

**Bestway Cash & Carry Limited**

**Directors' report and financial  
statements**

Registered number 1207120

30 June 2009

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## Company information

<b>Company registration number</b>	1207120
<b>Registered Office</b>	2 Abbey Road Park Royal London NW10 7BW
<b>Directors</b>	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
<b>Secretary</b>	D Pervez, BA (Hons) MA Oxon, Solicitor
<b>Bankers</b>	HSBC Bank Plc Apex Plaza Reading RG1 1AX
<b>Solicitors</b>	Kerman & Co LLP 7 Savoy Court Strand London WC2R 0ER  Lovells LLP Atlantic House Holborn Viaduct London EC1A 2FG
<b>Auditors</b>	KPMG LLP 20 Farringdon Street London EC4A 4PP

## **Directors' report**

The directors present their directors' report and the audited financial statements for the year ended 30 June 2009

### **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 2009 amounted to £847.7 million compared to £803.8 million for the previous year, which is an increase of 5.5%. Operating profit for the year to 30 June 2009 increased by 15.6% to £19.3 million compared to £16.7 million for the previous year. Profit on ordinary activities before taxation increased by 12.2% to £18.8 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.

### **Future Outlook**

The general UK economy, food deflation and continued pressure from grey market stocks of alcohol will mean that 2010 will be a tough year for the company.

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 £13,932,000 (2008: £12,539,000).

The directors approved a final dividend of £83 (2008: £83) per share on the ordinary shares and £nil (2008: £nil) per share on the 5% non-cumulative preference shares which leaves a profit of £5,632,000 (2008: £4,239,000) to be retained.

## **Directors' report** *(continued)*

### **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. The Company's policy is not to trade in financial instruments.

### **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 £7,000 (2008 £52,350) to the Conservative Party and charitable donations totalling £2,683 (2008 £26,542).

### **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.

**Directors' report** *(continued)*

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the Board



**A M Chaudhary, MBA**  
*Director*

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).

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 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 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 them to ensure that the financial statements comply with the Companies Act 2006. 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 2009 set out in pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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 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 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 Directors' Responsibilities Statement set out on page 5, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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 year for which the financial statements are prepared is consistent with the financial statements.

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

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

*P D Selvey .*

**P D Selvey (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
22 December 2009

**Profit and loss account**  
*for the year ended 30 June 2009*

	<i>Note</i>	<b>2009</b> <b>£000</b>	<b>2008</b> <b>£000</b>
<b>Turnover</b>	<i>1</i>	<b>847,748</b>	803,759
Cost of sales		<b>(809,499)</b>	(767,684)
<b>Gross profit</b>		<b>38,249</b>	36,075
Administrative expenses		<b>(24,182)</b>	(23,823)
Other operating income	<i>3</i>	<b>5,275</b>	4,430
<b>Operating profit</b>		<b>19,342</b>	16,682
Other interest receivable and similar income	<i>4</i>	<b>309</b>	1,220
Interest payable and similar charges	<i>5</i>	<b>(811)</b>	(1,109)
<b>Profit on ordinary activities before taxation</b>	<i>2</i>	<b>18,840</b>	16,793
Taxation	<i>7</i>	<b>(4,908)</b>	(4,254)
<b>Profit for the financial year</b>	<i>15</i>	<b>13,932</b>	12,539

The results shown above are derived entirely from continuing operations

No separate Statement of Total Recognized 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 2009*


	Note	2009 £000	2008 £000
<b>Fixed assets</b>			
Tangible assets	9	10,076	10,595
<b>Current assets</b>			
Stocks	10	66,374	66,631
Debtors	11	57,188	52,311
Cash at bank and in hand		947	8,707
		124,509	127,649
<b>Creditors</b> amounts falling due within one year	12	(108,425)	(117,637)
<b>Net current assets</b>		16,084	10,012
<b>Total assets less current liabilities</b>		26,160	20,607
<b>Provisions for liabilities</b>	13	(487)	(566)
<b>Net assets</b>		25,673	20,041
<b>Capital and reserves</b>			
Called up share capital	14	200	200
Profit and loss account	15	25,473	19,841
<b>Shareholders' funds</b>	16	25,673	20,041

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

21/12/09

and were

  
**Z M Choudrey, BA (Hons), ACA**  
Director

  
**A M Chaudhary, MBA**  
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 cash flow 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

