

Bestway Cash & Carry Limited

**Directors' report and financial
statements**

Registered number 1207120

30 June 2008

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Company information

Company registration number	1207120
Registered Office	2 Abbey Road Park Royal London NW10 7BW
Directors	Sir MA Pervez, OBE HPk (Chairman) ZM Choudrey, BA (Hons), ACA (Group Chief Executive) MY Sheikh (Managing Director of Cash and Carry Businesses) AK Bhatti AK Chaudhary AM Chaudhary, MBA R Pervez, ACA D Pervez, BA (Hons), MA Oxon, Solicitor
Secretary	D Pervez, BA (Hons), MA Oxon, Solicitor
Bankers	HSBC Bank Plc Apex Plaza Reading RG1 1AX
Solicitors	Kerman & Co LLP 7 Savoy Court Strand London WC2R 0ER Lovells LLP Atlantic House Holborn Viaduct London EC1A 2FG
Auditors	KPMG LLP 20 Farringdon Street London EC4A 4PP

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2008.

Principal activities

The principal activity of the Company during the year was that of wholesalers of groceries, tobacco, wines, spirits and other household goods.

Business review

Turnover for the year ended 30 June 2008 amounted to £803.8million compared to £767.0 million for the previous year, which is an increase of 4.8%. Operating profit for the year to 30 June 2008 increased by 23.4% to £16.7 million compared to £13.5 million for the previous year. Profit on ordinary activities before taxation increased by 25.4% to £16.8 million.

Principal risks & uncertainties

One of the commercial risks faced by the Company is the increasing influence of multiples in the cash & carry sector, which consequently imposes pressure on margins. Another risk that the Company faces is the black market relating to duty avoidance on alcohol.

The cash & carry sector is also affected by the rising inflation, which combined with the credit crunch, can lead to food inflation and force customers to re-evaluate their spending habits.

Key performance indicators

The Board of Directors uses many performance indicators, both financial and non financial, to monitor the Company's position.

Among the financial performance indicators within the business, the most important ones are gross profit margin, sales per depot, sales per department, wages per depot, stock availability and stock levels.

The non-financial performance indicators are staff turnover, staff / supplier / customer satisfaction, health and safety reports among others. The Board is of the belief that the monitoring of the above-mentioned indicators is an effective aspect of business performance review.

Directors' report *(continued)*

Future Outlook

In the UK, despite the economic pressure, we are expecting continued progress in 2009 underpinned by the growth in cash & carry sales due to our expanding range of products and services.

Whilst we remain cautiously optimistic about the growth prospects of our businesses, we see no likelihood of any reduction in competitive intensity in our markets.

In the last twelve months we have continued to demonstrate the strength of our business model and to create value for all our stakeholders. This has been accomplished with the continued support of our outstanding employees and our highly successful relationships with suppliers and customers.

Results and dividend

The trading profit for the year after taxation was £12,539,000 (2007: £9,299,000).

The directors approved a final dividend of £83 (2007: £70) per share on the ordinary shares and £nil (2007: £nil) per share on the 5% non-cumulative preference shares which leaves a profit of £4,239,000 (2007: £2,299,000) to be retained.

Directors

The directors who held office during the year were as follows:

Sir MA Pervez, OBE HPk (Chairman)
ZM Choudrey, BA (Hons), ACA
MY Sheikh
AK Bhatti
AK Chaudhary
AM Chaudhary, MBA
R Pervez, ACA
D Pervez, BA (Hons), MA Oxon, Solicitor

Indemnity provisions

No qualifying third party provision is in force for the benefit of any director of the Company.

Financial instruments

The Company's policy is to finance its operations on a medium term basis from retained profits, inter-company borrowings and bank facilities. Additional uncommitted borrowing and overdraft facilities are utilised for short term financing requirements.

