

Madhu's Limited

Abbreviated accounts

For the year ended 31 March 2006

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Company information

Registered office

39 South Road
Southall
Middlesex
UB1 1SW

Directors

Sanjay Anand
Sanjeev Anand

Secretary

Sanjay Anand

Bankers

HSBC Bank Plc
345 Regents Street
Bournemouth
Dorset
BH12 4EH

Accountants

Grant Thornton UK LLP
Chartered Accountants
Suite A
Gostrey House
Union Road
FARNHAM
Surrey
GU9 7PT

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Chartered accountants' report to the board of directors on the abbreviated accounts of Madhu's Limited

In accordance with the engagement letter dated 27 April 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the abbreviated accounts of the company for the year ended 31 March 2006 which comprise the principal accounting policies, abbreviated balance sheet and the related notes from the unaudited statutory financial statements.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the abbreviated accounts that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the abbreviated balance sheet your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the abbreviated accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS

FARNHAM

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28 March 2007



Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements have been prepared on the going concern basis which assumes that continued support will be provided by the directors for the next twelve months.

Turnover

Turnover derived from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to third parties. Turnover from consultancy and other services is recognised by reference to the stage of completion of the transaction at the balance sheet date. All turnover is recognised exclusive of VAT.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- Over 5 years
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Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- Over 15 years
Fixtures & Fittings	- 15% straight-line
Motor Vehicles	- 20% straight-line

Stocks

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

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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.

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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Abbreviated balance sheet

	Note	2006 £	2005 £
Fixed assets	1		
Intangible assets		150,000	225,000
Tangible assets		340,080	341,588
		<u>490,080</u>	<u>566,588</u>
Current assets			
Stocks		61,850	63,743
Debtors		115,627	86,355
Cash at bank and in hand		248,338	10,363
		<u>425,815</u>	<u>160,461</u>
Creditors: amounts falling due within one year		<u>994,721</u>	<u>953,855</u>
Net current liabilities		<u>(568,906)</u>	<u>(793,394)</u>
Total assets less current liabilities		<u>(78,826)</u>	<u>(226,806)</u>
Provisions for liabilities and charges		32,646	-
		<u>(111,472)</u>	<u>(226,806)</u>
Capital and reserves			
Called-up equity share capital	2	300	300
Profit and loss account		(111,772)	(227,106)
Deficiency		<u>(111,472)</u>	<u>(226,806)</u>

The Balance sheet continues on the following page.

The accompanying accounting policies and notes form part of these abbreviated accounts.


The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 24/3/2007 and are signed on their behalf by:


Sanjay Anand
Director

Notes to the abbreviated accounts

1 Fixed assets

	Intangible Assets £	Tangible Assets £	Total £
Cost			
At 1 April 2005	375,000	458,907	833,907
Additions	—	69,000	69,000
At 31 March 2006	<u>375,000</u>	<u>527,907</u>	<u>902,907</u>
Depreciation			
At 1 April 2005	150,000	117,319	267,319
Charge for year	75,000	70,508	145,508
At 31 March 2006	<u>225,000</u>	<u>187,827</u>	<u>412,827</u>
Net book value			
At 31 March 2006	<u>150,000</u>	<u>340,080</u>	<u>490,080</u>
At 31 March 2005	<u>225,000</u>	<u>341,588</u>	<u>566,588</u>

2 Share capital

Authorised share capital:

	2006 £	2005 £
100,000 Ordinary A shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary A shares of £1 each	100	100	100	100
Ordinary B shares of £1 each	100	100	100	100
Ordinary C shares of £1 each	100	100	100	100
	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>