#### *Dividends on shares presented within shareholders' funds*

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

## Notes (continued)

### 2 Profit on ordinary activities before taxation

	2009 £000	2008 £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	2,035	2 415
Operating lease rentals		
Land and buildings	331	269
Plant and Machinery	-	5
Loss on disposal of fixed assets	52	68
Auditors' remuneration		
Audit of these financial statements	75	57
Other services relating to taxation	115	171
	<hr/>	<hr/>

### 3 Other operating income

	2009 £000	2008 £000
Net rental income	679	593
Management fee charged to group undertakings	4,453	3,743
Other operating income	143	94
	<hr/>	<hr/>
	5,275	4 430
	<hr/>	<hr/>

### 4 Other interest receivable and similar income

	2009 £000	2008 £000
Bank interest receivable	309	1,220
	<hr/>	<hr/>

## Notes (continued)

### 5 Interest payable and similar charges

	2009 £000	2008 £000
On bank loans and overdrafts	607	354
Other interest	204	755
	<u>811</u>	<u>1,109</u>

### 6 Employees and directors

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

	2009 Number	2008 Number
Office and management	284	273
Retail	1,313	1,337
Distribution	63	54
	<u>1,660</u>	<u>1,664</u>

Staff costs for the above persons

	2009 £000	2008 £000
Wages and salaries	31,603	30,153
Social security costs	3,186	3,002
Other pension costs	431	391
	<u>35,220</u>	<u>33,546</u>

*Directors' emoluments*

	2009 £000	2008 £000
Emoluments	7,901	7,560
Contribution to money purchase pension schemes	48	47
	<u>7,949</u>	<u>7,607</u>

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

	2009 Number	2008 Number
Money purchase schemes	<u>4</u>	<u>4</u>

## Notes (continued)

### 6 Employees and directors (continued)

Emoluments in respect of the highest paid director amounted to

	2009 £000	2008 £000
Emoluments	2,609	2,073
Contributions to money purchase pension schemes	-	-
	<u>2,609</u>	<u>2,073</u>

### 7 Taxation

Analysis of charge in period

	2009 £000	2008 £000
Current tax		
UK corporation tax on profits of the period	5,334	4,377
Adjustments in respect of previous periods	(347)	(69)
Total current tax	<u>4,987</u>	<u>4,308</u>
Deferred tax		
Origination and reversal of timing differences	(61)	(79)
Adjustment in respect of previous periods	(18)	25
Total deferred tax	<u>(79)</u>	<u>(54)</u>
Tax on profit on ordinary activities	<u>4,908</u>	<u>4,254</u>

## Notes (continued)

### 7 Taxation (continued)

#### *Factors affecting the tax charge for the current period*

The tax assessed for the period is lower (2008 lower) than the standard rate of corporation tax in the UK  
The differences are explained below

	2009 £000	2008 £000
Profit on ordinary activities before tax	18,840	16 793
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 29.5%)	5,275	4 954
<i>Effects of</i>		
Expenses not deductible for tax purposes	24	86
Depreciation in excess of capital allowances	60	79
Other timing differences	1	4
Adjustment to tax charge in respect of previous periods	(347)	(69)
Group relief received	(26)	(746)
Total current tax charge for period	4,987	4 308

### 8 Dividends

The aggregate amount of dividends comprises	2009 £000	2008 £000
Ordinary		
Dividends paid in respect of the current year	8,300	8 300

The directors approved a final dividend of £83 (2008 £83) per ordinary share during the year. The aggregate amount of dividends proposed and not recognised as liabilities as at the year end is £nil (2008 £nil)

## Notes (continued)

### 9 Tangible fixed assets

	Plant and machinery £000	Fixtures, fittings and equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>				
At beginning of year	11,104	21,268	6,269	38,641
Additions	162	523	1,150	1,835
Disposals	-	-	(1,379)	(1,379)
At end of year	11,266	21,791	6,040	39,097
<b>Depreciation</b>				
At beginning of year	8,237	16,422	3,387	28,046
Charge for year	454	918	663	2,035
On disposals	-	-	(1,060)	(1,060)
At end of year	8,691	17,340	2,990	29,021
<b>Net book value</b>				
At 30 June 2009	2,575	4,451	3,050	10,076
At 30 June 2008	2,867	4,846	2,882	10,595

### 10 Stocks

	2009 £000	2008 £000
Finished goods and goods for resale	66,374	66,631

### 11 Debtors

	2009 £000	2008 £000
Due within one year		
Trade debtors	7,131	6,345
Amounts owed by group undertakings	36,533	26,585
Amounts owed by related parties	1,011	969
Other debtors	1,118	61
Prepayments and accrued income	11,395	14,512
Corporation tax	-	3,839
	57,188	52,311