The financial instruments utilised by the Company are borrowings, short-term cash deposits and items such as trade creditors which arise directly from its operations. Borrowing and deposit facilities are on a floating rate basis and interest rate swaps are, from time to time, utilised to adjust the Company's interest rate risk profile. Interest rate swap transactions are subject to advance Board approval. The Company's policy is not to trade in financial instruments.

Directors' report *(continued)*

Employee involvement and disabled persons

The Company informs and consults regularly with employees on matters affecting their interests with a view to achieving a common awareness of the financial and economic factors affecting its performance. The views expressed by employees have been taken into account when making decisions where appropriate.

The Company is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. It recognises its responsibilities towards the disabled and gives full and fair consideration to applications for employment from them and, so far as particular disabilities permit, will give continued employment to any existing employee who becomes disabled. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Political and charitable donations

During the year the Company made political donations of £52,350 (2007: £21,000) to the Conservative Party and charitable donations totalling £26,542 (2007: £2,000).

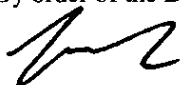
Disclosure of information to auditors

The directors who held office at the date of the approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



D Pervez, BA (Hons), MA Oxon, Solicitor
Secretary

2 Abbey Road
Park Royal
London
NW10 7BW

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



KPMG LLP

20 Farringdon Street
London
EC4A 4PP
United Kingdom

Independent auditors' report to the members of Bestway Cash & Carry Limited

We have audited the financial statements of Bestway Cash & Carry Limited for the year ended 30 June 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Independent auditors' report to the members of Bestway Cash & Carry Limited
(continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG W.

KPMG LLP
Chartered Accountants
Registered Auditor

27 March, 2009.

Profit and loss account
for the year ended 30 June 2008

	<i>Note</i>	2008 £000	2007 £000
Turnover	<i>1</i>	803,759	766,992
Cost of sales		(767,684)	(734,635)
Gross profit		36,075	32,357
Administrative expenses		(23,823)	(22,970)
Other operating income	<i>3</i>	4,430	4,132
Operating profit		16,682	13,519
Other interest receivable and similar income	<i>4</i>	1,220	587
Interest payable and similar charges	<i>5</i>	(1,109)	(711)
Profit on ordinary activities before taxation	<i>2</i>	16,793	13,395
Taxation	<i>7</i>	(4,254)	(4,096)
Profit for the financial year	<i>15</i>	12,539	9,299

The results shown above are derived entirely from continuing activities.

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.

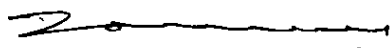
Balance sheet
at 30 June 2008

	Note	2008 £000	2007 £000
Fixed assets			
Tangible assets	9	10,595	10,632
Current assets			
Stocks	10	66,631	58,333
Debtors	11	52,311	34,811
Cash at bank and in hand		8,707	16,359
		127,649	109,503
Creditors: amounts falling due within one year	12	(117,637)	(103,713)
Net current assets		10,012	5,790
Total assets less current liabilities		20,607	16,422
Provisions for liabilities	13	(566)	(620)
Net assets		20,041	15,802
Capital and reserves			
Called up share capital	14	200	200
Profit and loss account	15	19,841	15,602
Shareholders' funds	16	20,041	15,802

These financial statements were approved by the Board of Directors on
signed on its behalf by:

18/03/09

and were


Z M Choudrey, BA (Hons), ACA
Director


MY Sheikh
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

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

Cash flow statement

Under FRS 1 the Company is exempt from the requirement to prepare a cashflow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Related party disclosures

As the Company is a wholly owned subsidiary of Bestway (Holdings) Limited, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Bestway (Holdings) Limited, within which this company is included, can be obtained from the address given in note 22.

Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value as follows:

Plant and machinery	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value. In determining the cost of goods purchased for resale, the weighted average purchase price is used. Provision is made for obsolete and slow moving items.

Retrospective rebates and discounts

The company negotiates discounts directly with suppliers. These discounts are accounted for once the directors are confident that the Company is entitled to the discount.

