

Registration number 2280706

FORMANTA LIMITED

Directors' report and financial statements

for the year ended 31 March 2007

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FORMANTA LIMITED

Company information

Directors	P D V Bhoja D K Halai
Secretary	P D V Bhoja
Company number	2280706
Registered office	Scottish Provident House 76-80 College Road Harrow Middlesex HA1 1BQ
Accountants	Merali's Scottish Provident House 76-80 College Road Harrow Middlesex HA1 1BQ
Business address	5-6 Troed-y-Bryn Caerphilly Mid Glamorgan CP83 2PW
Bankers	Natwest Bank Plc Caerphilly Branch 19 Cardiff Road Caerphilly CF83 1WF

FORMANTA LIMITED

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FORMANTA LIMITED

Directors' report for the year ended 31 March 2007

The directors present their report and the financial statements for the year ended 31 March 2007

Principal activity

The principal activity of the company is that of general merchants/supermarket and post office

Directors and their interests

The directors who served during the year and their interests in the company are as stated below

	Class of share	31/03/07	01/04/06
P D V Bhoja	Ordinary shares	7,500	7,500
D K Halai	Ordinary shares	7,500	7,500

Directors' responsibilities

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

This report was approved by the Board on and signed on its behalf by



P D V Bhoja
Secretary

24 JAN 2008

FORMANTA LIMITED

**Accountants' report on the unaudited financial statements to the directors of
FORMANTA LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2007 set out on pages 3 to 12 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

**Merali's
Chartered Accountants
Scottish Provident House
76-80 College Road
Harrow
Middlesex. HA1 1BQ**

Date: 25 JAN 2008

FORMANTA LIMITED

Profit and loss account for the year ended 31 March 2007

		2007	2006
	Notes	£	£
Turnover	2	857,596	896,525
Cost of sales		(695,960)	(733,122)
Gross profit		161,636	163,403
Distribution costs		(1,628)	(1,596)
Administrative expenses		(148,690)	(158,841)
Other operating income		91,373	90,016
Operating profit	3	102,691	92,982
Other interest receivable and similar income		3,908	4,518
Interest payable and similar charges		(29,095)	(24,891)
Profit on ordinary activities before taxation		77,504	72,609
Tax on profit on ordinary activities	6	(16,012)	(15,784)
Profit on ordinary activities after taxation		61,492	56,825
Dividends		(40,000)	(50,000)
Profit for the year	13	21,492	6,825
Retained profit brought forward		399,322	392,497
Retained profit carried forward		420,814	399,322
Statement of total recognised gains and losses			
Profit on ordinary activities after taxation		61,492	56,825
Unrealised movement on revaluation of property		-	18,000
Total recognised gains since last annual report		61,492	74,825

The notes on pages 6 to 12 form an integral part of these financial statements.

FORMANTA LIMITED

Balance sheet as at 31 March 2007

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		24,000		32,000
Tangible assets	8		908,710		812,819
			<u>932,710</u>		<u>844,819</u>
Current assets					
Stocks		41,764		44,398	
Debtors	9	3,236		6,840	
Cash at bank and in hand		176,296		176,469	
		<u>221,296</u>		<u>227,707</u>	
Creditors: amounts falling due within one year	10	<u>(243,211)</u>		<u>(225,491)</u>	
Net current (liabilities)/assets			<u>(21,915)</u>		<u>2,216</u>
Total assets less current liabilities			910,795		847,035
Creditors: amounts falling due after more than one year	11		<u>(456,981)</u>		<u>(414,713)</u>
Net assets			<u>453,814</u>		<u>432,322</u>
Capital and reserves					
Called up share capital	12		15,000		15,000
Revaluation reserve	13		18,000		18,000
Profit and loss account	13		420,814		399,322
Shareholders' funds			<u>453,814</u>		<u>432,322</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 6 to 12 form an integral part of these financial statements.

FORMANTA LIMITED

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 March 2007**

In approving these financial statements as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2007 and

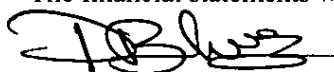
(c) that we acknowledge our responsibilities for

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on and signed on its behalf by



P D V Bhoja
Director

24 JAN 2008



D K Halai
Director

24 JAN 2008

The notes on pages 6 to 12 form an integral part of these financial statements.

FORMANTA LIMITED

Notes to the financial statements for the year ended 31 March 2007

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of approximately 10 years

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Straight line over useful life - 2%
Plant and machinery	-	15% straight line
Fixtures, fittings and equipment	-	10% straight line
Motor vehicles	-	25% straight line
Investment Property	-	No depreciation charge

1.5. Investment Property

Investment properties are stated at market value and no depreciation is charged on the investment properties. According to FRSSE, investment properties should not be subject to periodic charges for depreciation, which is a departure from the Companies Act 1985 necessary to give a true and fair view

1.6. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period

1.7. Stock

Stock is valued at the lower of cost and net realisable value

1.8. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings

FORMANTA LIMITED

Notes to the financial statements for the year ended 31 March 2007

continued

1.9. Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

1.1 Debtors

Debtors are stated at amounts recoverable

3. Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	8,000	8,000
Depreciation and other amounts written off tangible assets	13,795	14,375

