

REGISTERED NUMBER 02780416 (England and Wales)

Shasonic Centres Limited
Report of the Director and
Audited Financial Statements
for the year ended 30 June 2009

TUESDAY



LPY231QL

L18

30/03/2010

127

COMPANIES HOUSE

**Contents of the Financial Statements
for the year ended 30 June 2009**

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	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	8

Shasonic Centres Limited

**Company Information
for the year ended 30 June 2009**

DIRECTOR

N D Shah

SECRETARY

P P Narayanasamy

REGISTERED OFFICE

17-19 Bedford Street
(Ref JMO)
London
WC2E 9HP

REGISTERED NUMBER

02780416 (England and Wales)

AUDITORS

The JMO Practice
Chartered Accountants
and Registered Auditors
17-19 Bedford Street
London
WC2E 9HP

Shasonic Centres Limited (Registered number: 02780416)

**Report of the Director
for the year ended 30 June 2009**

The director presents his report with the financial statements of the company for the year ended 30 June 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the retail sale of audio, video and electronic goods

REVIEW OF BUSINESS

The director is pleased with the years results and expects the profitability to continue in the foreseeable future

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2009

DIRECTOR

N D Shah held office during the whole of the period from 1 July 2008 to the date of this report

His beneficial interest in the shares of the company, according to the register of directors' interests, was as follows

	30 6 09	1 7 08
Ordinary shares of £1 each	14	14

He did not hold any non-beneficial interests in the shares of the company

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, The JMO Practice, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD


P P Narayanasamy - Secretary

Date

30/03/2010

**Report of the Independent Auditors to the Shareholders of
Shasonic Centres Limited**

We have audited the financial statements of Shasonic Centres Limited for the year ended 30 June 2009 on pages four to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 a Report of the Auditors 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 director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements.

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 United Kingdom 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 not 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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



J O'Sullivan (Senior Statutory Auditor)
for and on behalf of The JMO Practice
Chartered Accountants
and Registered Auditors
17-19 Bedford Street
London
WC2E 9HP

Date

30 March 2010

Shasonic Centres Limited (Registered number 02780416)

**Profit and Loss Account
for the year ended 30 June 2009**

	Notes	30 6 09 £	30 6 08 £
TURNOVER		12,083,765	13,427,735
Cost of sales		8,124,212	9,253,203
GROSS PROFIT		3,959,553	4,174,532
Administrative expenses		3,875,546	3,983,055
		84,007	191,477
Other operating income		29,051	-
OPERATING PROFIT	3	113,058	191,477
Interest payable and similar charges	4	6,120	17,579
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		106,938	173,898
Tax on profit on ordinary activities	5	(9,562)	49,328
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		116,500	124,570

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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

NOTE OF HISTORICAL COST PROFITS AND LOSSES


The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

Shasonic Centres Limited (Registered number 02780416)

Balance Sheet
30 June 2009

	Notes	30 6 09 £	£	30 6 08 £	£
FIXED ASSETS					
Intangible assets	6		-		-
Tangible assets	7		1,358,351		1,298,852
			<u>1,358,351</u>		<u>1,298,852</u>
CURRENT ASSETS					
Debtors	8	327,170		319,581	
Cash at bank and in hand		120,484		269,134	
		<u>447,654</u>		<u>588,715</u>	
CREDITORS					
Amounts falling due within one year	9	804,222		952,867	
		<u></u>		<u></u>	
NET CURRENT LIABILITIES			(356,568)		(364,152)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,001,783		934,700
CREDITORS					
Amounts falling due after more than one year	10		(5,916)		(48,280)
PROVISIONS FOR LIABILITIES	14		(9,271)		(16,324)
			<u></u>		<u></u>
NET ASSETS			<u>986,596</u>		<u>870,096</u>
CAPITAL AND RESERVES					
Called up share capital	15		20		20
Revaluation reserve	16		387,884		387,884
Profit and loss account	16		598,692		482,192
			<u></u>		<u></u>
SHAREHOLDERS' FUNDS	19		<u>986,596</u>		<u>870,096</u>

The financial statements were approved by the director on 30th April 2010 and were signed by



N D Shah - Director

Shasonic Centres Limited (Registered number 02780416)