Operating leases

Annual rentals are charged to the profit and loss account in equal annual amounts over the periods of the lease.

Pension contributions

The Company makes contributions towards the personal pension schemes of certain of its directors and senior employees. Pension costs charged against profits represent the amounts payable to the schemes in respect of the year.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. All differences are taken to the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profit and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Turnover

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

Turnover and profit on ordinary activities before taxation

The turnover and profit before taxation were derived from its principal activity and performed solely in the United Kingdom.

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Notes (continued)

2 Profit on ordinary activities before taxation

	2008 £000	2007 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year		
Owned assets	2,415	2,297
Operating lease rentals:		
Land and buildings	269	453
Plant and Machinery	5	14
Loss on disposal of fixed assets	68	8
Auditors' remuneration:		
Audit of these financial statements	57	71
Other services relating to taxation	171	31
	<u> </u>	<u> </u>

3 Other operating income

	2008 £000	2007 £000
Net rental income	593	525
Other operating income	3,837	3,607
	<u>4,430</u>	<u>4,132</u>

4 Other interest receivable and similar income

	2008 £000	2007 £000
Bank interest receivable	1,220	587
	<u> </u>	<u> </u>

Notes (continued)

5 Interest payable and similar charges

	2008 £000	2007 £000
On bank loans and overdrafts	354	115
Other interest	755	596
	<u>1,109</u>	<u>711</u>

6 Employees and directors

The average monthly number of persons employed by the Company (including directors) during the year, was:

	2008 Number	2007 Number
Office and management	273	283
Retail	1,337	1,328
Distribution	54	49
	<u>1,664</u>	<u>1,660</u>

Staff costs for the above persons:

	2008 £000	2007 £000
Wages and salaries	30,153	29,782
Social security costs	3,002	3,026
Other pension costs	391	369
	<u>33,546</u>	<u>33,177</u>

Directors' emoluments

	2008 £000	2007 £000
Emoluments	7,560	7,490
Contribution to money purchase pension schemes	47	46
	<u>7,607</u>	<u>7,536</u>

The number of directors for whom relevant benefits are accruing in respect of qualifying services to the Company is as follows:

	2008 Number	2007 Number
Money purchase schemes	4	5

Notes (continued)

6 Employees and directors (continued)

Emoluments in respect of the highest paid director amounted to:

	2008 £000	2007 £000
Emoluments	2,073	2,048
Contributions to money purchase pension schemes	-	-
	<u>2,073</u>	<u>2,048</u>

7 Taxation

Analysis of charge in period:

	2008 £000	2007 £000
Current tax:		
UK corporation tax on profits of the period	4,377	3,976
Adjustments in respect of previous periods	(69)	181
Total current tax	<u>4,308</u>	<u>4,157</u>
Deferred tax:		
Origination and reversal of timing differences	(79)	(16)
Effect of tax rate change	-	(45)
Adjustment in respect of previous periods	25	-
Total deferred tax	<u>(54)</u>	<u>(61)</u>
Tax on profit on ordinary activities	<u>4,254</u>	<u>4,096</u>

Notes (continued)

7 Taxation (continued)

Factors affecting the tax charge for the current period

The tax assessed for the period is lower (2007: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2008 £000	2007 £000
Profit on ordinary activities before tax	16,793	13,395
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 29.5% (2007: 30%)	4,954	4,019
<i>Effects of:</i>		
Expenses not deductible for tax purposes	86	94
Depreciation in excess of capital allowances	79	2
Other timing differences	4	-
Adjustment to tax charge in respect of previous periods	(69)	181
Group relief received	(746)	(139)
Total current tax charge for period	4,308	4,157

8 Dividends

The aggregate amount of dividends comprises:

	2008 £000	2007 £000
Ordinary:		
Dividends paid in respect of the current year	8,300	7,000
	8,300	7,000

The directors approved a final dividend of £83 (2007: £70) per ordinary share during the year. The aggregate amount of dividends proposed and not recognised as liabilities as at the year end is £nil (2007: £nil).