FORMANTA LIMITED

Notes to the financial statements for the year ended 31 March 2007

continued

4. Directors' emoluments

	2007	2006
	£	£
Remuneration and other benefits	<u>38,313</u>	<u>38,587</u>

5. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £6,755 (2006 - £6,558)

6. Tax on profit on ordinary activities

Analysis of charge in period	2007	2006
	£	£
Current tax		
UK corporation tax	16,012	16,287
Adjustments in respect of previous periods	-	(503)
	<u>16,012</u>	<u>15,784</u>

7. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2006	85,500	85,500
At 31 March 2007	<u>85,500</u>	<u>85,500</u>
Provision for diminution in value		
At 1 April 2006	53,500	53,500
Charge for year	8,000	8,000
At 31 March 2007	<u>61,500</u>	<u>61,500</u>
Net book values		
At 31 March 2007	<u>24,000</u>	<u>24,000</u>
At 31 March 2006	<u>32,000</u>	<u>32,000</u>

FORMANTA LIMITED

Notes to the financial statements for the year ended 31 March 2007

continued

8. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Investment Property £	Total £
Cost/revaluation						
At 1 April 2006	261,026	63,369	49,833	8,258	543,927	926,413
Additions	-	-	-	-	109,687	109,687
At 31 March 2007	<u>261,026</u>	<u>63,369</u>	<u>49,833</u>	<u>8,258</u>	<u>653,614</u>	<u>1,036,100</u>
Depreciation						
At 1 April 2006	34,016	43,415	27,907	8,257	-	113,595
Charge for the year	4,007	6,387	3,401	-	-	13,795
At 31 March 2007	<u>38,023</u>	<u>49,802</u>	<u>31,308</u>	<u>8,257</u>	<u>-</u>	<u>127,390</u>
Net book values						
At 31 March 2007	<u>223,003</u>	<u>13,567</u>	<u>18,525</u>	<u>1</u>	<u>653,614</u>	<u>908,710</u>
At 31 March 2006	<u>227,010</u>	<u>19,954</u>	<u>21,926</u>	<u>1</u>	<u>543,927</u>	<u>812,819</u>

Included in freehold land and buildings is freehold land valued at £60,664 which is not depreciated. In the opinion of the directors, the open market value of the land and buildings is, at least, the same as the book value.

The directors of the company believe that the open market value of the investment properties is equivalent to the net book value. Therefore, it is not considered necessary to revalue the investment properties by professional third parties.

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2007		2006	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Equipment	<u>6,633</u>	<u>2,054</u>	<u>8,687</u>	<u>2,054</u>

FORMANTA LIMITED

Notes to the financial statements for the year ended 31 March 2007

continued

9. Debtors	2007	2006
	£	£
Trade debtors	1,165	-
Other debtors	287	851
Prepayments and accrued income	1,784	5,989
	<u>3,236</u>	<u>6,840</u>
10. Creditors: amounts falling due within one year	2007	2006
	£	£
Bank overdraft	-	8,365
Short-term Bank loans	43,257	32,554
Shareholders loan	162,811	142,811
Payments received on account	5,649	5,587
Net obligations under finance leases and hire purchase contracts	2,161	4,163
Trade creditors	2,653	5,826
Corporation tax	16,012	16,287
Other taxes and social security costs	5,868	4,798
Other creditors	450	750
Accruals and deferred income	4,350	4,350
	<u>243,211</u>	<u>225,491</u>

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Notes to the financial statements for the year ended 31 March 2007

continued

11. Creditors: amounts falling due after more than one year	2007 £	2006 £
Bank loans	456,981	412,552
Net obligations under finance leases and hire purchase contracts	-	2,161
	<u>456,981</u>	<u>414,713</u>
Loans		
Repayable between two and five years	(173,024)	(130,212)
Repayable in five years or more	(283,957)	(284,501)
	<u>(456,981)</u>	<u>(414,713)</u>

Both short term and long term loans are secured as follows 1) over the freehold property located at 60 Dockhead Street, Saltcoats, North Ayrshire, 2) over the freehold properties Plot 2,4,5 & 6 Troed y Bryn, Caerphilly, 3) over the freehold property 14 Bryn Heulog Penyrheol, Caerphilly

12. Share capital	2007 £	2006 £
Authorised		
100,000 Ordinary shares of 1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
15,000 Ordinary shares of 1 each	<u>15,000</u>	<u>15,000</u>
Equity Shares		
15,000 Ordinary shares of 1 each	<u>15,000</u>	<u>15,000</u>

13. Reserves	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2006	18,000	399,322	417,322
Profit for the year		21,492	21,492
At 31 March 2007	<u>18,000</u>	<u>420,814</u>	<u>438,814</u>

FORMANTA LIMITED

**Notes to the financial statements
for the year ended 31 March 2007**

continued

14. Controlling interest

The company was controlled throughout the current and the previous period by its directors Mr P D V Bhoja and Mr D K Halai by virtue of the fact that between them they own all of the company's ordinary share capital