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Priority Shipping and Forwarding Limited

Director:

J M Backley

Secretary:

K Haswell

Company Registration Number:

1736785

Registered Office:

Phoenix House
24 High Street
Wanstead
London E11 2AQ

Accountants:

Ansons
Chartered Accountants
Parker House
104a Hutton Road
Shenfield
Essex CM15 8NE

Bankers:

HSBC Bank PLC

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Priority Shipping and Forwarding Limited

Director's Report

Accounts

The director presents his report and annual accounts for the year ended 31st December 2007

Activities and Business Review

The principal activity of the company is that of International Shipping and Forwarding Agents. There were no significant changes in these activities during the year.

The results for the year were satisfactory.

Post Balance Sheet Events

There are no significant events having an effect on the financial position of the company which have taken place since the Balance Sheet date.

Future Development

The director intends to continue the development of the business in the coming year.

Dividend

The company paid interim dividends of £3,000. The director does not recommend payment of a final dividend for the year.

Results

The results for the year are set out on page 5

Fixed Assets

There were no changes in fixed assets during the year.

Director

The member of the board during the year and his interests at the beginning and the end of the year in the shares of the company were as follows:-

	2007	2006
J M Backley	90	90

J M Backley retires by rotation at the annual general meeting and offers himself for re-election

Priority Shipping and Forwarding Limited

Director's Report - Continued

Responsibility of the Director

Company Law requires the director 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 these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent fraud and other irregularities.

Small Company Rules

Advantage has been taken in the preparation of this report of the special exemptions applicable to small companies

This report was approved on 7th October 2008

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K Haswell - Company Secretary

Priority Shipping & Forwarding Limited

**Accountants' Report to the Director on the Unaudited
Financial Statements of Priority Shipping & Forwarding Limited
For the Year Ended 31st December 2007**

We have prepared the financial statements of the company which comprise the Profit and Loss Account, Balance Sheet and the Related Notes on pages 5 to 10 from the accounting records, information and explanations given to us.

Our work is carried out in accordance with technical and ethical guidelines issued by the Institute of Chartered Accountants relating to the compilation of financial statements.

This report is made to the company's director in accordance with the terms of our engagement. To the fullest extent permitted by law we do not accept or assume responsibility to anyone, other than the company and the company's director, for our work or for this report.

You have acknowledged on the Balance Sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements 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 and have not verified the accuracy or completeness of the accounting records or information and explanations given to us and therefore do not express any opinion on the financial statements.

**Parker House
104a Hutton Road
Shenfield
Essex CM15 8NE**

7th October 2008



**Ansons
Chartered Accountants**

Priority Shipping and Forwarding Limited

Profit and Loss Account for the year ended 31st December 2007

	<u>Notes</u>	<u>2007</u> £	<u>2006</u> £
Turnover	1	811,975	727,610
Cost of Sales		(747,928)	(677,598)
		<hr/>	<hr/>
Gross Profit		64,047	50,012
Other Interest Receivable	2	456	835
Administrative Expenses		(60,514)	(59,283)
		<hr/>	<hr/>
Profit/(Loss) on Ordinary Activities before Taxation & Dividends	2	3,989	(8,436)
Taxation	4	(731)	677
		<hr/>	<hr/>
Profit/(Loss) on Ordinary Activities after Taxation & before Dividends		3,258	(7,759)
Interim Dividends		(3,000)	(9,600)
		<hr/>	<hr/>
Amount Transferred To/(from) Reserves	10	258	(17,359)
		<hr/>	<hr/>

There are no recognised gains or losses other than those passing through the Profit and Loss Account.

Priority Shipping and Forwarding Limited

Balance Sheet as at 31st December 2007

	<u>Notes</u>	<u>2007</u>	<u>2006</u>
		£	£
Fixed Assets			
Tangible Assets	1 & 5	5,512	7,565
Current Assets			
Debtors	6	127,134	101,713
Cash at Bank and in Hand		1,004	-
		<u>128,138</u>	<u>101,713</u>
Creditors			
(Amounts falling due within one year)	7	<u>(132,186)</u>	<u>(103,872)</u>
Net Current (Liabilities)		<u>(4,048)</u>	<u>(2,159)</u>
		1,464	5,406
Creditors			
(Amounts falling due after more than one year)	8	<u>(800)</u>	<u>(5,000)</u>
Net Assets		<u><u>664</u></u>	<u><u>406</u></u>

Priority Shipping and Forwarding Limited

Balance Sheet as at 31st December 2007 - Continued

	<u>Notes</u>	<u>2007</u> £	<u>2006</u> £
Financed By - Capital & Reserves			
Called up Share Capital	9	100	100
Profit & Loss Account	10	564	306
		<hr/>	<hr/>
		664	406
		<hr/>	<hr/>

For the year ended 31st December 2007 the company was entitled to exemption under section 249a(1) of the Companies Act 1985.