Notes (continued)

9 Tangible fixed assets

	Plant and machinery £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
Cost				
At beginning of year	11,005	20,485	5,687	37,177
Additions	99	783	1,753	2,635
Disposals	-	-	(1,171)	(1,171)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	11,104	21,268	6,269	38,641
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At beginning of year	7,732	15,472	3,341	26,545
Charge for year	505	950	960	2,415
On disposals	-	-	(914)	(914)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	8,237	16,422	3,387	28,046
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 June 2008	2,867	4,846	2,882	10,595
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2007	3,273	5,013	2,346	10,632
	<hr/>	<hr/>	<hr/>	<hr/>

10 Stocks

	2008 £000	2007 £000
Finished goods and goods for resale	66,631	58,333
	<hr/>	<hr/>

11 Debtors

	2008 £000	2007 £000
Due within one year:		
Trade debtors	6,345	5,643
Amounts owed by group undertakings	26,585	13,063
Amounts owed by related parties	969	2
Other debtors	61	1,144
Prepayments and accrued income	14,512	13,084
Corporation tax	3,839	1,875
	<hr/>	<hr/>
	52,311	34,811
	<hr/>	<hr/>

Notes (continued)

12 Creditors: amounts falling due within one year

	2008	2007
	£000	£000
Trade creditors	98,933	88,059
Amounts owed to group undertakings	8,643	1,105
Amounts owed to related parties	-	1,334
Other taxation and social security costs	536	2,692
Other creditors	439	234
Accruals and deferred income	9,086	10,289
	<u>117,637</u>	<u>103,713</u>

Since the year end date, formal confirmation was received from Batleys Limited that £5,377,000 of the above amounts owed to group undertakings will not be repayable until at least 30 June 2010.

13 Provisions for liabilities

	Deferred taxation
	£000
At 1 July 2007	620
Credit to profit and loss account	(54)
	<u>566</u>
At 30 June 2008	566

Deferred taxation provided in the financial statements is made up as follows:

	2008	2007
	£000	£000
Excess of tax allowances over depreciation	573	627
Short term timing differences	(7)	(7)
	<u>566</u>	<u>620</u>
At 30 June	566	620

Notes (continued)

14 Called up share capital

	2008 £000	2007 £000
<i>Authorised</i>		
100,000 ordinary shares of £1 each	100	100
100,000 5 % non-cumulative preference shares of £1 each	100	100
	<hr/> 200	<hr/> 200
<i>Allotted, called up and fully paid</i>		
100,000 ordinary shares of £1 each	100	100
100,000 5 % non-cumulative preference shares of £1 each	100	100
	<hr/> 200	<hr/> 200

The holders of 5% non-cumulative preference shares have:

- the right to receive a non-cumulative preferential dividend at the rate of 5% p.a. on the capital paid up or credited as paid up. The dividend is payable out of profits available for dividend or resolved to be distributed in respect of any financial year or other period. In case of deficiency, there is no right to resort to the profits of subsequent financial years or accounting periods, nor is there any priority in payment of a dividend over the ordinary shares;
- the right on winding-up the repayment of capital paid up in priority to the ordinary shares;
- no right to receive notice or to attend and vote at general meetings of the company; and
- no right to participate in the profits or assets of the company.

15 Profit and Loss Account

	2008 £000	2007 £000
At 1 July	15,602	13,303
Profit for the financial year	12,539	9,299
Dividends (see note 8)	(8,300)	(7,000)
	<hr/> 19,841	<hr/> 15,602
At 30 June	<hr/> 19,841	<hr/> 15,602

Notes (continued)

16 Reconciliation of movement in shareholders' funds

	2008 £000	2007 £000
Profit for financial year	12,539	9,299
Dividends	(8,300)	(7,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	4,239	2,299
Opening shareholders' funds	15,802	13,503
	<hr/>	<hr/>
Closing shareholders' funds	20,041	15,802
	<hr/>	<hr/>

17 Contingent liabilities

The Company had no contingent liability in respect of group registration for VAT at 30 June 2008 (2007: £2,048,373).

