013	-	21,338	954,448

MASALA BAZAAR LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2014**8. STOCKS**

	2014	2013
	£	£
Stock of goods for resale	753,842	623,793

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade debtors	15,506	17,599
Other debtors	27,352	58,684
Amounts due from connected company	146,198	210,181
Directors' current accounts	38,760	27,651
Section 455 tax	-	6,913
Prepayments	128,785	115,914
	356,601	436,942

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Bank loans and overdrafts (see note 11)	92,801	34,592
Trade creditors	2,635,930	2,497,309
Section 455 tax	-	6,913
Social security and other taxes	72,091	83,779
Other creditors	1,875	26,710
Accrued expenses	64,834	44,553
	2,867,531	2,693,856

11. LOANS

An analysis of the maturity of loans is given below:

	2014	2013
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	92,801	34,592

MASALA BAZAAR LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2014**12. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2014	2013	2014	2013
	£	£	£	£
Expiring:				
Between one and five years	<u>374,065</u>	<u>332,400</u>	<u>30,285</u>	<u>-</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	2014	2013
	£	£
Bank overdrafts	<u>92,801</u>	<u>34,592</u>

The bank overdraft has been secured by an unlimited debenture dated 29/11/2007 incorporating a fixed and floating charge.

Mr S Hussain has given a guarantee to Lloyds Bank for a principal amount of £50,000 plus interest and other costs.

14. ACCRUALS AND DEFERRED INCOME

	2014	2013
	£	£
Deferred government grants	<u>1,126</u>	<u>2,656</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
			£	£
900	Ordinary	£1	<u>900</u>	<u>900</u>

16. RESERVES

	Profit and loss account
	£
At 1 January 2014	(617,019)
Profit for the year	4,376
At 31 December 2014	<u>(612,643)</u>

MASALA BAZAAR LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2014**17. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

During the period ended 31st December 2014 the director maintained an interest free loan account with the company. The movements in the loan were as follows:

S Hussain

	Year ended 31.12.14	year ended 31.12.13
	£	£
Balance brought forward	-27,651	-16,800
Amounts drawn by the director	-8,929	-10,851
Interest charged	-2,180	0
Balance carried forward	-38,760	-27,651
Maximum amount owed (to)/by the company	-38,760	-27,651

18. RELATED PARTY DISCLOSURES

S Hussain is a director and shareholder in Euro Foods Group Ltd. During the period, the company purchased goods from Euro Foods Group Ltd amounting to £3,600,193 (2013: £3,503,203) and made sales to Euro Foods Group Ltd amounting to £119,262 (2013: £107,632). Included in Trade Creditors is an amount of £1,909,678 (2013: £1,744,769) due to and included in trade debtors is £15,506 (£2013: £17,599) owed by Euro Foods Group Limited

In addition, as at the year end, a loan of £146,198 (2013: £210,181 was due to) was owed by Euro Foods Group Ltd.

19. POST BALANCE SHEET EVENTS

Immediately after the year end, on the 1st January 2015, the board decided to reconstruct the organisation. 75% of the share holding are acquired by Masala Foods Group Limited at the consideration of £500 per share making Masala Bazaar Limited a subsidiary of Masala Foods Group Limited.

20. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Director who owns all of the issued share capital of the Company.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	4,376	3,338
Net addition to shareholders' funds	4,376	3,338
Opening shareholders' funds	(616,119)	(619,457)
Closing shareholders' funds	(611,743)	(616,119)