No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).

The director acknowledges his responsibility for:

- 1) Ensuring the company keeps accounting records which comply with section 221; and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Signed on Behalf of the Board


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J M Backley - Director

These accounts were approved by the Director on 7th October 2008

Priority Shipping and Forwarding Limited

Notes to the Accounts for the year ended 31st December 2007

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts -

a) Accounting Convention

These accounts are prepared under the historical cost convention.

b) Fixed Assets and Depreciation

Depreciation is calculated so as to write off the cost of fixed assets on a reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose, which are consistent with those of previous years, are:-

Office Equipment - 25% on written down value.
Computer Equipment - Straight line basis over five years.
Motor Vehicles - 25% on written down value.

c) Turnover

Turnover, which excludes value added tax and trade discount, represents the invoiced value of work done and services supplied.

2. Operating Profit/(Loss) before Taxation

Operating Profit/(Loss) is stated after charging -

	<u>2007</u>	<u>2006</u>
	£	£
Director's Emoluments (see Note 3)	4,500	4,500
Depreciation	2,053	2,664

Other Interest Receivable

Bank Deposit Interest - Gross	306	335
On-Line Filing Fees	150	500
	<u>456</u>	<u>835</u>

3. Director's Emoluments

Director's Remuneration	<u>4,500</u>	<u>4,500</u>
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The Director did not receive any benefits in kind during the year (2006 - None).

Staff Costs (Including Director)

Wages and Salaries	36,199	30,470
Social Security Costs	2,282	1,970
	<u>38,481</u>	<u>32,440</u>

The average number of employees during the year was

<u>5</u>	<u>3</u>
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Priority Shipping and Forwarding Limited

Notes to the Accounts for the year ended 31st December 2007

		<u>2007</u>	<u>2006</u>		
		£	£		
4.	Taxation				
	Corporation Tax on results for the year	(731)	-		
	Adjustment in respect of the previous year	-	677		
		<u>(731)</u>	<u>677</u>		
5.	Tangible Fixed Assets	Office Equipment	Computer Equipment	Motor Vehicles	Total
		£	£	£	£
	Cost				
	At beginning of the year	5,685	1,071	17,245	24,001
	At end of the year	<u>5,685</u>	<u>1,071</u>	<u>17,245</u>	<u>24,001</u>
	Depreciation				
	At beginning of the year	5,610	856	9,970	16,436
	Charge for the year	19	215	1,819	2,053
	At end of the year	<u>5,629</u>	<u>1,071</u>	<u>11,789</u>	<u>18,489</u>
	Net Book Value				
	At 31st December 2007	<u>56</u>	<u>-</u>	<u>5,456</u>	<u>5,512</u>
	At 31st December 2006	<u>75</u>	<u>215</u>	<u>7,275</u>	<u>7,565</u>
		<u>2007</u>	<u>2006</u>		
		£	£		
6.	Debtors				
	Trade Debtors	125,964	93,543		
	Prepayments	1,170	8,170		
		<u>127,134</u>	<u>101,713</u>		

Priority Shipping and Forwarding Limited

Notes to the Accounts for the year ended 31st December 2007

	<u>2007</u>	<u>2006</u>
	£	£
7. Creditors (Amounts falling due within one year)		
Trade Creditors	116,086	74,321
Bank Overdraft	-	15,849
Accruals and Deferred Income	1,299	1,270
Other Taxes and Social Security	12,094	10,456
Corporation Tax Payable	2,707	1,976
	<u>132,186</u>	<u>103,872</u>
8. Creditors (Amounts falling due after one year)		
Director's Loan Account	800	5,000
	<u>800</u>	<u>5,000</u>
9. Called Up Share Capital		
Authorised, Issued, Called Up and Fully Paid		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
10. Profit and Loss Account		
Balance brought forward	306	17,665
Profit/(Loss) for the year after Taxation & Dividend	<u>258</u>	<u>(17,359)</u>
Balance carried forward	<u>564</u>	<u>306</u>