**Cash Flow Statement
for the year ended 30 June 2009**

	Notes	£	30 6 09	£	30 6 08	£
Net cash inflow from operating activities	1			200,711		266,631
Returns on investments and servicing of finance	2			(6,120)		(17,579)
Taxation				(74,858)		(100,588)
Capital expenditure	2			(186,240)		52,249
				(66,507)		200,713
Financing	2			(82,143)		(88,808)
(Decrease)/Increase in cash in the period				(148,650)		111,905

Reconciliation of net cash flow to movement in net funds

	3				
(Decrease)/Increase in cash in the period		(148,650)		111,905	
Cash outflow from decrease in debt and lease financing		82,144		88,808	
Change in net funds resulting from cash flows			(66,506)		200,713
Movement in net funds in the period			(66,506)		200,713
Net funds/(debt) at 1 July			121,931		(78,782)
Net funds at 30 June			55,425		121,931

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the year ended 30 June 2009

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30 6 09 £	30 6 08 £
Operating profit	113,058	191,477
Depreciation charges	126,740	117,639
Profit on disposal of fixed assets	-	(398,027)
Decrease in debtors	3,605	302,855
(Decrease)/Increase in creditors	(42,692)	52,687
Net cash inflow from operating activities	200,711	266,631

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

	30 6 09 £	30 6 08 £
Returns on investments and servicing of finance		
Interest paid	(5,101)	(15,350)
Interest element of hire purchase payments	(1,019)	(2,229)
Net cash outflow for returns on investments and servicing of finance	(6,120)	(17,579)
Capital expenditure		
Purchase of tangible fixed assets	(186,240)	(347,751)
Sale of tangible fixed assets	-	400,000
Net cash (outflow)/inflow for capital expenditure	(186,240)	52,249
Financing		
Loan repayments in year	(85,111)	(79,756)
Capital repayments in year	2,968	(9,052)
Net cash outflow from financing	(82,143)	(88,808)

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 7 08 £	Cash flow £	At 30 6 09 £
Net cash			
Cash at bank and in hand	269,134	(148,650)	120,484
	<u>269,134</u>	<u>(148,650)</u>	<u>120,484</u>
Debt			
Hire purchase	(17,782)	(2,968)	(20,750)
Debts falling due within one year	(86,913)	42,604	(44,309)
Debts falling due after one year	(42,508)	42,508	-
	<u>(147,203)</u>	<u>82,144</u>	<u>(65,059)</u>
Total	121,931	(66,506)	55,425

**Notes to the Financial Statements
for the year ended 30 June 2009**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1994, is being amortised evenly over its estimated useful life of ten years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- 2% on cost
Short leasehold	- in accordance with the property
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Deferred tax

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

Hire purchase and leasing commitments

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.

Stock

Stocks are not held by this company as goods are acquired at the point of sale

2 STAFF COSTS

	30 6 09 £	30 6 08 £
Wages and salaries	1,293,558	1,411,492
Social security costs	113,303	125,439
	<u>1,406,861</u>	<u>1,536,931</u>

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

	30 6 09	30 6 08
Sales, office and management	66	74
Administration	4	5
	<u>70</u>	<u>79</u>

Notes to the Financial Statements - continued
for the year ended 30 June 2009

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	30 6 09	30 6 08
	£	£
Other operating leases	918,884	931,493
Depreciation - owned assets	115,505	106,169
Depreciation - assets on hire purchase contracts	11,235	11,469
Profit on disposal of fixed assets	-	(398,027)
Auditors' remuneration	6,160	6,762
	<u> </u>	<u> </u>
Director's remuneration	-	-
	<u> </u>	<u> </u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 6 09	30 6 08
	£	£
Loan	5,101	15,350
Hire purchase	1,019	2,229
	<u> </u>	<u> </u>
	6,120	17,579
	<u> </u>	<u> </u>

5 TAXATION

Analysis of the tax (credit)/charge

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

	30 6 09	30 6 08
	£	£
Current tax		
UK corporation tax	46,628	66,171
adjustment previous years	(49,137)	-
Total current tax	<u>(2,509)</u>	<u>66,171</u>
Deferred tax	<u>(7,053)</u>	<u>(16,843)</u>
Tax on profit on ordinary activities	<u>(9,562)</u>	<u>49,328</u>

