

Company No: 02111264

SEALECT (UK) PLC

DIRECTOR'S REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1996



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 1996

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SEALECT (UK) PLC

REPORT OF THE DIRECTOR

FOR THE YEAR ENDED 31 DECEMBER 1996

ACCOUNTS

The director presents his report and accounts for the year ended 31 December 1996.

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 £49,450 (1995: £4,660).

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.

SEALECT (UK) PLC

REPORT OF THE DIRECTOR

FOR THE YEAR ENDED 31 DECEMBER 1996

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



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 1996 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: 16 May 1996

Walmar House
288-292 Regent Street
London W1R 5HF

SEALECT (UK) PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1996

	<u>Notes</u>	<u>1996</u> £	<u>1995</u> £
TURNOVER - Continuing operations	2	3,207,083	2,179,484
COST OF SALES		<u>2,920,588</u>	<u>1,991,999</u>
GROSS PROFIT		286,495	187,485
Administrative Expenses		<u>220,945</u>	<u>181,747</u>
OPERATING PROFIT	3	65,550	5,738
Interest receivable		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		65,550	5,738
Tax on ordinary activities	6	<u>16,100</u>	<u>1,078</u>
PROFIT FOR THE YEAR		49,450	4,660
Loss brought forward		<u>(2,243)</u>	<u>(6,903)</u>
PROFIT/(LOSS) CARRIED FORWARD		£ <u>47,207</u>	£ <u>(2,243)</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 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
FIXED ASSETS		£	£
Tangible Assets	7	561	741
CURRENT ASSETS			
Debtors	8	739,959	495,925
Cash at Bank		<u>79,398</u>	<u>107,405</u>
		819,357	603,330
CREDITORS: Amounts falling due within one year	9	<u>672,711</u>	<u>606,214</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>146,646</u>	(<u>2,884</u>)
NET ASSETS/(LIABILITIES)		£ <u>147,207</u>	£(<u>2,143</u>)

Represented by:

CAPITAL AND RESERVES

Called-up share capital	10	100,000	100
Profit and Loss account		<u>47,207</u>	(<u>2,243</u>)
Shareholders funds	11	£ <u>147,207</u>	(<u>2,143</u>)

The accounts were approved by the Board on 16th May 1997.

..... 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 1996

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 1996 (Cont'd)

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

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
After charging:		
Directors emoluments	9,800	4,200
Depreciation - of owned assets	180	130
Auditors' remuneration	<u>3,000</u>	<u>2,500</u>

4. **STAFF COSTS**

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Wages and salaries	<u>30,400</u>	<u>8,400</u>

The average number of persons, including executive director, employed by the company during the year was:

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

5. **DIRECTORS**

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
The emoluments of directors (excluding pension and pension contributions) include amounts paid to:		

Highest paid director	9,800	4,200
	<u> </u>	<u> </u>

6. **TAX ON ORDINARY ACTIVITIES**

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Based on profit for the year:		
Corporation tax at 24.25% (1995 25%)	16,000	1,078
Underprovision in previous year	<u>100</u>	<u>-</u>
	<u>16,100</u>	<u>1,078</u>

No provision is required for deferred taxation.

SEALECT (UK) PLC

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

7. TANGIBLE FIXED ASSETS

	Equipment Fixtures & Fittings £
Cost	
At 1 January 1996 and 31 December 1996	<u>1,990</u>
Depreciation:	
At 1 January 1996	1,249
Charge for year	<u>180</u>
At 31 December 1996	<u>1,429</u>
Net book value at 31 December 1996	£ <u>561</u>
Net book value at 31 December 1995	£ <u>741</u>

8. DEBTORS

	<u>1996</u> £	<u>1995</u> £
Trade debtors	689,506	462,666
Social security and other taxes	8,841	7,254
Prepayments and accrued income	<u>41,612</u>	<u>26,005</u>
	<u>739,959</u>	<u>495,925</u>

9. CREDITORS amounts falling due within one year

	<u>1996</u> £	<u>1995</u> £
Trade creditors	46,393	8,772
Amounts owed to holding company	603,700	583,264
Corporation tax	16,000	1,078
Social security and other taxes	478	2,100
Accruals and deferred income	<u>6,140</u>	<u>11,000</u>
	<u>672,711</u>	<u>606,214</u>

SEALECT (UK) PLC

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

10. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Authorised:		
Ordinary shares of £1 each	<u>£1,000,000</u>	<u>£1,000</u>
Allotted and fully paid:		
Ordinary shares of £1 each	<u>£100,000</u>	<u>£100</u>

99,900 ordinary shares of £1 each were issued for cash at par in order to provide additional working capital.

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
Shareholders' Interest at 1 January	(2143)	(6803)
Shares Issued	99,900	-
Profit for the year	49,450	4660
	<u> </u>	<u> </u>
Shareholders' Interest at 31 December	<u>147,205</u>	<u>(2143)</u>

12. ULTIMATE HOLDING COMPANY

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