

Directors' Report & Financial Statements

For the year ended 31 January 2009

Lazon PLC

Registered Company No: 1664129

SATURDAY



A37S2FC5

A36

28/11/2009

52

COMPANIES HOUSE

Merchant Exchange - Whitworth Street West -
Manchester - M1 5WG

Tel +44 (0) 161 209 5050 Fax +44 (0) 161 236 6068

CONTENTS	Page
Company information	1
Directors report	2
Independent auditors report	3
Profit and loss account	4
Balance sheet	5
Cash flow statement	6
Notes to the cash flow statement	7
Notes to the financial statements	9

LAZORON PLC

DIRECTORS	S Chadha M Clinch
SECRETARY	M Clinch
REGISTERED OFFICE	4 Beacon Road Ashburton Road West Trafford Park Manchester M17 1AF
REGISTERED NUMBER	1664129
AUDITORS	Mazars LLP Merchant Exchange Whitworth Street West Manchester M1 5WG

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2009**

The directors present their report with the financial statements of the company for the year ended 31 January 2009.

Review of business

The company was sold to Supreme Imports Limited on 4 February 2008. The company ceased trading in March 2008. On 1 April 2008, the trade and assets of Lazon Plc were hived up into Supreme Imports Limited.

The profit in the current year has arisen from the hive up of all the trade and assets and the resulting write off of the remaining inter-company balance with Supreme Imports Limited.

Principal activity

The principal activity up to the cessation of trading in March 2008 was that of distributor of dry cell batteries, photographic products, hosiery and other general household goods.

Future developments

The directors intend to liquidate Lazon Plc in the next financial year.

Directors

The directors who have held office during the period from 1 February 2008 to the date of this report are as follows:

S Chadha
M Clinch

Statement of director responsibilities

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 period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

ON BEHALF OF THE BOARD


.....
M Clinch – Secretary

27/1/09
.....
Date

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAZORON PLC

We have audited the financial statements of Lazoron Plc for the year ended 31 January 2009 which comprise the balance sheet, the profit and loss account, the cash flow statement and 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 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also 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 transactions with the company is not disclosed.

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

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 judgements 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2009 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.

Mazars LLP

Mazars LLP
Chartered Accountants
and Registered Auditors
Merchant Exchange
Whitworth Street West
Manchester M1 5WG

Date:

29 November 2009

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2009**

	Note	2009 £	2008 £
TURNOVER		-	5,309,197
Cost of sales		-	(4,457,615)
GROSS PROFIT		-	851,582
Administrative expenses		1,927	(960,989)
OPERATING PROFIT / (LOSS)	3	1,927	(109,407)
Interest payable and similar charges	4	-	(38,093)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,927	(147,500)
Tax on profit / (loss) on ordinary activities	5	-	(9,277)
PROFIT / (LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		1,927	(156,777)

Discontinuing operations

The company's activities discontinued in March 2008 following the sale of the company after the year end when the trade was transferred to Supreme Imports Limited.

Total recognised gains and losses

The company has no recognised gains or losses other than the result for the year.

The notes form part of these financial statements.

LAZORON PLC

BALANCE SHEET AS AT 31 JANUARY 2009

	Notes	2009 £	£	2008 £	£
CURRENT ASSETS					
Assets held for resale	6	-		12,703	
Stocks	7	-		331,149	
Debtors	8	-		593,456	
				937,308	
CREDITORS					
Amounts falling due within one year	9	(7,500)		(946,735)	
NET CURRENT ASSETS / (LIABILITIES)					
			(7,500)		(9,427)
NET ASSETS / (LIABILITIES)					
			(7,500)		(9,427)
CAPITAL & RESERVES					
Called up share capital	11	134,150		134,150	
Profit & loss account	12	(141,650)		(143,577)	
SHAREHOLDERS' FUNDS					
			(7,500)		(9,427)

The financial statements were approved by the Board of Directors on 27 November 2009 and were signed on its behalf by:

M Clinch
M Clinch - Director

The notes form part of these financial statements.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2009**

	Notes	2009 £	£	2008 £	£
Net cash inflow from operating activities	1		-		257,196
Returns on investments and servicing of finance	2		-		(38,093)
Taxation			-		623
Capital expenditure	2		-		2,675
			<u>-</u>		<u>222,401</u>
Financing	2		-		(110,151)
Increase in cash in the period			<u>-</u>		<u>112,250</u>
 Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		16,205		112,250	
Cash outflow from decrease in debt and lease financing		<u>251,154</u>		<u>110,151</u>	
Change in net debt resulting from cash flows			<u>267,359</u>		<u>222,401</u>
Movement in net debt in the period			267,359		222,401
Net debt at 1 February			<u>(267,359)</u>		<u>(489,760)</u>
Net debt at 31 January			<u>-</u>		<u>(267,359)</u>

The notes form part of these financial statements.

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2009**

1. RECONCILIATION OF OPERATING PROFIT / (LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit / (loss)	1,927	(109,407)
Depreciation charges	-	49,486
Impairment losses	-	45,905
Brought forward depreciation adjustment	-	(408)
Profit on disposal of fixed assets	-	(656)
Decrease in assets held for resale	12,703	-
Decrease in stocks	331,149	376,059
Decrease in debtors	593,456	449,083
(Decrease) in creditors	(939,235)	(552,866)
Net cash inflow from operating activities	<u>-</u>	<u>257,196</u>

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

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest paid	-	(37,606)
Interest element of hire purchase payments	-	(487)
Net cash outflow for returns on investments and servicing of finance	<u>-</u>	<u>(38,093)</u>
Capital expenditure		
Purchase of tangible fixed assets	-	(3,525)
Sale of tangible fixed assets	-	6,200
	<u>-</u>	<u>2,675</u>
Financing		
Loan repayments in year	-	(97,546)
Capital repayments in year	-	(12,605)
Net cash outflow from financing	<u>-</u>	<u>(110,151)</u>

The notes form part of these financial statements.