Factors affecting the tax (credit)/charge

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

	30 6 09	30 6 08
	£	£
Profit on ordinary activities before tax	<u>106,938</u>	<u>173,898</u>
Profit on ordinary activities		
multiplied by the standard rate of corporation tax		
in the UK of 28% (2008 - 29.500%)	29,943	51,300
Effects of		
Capital allowances for period in excess of depreciation	13,303	15,417
Expenses not deductible for tax purposes	4,757	-
Marginal relief	(1,375)	(546)
Adjustment to tax charge in respect of previous years	<u>(49,137)</u>	<u>-</u>
Current tax (credit)/charge	<u>(2,509)</u>	<u>66,171</u>

Notes to the Financial Statements - continued
for the year ended 30 June 2009

6 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 July 2008	
and 30 June 2009	<u>11,000</u>
AMORTISATION	
At 1 July 2008	
and 30 June 2009	<u>11,000</u>
NET BOOK VALUE	
At 30 June 2009	<u>-</u>
At 30 June 2008	<u>-</u>

7 TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 July 2008	936,940	71,887	929,145	81,181	2,019,153
Additions	<u>4,800</u>	<u>6,804</u>	<u>174,636</u>	<u>-</u>	<u>186,240</u>
At 30 June 2009	<u>941,740</u>	<u>78,691</u>	<u>1,103,781</u>	<u>81,181</u>	<u>2,205,393</u>
DEPRECIATION					
At 1 July 2008	20,093	17,783	639,297	43,129	720,302
Charge for year	<u>9,336</u>	<u>6,174</u>	<u>101,717</u>	<u>9,513</u>	<u>126,740</u>
At 30 June 2009	<u>29,429</u>	<u>23,957</u>	<u>741,014</u>	<u>52,642</u>	<u>847,042</u>
NET BOOK VALUE					
At 30 June 2009	<u>912,311</u>	<u>54,734</u>	<u>362,767</u>	<u>28,539</u>	<u>1,358,351</u>
At 30 June 2008	<u>916,847</u>	<u>54,104</u>	<u>289,848</u>	<u>38,052</u>	<u>1,298,851</u>

Included in cost or valuation of land and buildings is freehold land of £475,000 (2008 - £475,000) which is not depreciated

Cost or valuation at 30 June 2009 is represented by

	Freehold property £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2004	650,000	-	-	-	650,000
Cost	<u>291,740</u>	<u>78,691</u>	<u>1,103,781</u>	<u>81,181</u>	<u>1,555,393</u>
	<u>941,740</u>	<u>78,691</u>	<u>1,103,781</u>	<u>81,181</u>	<u>2,205,393</u>

Notes to the Financial Statements - continued
for the year ended 30 June 2009

7 TANGIBLE FIXED ASSETS - continued

If freehold land and buildings had not been revalued they would have been included at the following historical cost

	30 6 09 £	30 6 08 £
Cost	323,600	323,600
Aggregate depreciation	77,664	77,664
Value of land in freehold land and buildings	475,000	475,000

Freehold land and buildings were valued on an open market basis on 30 June 2004 by Gibson & Co

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 July 2008	-	68,301	68,301
Additions	19,970	-	19,970
Transfer to ownership	-	(55,042)	(55,042)
At 30 June 2009	19,970	13,259	33,229
DEPRECIATION			
At 1 July 2008	-	31,682	31,682
Charge for year	2,080	9,155	11,235
Transfer to ownership	-	(35,451)	(35,451)
At 30 June 2009	2,080	5,386	7,466
NET BOOK VALUE			
At 30 June 2009	17,890	7,873	25,763
At 30 June 2008	-	36,619	36,619

8 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 09 £	30 6 08 £
Trade debtors	7,647	8,623
Other debtors	220	3,153
Connected company	21,780	-
Tax	11,194	-
Prepayments and accrued income	286,329	307,805
	327,170	319,581

9 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 09 £	30 6 08 £
Bank loans and overdrafts (see note 11)	44,309	86,913
Hire purchase contracts (see note 12)	14,834	12,010
Trade creditors	32,831	22,544
Tax	-	66,173
Social security and other taxes	26,143	31,670
VAT	149,046	156,059
Connected company	488,013	503,603
Accrued expenses	49,046	73,895
	804,222	952,867

