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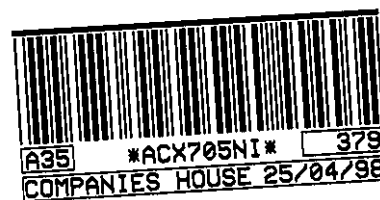
Company No: 02111264

SEALECT (UK) PLC

DIRECTOR'S REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1997

Butler & Co  
Chartered Accountants  
Walmar House  
288-292 Regent Street  
London W1R 5HF



**SEALECT (UK) PLC**

**DIRECTORS REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

**INDEX**

**Statutory**

Directors' Report .....	1
Auditors' Report .....	3
Profit and Loss Account .....	4
Balance Sheet .....	5
Notes to the Accounts .....	6

**Non Statutory**

Detailed Profit and Loss Account .....	10
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**SEALECT (UK) PLC**  
**REPORT OF THE DIRECTOR**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

**ACCOUNTS**

The director presents his report and accounts for the year ended 31 December 1997.

**PRINCIPAL ACTIVITY**

The principal activity of the company has been the wholesale of frozen sea food in the United Kingdom.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

**RESULTS AND DIVIDENDS**

The profit for the year after taxation was £ 153,912 (1996 £49,450)

The director does not recommend payment of a dividend for the current year.

**FIXED ASSETS**

The movement in the fixed assets of the company during the year are summarised in note 7 to the accounts.

**DIRECTORS**

The director who served during the year was as follows:-

Mr W. Last

The director has no beneficial interest in the ordinary share capital of the company.

**SEALLECT (UK) PLC**  
**REPORT OF THE DIRECTOR**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial period 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

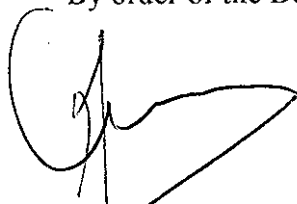
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare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

**AUDITORS**

A resolution to reappoint Butler & Co as auditors will be submitted at the forthcoming Annual General Meeting.

By order of the Board.



**J. MOSMANS**  
Secretary

Date: 16th April 1998

## **AUDITORS' REPORT TO THE SHAREHOLDERS OF**

### **SEALECT (UK) PLC**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards 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 director 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 of the state of the company's affairs as at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Butler & Co*

**BUTLER & CO.**

**Chartered Accountants and**  
**Registered Auditors**

Date: *16th April 1998*

Walmar House  
288-292 Regent Street  
London W1R 5HF

**SEALECT (UK) PLC**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
TURNOVER - Continuing operations	2	3,652,962	3,207,083
COST OF SALES		<u>3,180,004</u>	<u>2,920,588</u>
GROSS PROFIT		472,958	286,495
Administrative Expenses		<u>278,262</u>	<u>220,945</u>
OPERATING PROFIT	3	194,696	65,550
Interest receivable		<u>2,044</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		196,740	65,550
Tax on ordinary activities	6	<u>42,828</u>	<u>16,100</u>
PROFIT FOR THE YEAR		153,912	49,450
Profit/(loss) brought forward		<u>47,207</u>	<u>(2,243)</u>
PROFIT CARRIED FORWARD		£ <u>201,119</u>	£ <u>47,207</u>

The Company had no recognised gains or losses other than the profit for the period as shown above.

The notes on pages 6 to 9 form part of these accounts.

# SEALECT (UK) PLC

## BALANCE SHEET AS AT 31 DECEMBER 1997

	Notes	1997	1996
		£	£
FIXED ASSETS			
Tangible Assets	7	381	561
CURRENT ASSETS			
Debtors	8	628,904	739,959
Cash at Bank		<u>53,294</u>	<u>79,398</u>
		682,198	819,357
CREDITORS: Amounts falling due within one year	9	<u>381,460</u>	<u>672,711</u>
NET CURRENT ASSETS		<u>300,738</u>	<u>146,646</u>
NET ASSETS		<u>£ 301,119</u>	<u>£ 147,207</u>

Represented by:

### CAPITAL AND RESERVES

Called-up share capital	10	100,000	100,000
Profit and Loss account		<u>201,119</u>	<u>47,207</u>
Equity shareholders funds	11	<u>£ 301,119</u>	<u>£ 147,207</u>

The accounts were approved by the Board on 16th April 1998



W. LAST (Director)

The notes on pages 6 to 9 form part of these accounts

**SEALECT (UK) PLC**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

**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) Basis of preparation.**

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

**(b) Tangible assets and depreciation**

Depreciation is charged on fixed assets at rates calculated to write off cost over the expected useful life of each asset. Rates used are as follows:-

Equipment, fixtures and fittings - 15% per annum on reducing balance.

**(c) Foreign Currencies**

Transactions in foreign currencies are translated at the rate ruling on the day they arise. Differences on exchange are taken to the profit and loss account.

**(d) Cash flow statement**

The company has taken advantage of the exemption in the Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.

**2. TURNOVER**

Turnover represents the invoiced amount of goods sold and is stated net of value added tax.

The turnover and pretax profit is attributable to the Company's principal activity.



**SEALECT (UK) PLC**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997 (Cont'd)**

3. **PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
After charging:		
Directors emoluments	-	9,800
Depreciation - of owned assets	180	180
Auditors' remuneration	<u>3,000</u>	<u>3,000</u>

4. **STAFF COSTS**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Wages and salaries	42,810	30,400
Social security costs	1,375	-
Other staff costs	<u>1,823</u>	<u>-</u>
	<u>46,008</u>	<u>30,400</u>

The average number of persons employed by the company during the year was:

	<u>No</u>	<u>No</u>
Management	<u>2</u>	<u>2</u>

5. **DIRECTORS**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
The emoluments of directors (excluding pension and pension contributions) include amounts paid to:		
Highest paid director	-	9,800

6. **TAX ON ORDINARY ACTIVITIES**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Based on profit for the year:		
Corporation tax at 21.75% (1996 24.25%)	42,715	16,000
Underprovision in previous year	<u>113</u>	<u>100</u>
	<u>42,828</u>	<u>16,100</u>

No provision is required for deferred taxation.

**SEALECT (UK) PLC**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997 (Cont'd)**

**7. TANGIBLE FIXED ASSETS**

	Equipment, Fixtures & Fittings £
Cost	
At 1 January 1997 and 31 December 1997	<u>1,990</u>
Depreciation:	
At 1 January 1997	1,429
Charge for year	<u>180</u>
At 31 December 1997	<u>1,609</u>
Net book value at 31 December 1997	£ <u>381</u>
Net book value at 31 December 1996	£ <u>561</u>

**8. DEBTORS**

	<u>1997</u> £	<u>1996</u> £
Trade debtors	565,924	689,506
Social security and other taxes	7,067	8,841
Prepayments and accrued income	42,313	41,612
Other debtor - staff loan	<u>13,600</u>	<u>-</u>
	<u>628,904</u>	<u>739,959</u>

**9. CREDITORS**

	<u>1997</u> £	<u>1996</u> £
Amounts falling due within one year		
Trade creditors	28,711	46,393
Amounts owed to holding company	300,023	603,700
Corporation tax	42,715	16,000
Social security and other taxes	2,288	478
Accruals and deferred income	<u>7,723</u>	<u>6,140</u>
	<u>381,460</u>	<u>672,711</u>

The Company has a fixed and floating charge over its assets in favour of the bank.

**SEALECT (UK) PLC**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997 (Cont'd)**

10. <b><u>SHARE CAPITAL</u></b>	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Authorised:		
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted and fully paid:		
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

11. **RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<u>1997</u>	<u>1996</u>
Shareholders' Interest at 1 January	147,207	(2143)
Shares Issued	-	99,900
Profit for the year	153,912	49,450
	<u>          </u>	<u>          </u>
Shareholders' Interest at 31 December	301,119	147,207
	<u>          </u>	<u>          </u>

12. **ULTIMATE HOLDING COMPANY**

The company is wholly owned subsidiary of Sealect C.V., a company incorporated in Holland.