## Notes (continued)

### 12 Creditors' amounts falling due within one year

	2009 £000	2008 £000
Trade creditors	92,685	98,933
Amounts owed to group undertakings	414	8,643
Other taxation and social security costs	895	536
Other creditors	712	439
Accruals and deferred income	10,829	9,086
Corporation tax	2,890	-
	<u>108,425</u>	<u>117,637</u>

### 13 Provisions for liabilities

	Deferred taxation £000
At 1 July 2008	566
Credit to profit and loss account	(79)
	<u>487</u>
At 30 June 2009	<u>487</u>

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

	2009 £000	2008 £000
Excess of tax allowances over depreciation	494	573
Short term timing differences	(7)	(7)
	<u>487</u>	<u>566</u>
At 30 June	<u>487</u>	<u>566</u>

## Notes (continued)

### 14 Called up share capital

	2009 £000	2008 £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/>	<hr/>
	200	200
	<hr/>	<hr/>
<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/>	<hr/>
	200	200
	<hr/>	<hr/>

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

	2009 £000	2008 £000
At 1 July	19,841	15,602
Profit for the financial year	13,932	12,539
Dividends (see note 8)	(8,300)	(8,300)
	<hr/>	<hr/>
At 30 June	25,473	19,841
	<hr/>	<hr/>

## Notes (continued)

### 16 Reconciliation of movement in shareholders' funds

	2009 £000	2008 £000
Profit for financial year	13,932	12,539
Dividends	(8,300)	(8,300)
<b>Net addition to shareholders' funds</b>	<b>5,632</b>	<b>4,239</b>
Opening shareholders' funds	20,041	15,802
<b>Closing shareholders' funds</b>	<b>25,673</b>	<b>20,041</b>

### 17 Contingent liabilities

The Company had a contingent liability of £366,705 in respect of group registration for VAT at 30 June 2009 (2008 *£nil*)

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 2009 amounts to £26.6 million (2008 *£65.8 million*)

### 18 Leasing commitments

At 30 June 2009 the Company had annual commitments under non-cancellable operating leases as follows

	2009 £000	2008 £000
Land and buildings		
Expiring after 5 years	300	269

The Company had *£nil* (2008 *£815,082*) commitments of 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 the Companies Act

	2009 £000	2008 £000
MA Pervez	4,102	4,649
ZM Choudrey	4,102	4,649
AK Bhatti	255	382
AK Chaudhary	1,008	972
AM Chaudhary	1,008	972
R Pervez	4,102	4,649
D Pervez	1,848	2,269

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

	2009 £000	2008 £000
MA Pervez	10	166
ZM Choudrey	10	166
AK Bhatti	2	-
R Pervez	10	166

## 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

	<i>Sub notes</i>	<b>2009</b> <b>£000</b>	<b>2008</b> <b>£000</b>
Sales to Bestway Northern Limited	<i>1</i>	<b>17,589</b>	15,766
Purchases from Bestway Northern Limited	<i>1</i>	<b>297</b>	137
Management fee charged to Bestway Northern Limited	<i>1</i>	<b>2,250</b>	2 250
Year end balance due from Bestway Northern Limited	<i>1</i>	<b>999</b>	588
Sales to Bestway Stores	<i>2</i>	<b>2,254</b>	2,380
Year end balance due from Bestway Stores	<i>2</i>	<b>10</b>	-
Sales to Buybest Limited	<i>1</i>	<b>1,220</b>	1 634
Year end balance due from Buybest Limited	<i>1</i>	-	1
Sales to Peppermill Supermarket Limited	<i>1</i>	<b>629</b>	635
Sales to London Food & Wine	<i>2</i>	<b>255</b>	-
Year end balance due from London Food & Wine	<i>2</i>	<b>2</b>	-
Sales to Food Corner/Russell Supermarket	<i>2</i>	<b>1,008</b>	-

#### Sub notes

- 1* Certain directors of Bestway Cash & Carry Limited are also directors of Buybest Limited, Bestway Northern Limited and Peppermill Supermarkets Limited.
- 2* Certain directors of Bestway Cash & Carry Limited are partners in Bestway Stores, Food Corner/Russell Supermarket and London Food and Wine.
- 3* 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

	<b>2009</b> <b>£000</b>	<b>2008</b> <b>£000</b>
<i>Defined Contribution Scheme</i>		
Contributions payable by the Company for the year	<b>431</b>	391

At the end of the year £28,758 (2008 £25 817) 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, Mandy, Cardiff, CF4 3UZ.