Notes to the Financial Statements - continued
for the year ended 30 June 2009

10 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 6 09 £	30 6 08 £
Bank loans (see note 11)	-	42,508
Hire purchase contracts (see note 12)	5,916	5,772
	<u>5,916</u>	<u>48,280</u>

11 LOANS

An analysis of the maturity of loans is given below

	30 6 09 £	30 6 08 £
Amounts falling due within one year or on demand		
Bank loans	<u>44,309</u>	<u>86,913</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>-</u>	<u>42,508</u>

12 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	30 6 09 £	Hire purchase contracts 30 6 08 £
Gross obligations repayable		
Within one year	15,135	12,894
Between one and five years	5,925	6,082
	<u>21,060</u>	<u>18,976</u>
Finance charges repayable		
Within one year	301	884
Between one and five years	9	310
	<u>310</u>	<u>1,194</u>
Net obligations repayable		
Within one year	14,834	12,010
Between one and five years	5,916	5,772
	<u>20,750</u>	<u>17,782</u>

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

	30 6 09 £	Land and buildings 30 6 08 £
Expiring		
Within one year	65,000	-
Between one and five years	154,500	203,000
In more than five years	595,300	591,400
	<u>814,800</u>	<u>794,400</u>

Notes to the Financial Statements - continued
for the year ended 30 June 2009

13 SECURED DEBTS

The following secured debts are included within creditors

	30 6 09	30 6 08
	£	£
Bank loans	<u>44,309</u>	<u>129,421</u>

The bank loans are secured on the freehold property and are repayable in equal quarterly and monthly instalments. The interest charges are based on 2% and 1.5% over LIBOR. The bank overdraft and loans are secured by a fixed and floating charge on the assets and undertakings of the company together with a cross guarantee and debenture given by Shasonic Limited, Shasonic Galleria Limited and Shasonic UK Limited.

14 PROVISIONS FOR LIABILITIES

	30 6 09	30 6 08
	£	£
Deferred tax	<u>9,271</u>	<u>16,324</u>
		Deferred tax
		£
Balance at 1 July 2008		16,324
Accelerated capital allowances		(7,053)
Balance at 30 June 2009		<u>9,271</u>

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			30 6 09	30 6 08
Number	Class	Nominal value	£	£
20	Ordinary	£1	<u>20</u>	<u>20</u>

16 RESERVES

	Profit and loss account	Revaluation reserve	Totals
	£	£	£
At 1 July 2008	482,192	387,884	870,076
Profit for the year	116,500		116,500
At 30 June 2009	<u>598,692</u>	<u>387,884</u>	<u>986,576</u>

17 CONTINGENT LIABILITIES

The company has entered into a cross guarantee and debenture with its bankers between Shasonic Limited, Shasonic Galleria Limited and Shasonic UK Limited dated 10 December 2004 charging all assets and undertakings of the company whatsoever and wheresoever both present and future.

The company has given a guarantee to a supplier of Shasonic Limited in respect of the indebtedness from time to time to that supplier. At 30 June 2009 this indebtedness amounted to £1,027,533 (2008 £2,431,162).

Notes to the Financial Statements - continued
for the year ended 30 June 2009

18 RELATED PARTY DISCLOSURES

Control and ultimate control rests with the director Mr N D Shah and his brothers, Messrs R D Shah and P D Shah

At the year end the following balances existed with related parties (being controlled by the director), and are included in note 8 and note 9 of the financial statements

Amounts due to Shasonic Limited £488,013 (2008 due to £218,163)

Amounts due from Shasonic UK Limited £21,780 (2008 due to £285,440)

During the period the company acquired stocks of £8,089,076 (2008 £9,216,435) from Shasonic Limited

The company incurred management charges of £400,000 (2008 £784,000) from Shasonic Limited

During the period the company paid rents of £42,500 (2008 £42,500) under a lease agreement with PNR Properties (a partnership controlled by the director and his brothers)

During the period the company received rents of £21,780 under a lease agreement with Shasonic UK Limited

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 6 09 £	30 6 08 £
Profit for the financial year	116,500	124,570
Net addition to shareholders' funds	116,500	124,570
Opening shareholders' funds	870,096	745,526
Closing shareholders' funds	986,596	870,096