There is an unlimited cross guarantee dated 18 February 1993 between Bestway (Holdings) Limited, Map Trading Limited, Map (UK) Limited, Palmbest Limited, Bestway Limited and Bestway Cash & Carry Limited in favour of HSBC Bank plc.

The Company is a party, together with other companies within the Bestway (Holdings) Limited group, to a Composite Accounting and Guarantee Agreement with HSBC Bank plc, whereby the liabilities to HSBC Bank plc of each subsidiary are cross guaranteed by each of the companies. Group borrowings covered by the guarantee as at 30 June 2008 amounts to £65.8 million (2007: £102.5 million).

18 Leasing commitments

At 30 June 2008 the Company had annual commitments under non-cancellable operating leases as follows:

	2008 £000	2007 £000
Land and buildings		
Expiring after 5 years	269	267
	<hr/>	<hr/>

The Company had commitments of £815,082 (2007: £4,331,000) for capital expenditure contracted for but not provided in these financial statements.

Notes (continued)

19 Transactions with directors

During the year the values of credit transactions with certain directors or persons connected with the directors, as required to be disclosed by Section 232 of the Companies Act 1985 were:

	2008 £000	2007 £000
MA Pervez	4,649	5,265
ZM Choudrey	4,649	5,265
AK Bhatti	382	480
AK Chaudhary	972	954
AM Chaudhary	972	954
R Pervez	4,649	5,265
D Pervez	2,269	2,663
	<u> </u>	<u> </u>

These transactions were entered into during the normal course of the Company's business on an arm's length basis to the directors' retail shops, with specific payment terms set.

The outstanding balances due from directors in respect of these transactions were:

	2008 £000	2007 £000
MA Pervez	166	-
ZM Choudrey	166	-
AK Bhatti	-	-
AK Chaudhary	-	-
AM Chaudhary	-	-
R Pervez	166	-
D Pervez	-	-
	<u> </u>	<u> </u>

Notes (continued)

20 Transactions with related parties

The Company's related parties, as defined by Financial Reporting Standard 8, the nature of the relationship and the amount of transactions with them during the year were as follows:

	2008 £000	2007 £000
Sales to Bestway Northern Limited	15,766	13,901
Purchases from Bestway Northern Limited	137	319
Management fee charged to Bestway Northern Limited	2,250	2,622
Year end balance due to Bestway Northern Limited	588	1,334
Sales to Bestway Stores	2,380	2,601
Year end balance due from Buybest Limited	1	-
Sales to Buybest Limited	1,634	2,008
Sales to Peppermill Supermarket Limited	635	655
	<u> </u>	<u> </u>

Sub note

Certain directors of Bestway Cash & Carry Limited are also directors of Bestway Northern Limited, Buybest Limited, Peppermill Supermarket Limited and Bestway Stores. The transactions disclosed above are as a result of using a combined buying department for Bestway Cash & Carry Limited and Bestway Northern Limited. The company has also taken advantage of the exemptions from disclosures applicable to subsidiary undertakings where 90% or more of the voting rights are controlled within the group.

21 Pension Commitments

	2008 £000	2007 £000
<i>Defined Contribution</i>		
Contributions payable by the Company for the year	391	369
	<u> </u>	<u> </u>

At the end of the year £25,817 (2007: £24,000) of contributions were outstanding.

22 Immediate and ultimate parent company

The Company's immediate and ultimate holding and controlling company is Bestway (Holdings) Limited, a company registered in Great Britain.

The parent undertaking of the largest group which includes the Company and for which group accounts are prepared is Bestway (Holdings) Limited. Copies of the group financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.