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2009**

(continued)

3. ANALYSIS OF CHANGES IN NET DEBT

	2008	Cash flow	2009
	£	£	£
Net cash:			
Bank overdraft	(16,205)	16,205	-
	<u>(16,205)</u>	<u>16,205</u>	<u>-</u>
Debt:			
Debts falling due within one year	(251,154)	251,154	-
	<u>(251,154)</u>	<u>251,154</u>	<u>-</u>
Total	<u>(267,359)</u>	<u>267,359</u>	<u>-</u>

The notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2009**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The company ceased trading in March 2008 due to increasing losses; therefore the financial statements have not been prepared on a 'going concern' basis, but are prepared on a 'break up' basis. Consequently all assets have been written down to their recoverable amount and provision is included for all liabilities which existed at the balance sheet date. The financial statements have been prepared under the historical cost convention and in accordance with UK GAAP.

Turnover

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

Stocks

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2009**

(continued)

2. STAFF COSTS

	2009	2008
	£	£
Wages and salaries	-	429,155
Social security costs	-	41,394
Other pension costs	-	13,557
	<u>-</u>	<u>484,106</u>

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

	2009	2008
	No	No
Warehouse	-	6
Administration	-	10
Directors	-	4
Sales	-	6
	<u>-</u>	<u>26</u>

3. OPERATING PROFIT / (LOSS)

The operating profit / (loss) is stated after charging:

	2009	2008
	£	£
Hire of plant and machinery	-	4,569
Depreciation – owned assets	-	37,457
Depreciation – assets on hire purchase contracts	-	7,215
Impairment losses	-	45,905
Profit on disposal of fixed assets	-	(656)
Patents and licences amortisation	-	4,814
Auditors' remuneration	-	6,000
Rent paid under operating leases	-	84,000
	<u>-</u>	<u>166,638</u>
Directors' emoluments	<u>-</u>	<u>166,638</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase scheme	<u>-</u>	<u>1</u>
-----------------------	----------	----------

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2009**

(continued)

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Bank interest	-	37,606
Hire purchase interest	-	487
	<u>-</u>	<u>38,093</u>

5. TAXATION**Analysis of the tax charge**

The tax charge on the profit / (loss) on ordinary activities for the year was as follows:

	2009 £	2008 £
Deferred tax	-	9,277
Tax on profit / (loss) on ordinary activities	<u>-</u>	<u>9,277</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2009 £	2008 £
Profit / (loss) on ordinary activities before tax	<u>9,427</u>	<u>(147,500)</u>
Profit / (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2008 – 20%)	1,885	(26,930)
Effects of:		
Expenses not deductible for tax purposes	-	525
Write off of inter-company balance	(1,885)	-
Tax losses carried forward / (utilised)	<u>-</u>	<u>26,405</u>
Current tax charge	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2009**

(continued)

6. ASSETS HELD FOR RESALE

	2009	2008
	£	£
Assets held for resale	-	12,703
	<u> </u>	<u> </u>

7. STOCKS

	2009	2008
	£	£
Finished goods	-	331,149
	<u> </u>	<u> </u>

8. DEBTORS

	2009	2008
	£	£
Trade debtors	-	501,289
VAT	-	14,672
Woodman Properties Ltd	-	8,086
Prepayments	-	69,409
	<u> </u>	<u> </u>
	-	593,456
	<u> </u>	<u> </u>

9. CREDITORS

	2009	2008
	£	£
Bank loans and overdrafts (see note 10)	-	267,359
Trade creditors	-	483,575
Social security and other taxes	-	8,433
Other creditors	7,500	518
Accruals	-	186,850
	<u> </u>	<u> </u>
	7,500	946,735
	<u> </u>	<u> </u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2009**

(continued)

10. SECURED DEBTS

	2009	2008
	£	£
Bank overdrafts	-	16,205
Bank loans	-	251,154
	<u>-</u>	<u>267,359</u>

The bank overdraft facility and bank loan are secured by a fixed and floating charge over all the company's assets.

11. CALLED UP SHARE CAPITAL

Authorised:			2009	2008
Number:	Class:	Nominal Value	£	£
200,000	Ordinary shares	£1	<u>200,000</u>	<u>200,000</u>

Allotted, issued and fully paid:			2009	2008
Number:	Class:	Nominal Value	£	£
134,150	Ordinary shares	£1	<u>134,150</u>	<u>134,150</u>

12. RESERVES

	Profit & Loss Account £
At 1 February 2008	(143,577)
Profit for the year	1,927
At 31 January 2009	<u>(141,650)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2009**

(continued)

13. ULTIMATE PARENT COMPANY

The ultimate controlling party is Supreme Imports Limited by virtue of its 100% shareholding.

14. RELATED PARTY DISCLOSURES

During the year, all the assets and liabilities of Lazoron Plc were transferred to Supreme Imports Limited at their balance sheet value.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Profit / (loss) for the financial year	<u>1,927</u>	<u>(156,777)</u>
Net addition / (reduction) to shareholders' funds	1,927	(156,777)
Opening shareholders' funds	<u>(9,427)</u>	<u>147,350</u>
Closing shareholders' funds	<u>(7,500)</u>	<u>(9,427)</u>