

2493919

SEAMENT (TILBURY) LIMITED

REPORT AND ACCOUNTS

31 DECEMBER 1995



 **Hacker
Young**
Chartered Accountants

St. Alphage House 2 Fore Street London EC2Y 5DH

AUDITORS' REPORT TO THE MEMBERS OF

SEAMENT (TILBURY) LIMITED

We have audited the accounts set out on pages 3 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

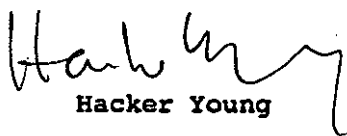
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Hacker Young

London

Registered Auditor

20 September 1996

Chartered Accountants

REPORT OF THE DIRECTORS

The directors present their annual report on the affairs of the company together with the audited accounts for the year ended 31 December 1995.

PRINCIPAL ACTIVITY

The principal activity of the company is the ownership of a warehouse and handling and storage and trading of bulk cement, cementitious products and building materials.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The company's activities continued to be profitable in 1995.

The profit for the year was £42,412 (1994: £49,721). The directors do not recommend the payment of a dividend.

DIRECTORS

The directors who served during the year are set out below together with their beneficial interests in the share capital of the company.

	Ordinary shares of £1 each	
	<u>31 December 1995</u>	<u>31 December 1994</u>
N.P. Bouri	2	2
C. Christofides	-	-

The company's warehouse has been rented to Thames Cement Limited, a company in which both of the above are also directors.

DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

Directors are required by the Companies Act 1985 to prepare accounts for each financial year 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 the profit or loss for that period. It is also the directors' responsibility to maintain adequate accounting records, safeguard the assets of the company and take reasonable steps in preventing and detecting fraud and other irregularities.

The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts on a going concern basis, and that applicable accounting standards have been followed.

FIXED ASSETS

Details of fixed assets are given in note 7 to the accounts.

CLOSE COMPANY PROVISIONS

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

REPORT OF THE DIRECTORS

(CONTINUED)

AUDITORS

A resolution will be proposed at the annual general meeting to appoint Hacker Young as auditors until the conclusion of the next annual general meeting.

Registered Office:

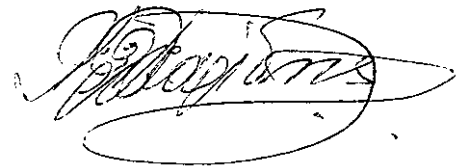
St. Alphage House
2 Fore Street
London
EC2Y 5DH

11 September 1996

By order of the board

C. Christofides

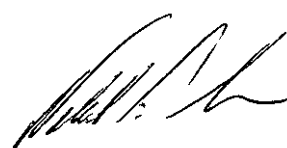
Secretary

A handwritten signature in dark ink, appearing to read 'C. Christofides', enclosed within a large, loopy oval flourish.

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
TURNOVER	2	1,130,884	989,351
Cost of sales		(259,821)	(217,997)
GROSS PROFIT		871,063	771,354
Administration expenses		(652,862)	(634,601)
OPERATING PROFIT		218,201	136,753
Interest receivable		25	371
Interest payable	3	(76,414)	(87,403)
Exceptional expenses	4	(99,400)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION	4	42,412	49,721
RETAINED PROFIT BROUGHT FORWARD		43,785	(5,936)
RETAINED PROFIT CARRIED FORWARD		£ 86,197 =====	£ 43,785 =====



There are no recognised gains or losses other than those shown in the profit and loss account.

The notes on pages 5 to 10 form part of these accounts.

SEAMENT (TILBURY) LIMITED

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BALANCE SHEET AS AT 31 DECEMBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible assets	7	3,264,409	3,466,335
CURRENT ASSETS			
Debtors	8	46,515	22,742
Cash at bank and in hand		543	1,242
		<hr/>	<hr/>
		47,058	23,984
CREDITORS: Amounts falling due within one year	9	(990,946)	(787,436)
		<hr/>	<hr/>
NET CURRENT (LIABILITIES)		(943,888)	(763,452)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,320,521	2,702,883
CREDITORS: Amounts falling due after more than one year	10	(1,584,322)	(2,009,096)
		<hr/>	<hr/>
		£ 736,199	£ 693,787
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	13	650,002	650,002
Profit and loss account		86,197	43,785
		<hr/>	<hr/>
Shareholders' funds	14	£ 736,199	£ 693,787
		=====	=====

APPROVED BY THE BOARD

N.P. BOURI - DIRECTOR

11 September 1996

The notes on pages 5 to 10 form part of these accounts.

NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

1. PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable Accounting Standards. The accounting policies adopted are described below.

a) ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention.

b) TANGIBLE FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated on cost as follows:

Warehouse - term of the lease

Plant and machinery - 10 years

Ship unloaders - 10 years

Plant and machinery purchased second hand - 3 years

c) CASH FLOW STATEMENT

The company has taken advantage of the exemption permitted by FRS1, whereby a cash flow statement need not be prepared by a small company as defined by the Companies Act 1985.

d) DEFERRED TAXATION

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounting and taxation purposes, which are expected to reverse in the future, calculated at the rates at which it is expected that tax will arise.

f) FINANCE AND OPERATING LEASES

Costs in respect of operating leases are charged to the profit and loss account. Assets held under hire purchase agreements are included in tangible fixed assets and depreciated over their useful economic lives.

2. TURNOVER

Turnover which excludes VAT, represents the invoiced value of services sold.

3. INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	£	£
Interest payable on loans, repayable within		
5 years by instalments	72,739	82,840
Other interest	3,675	4,563
	<hr/>	<hr/>
	£ 76,414	£ 87,403
	=====	=====

NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

(CONTINUED)

4. PROFIT BEFORE TAX

This is stated after charging:-

	<u>1995</u>	<u>1994</u>
	£	£
Auditors' remuneration		
- audit fees	4,100	3,000
- other services	2,000	1,960
Directors' emoluments	64,653	30,500
Exceptional expenses		
Compensation payment on non-exercise of option to rent land	99,400	-
Depreciation of tangible fixed assets	338,691	284,904
(Includes £6,611 in respect of assets held under hire purchase (1994: £Nil))	338,690	284,905
Rent payable	158,878	140,000
	=====	=====

5. STAFF COSTS

	<u>1995</u>	<u>1994</u>
	£	£
Wages and salaries	31,200	30,500
Social security costs	1,893	3,126
	=====	=====
	£ 33,093	£ 33,626
	=====	=====

The above costs relate to the sole employee of the company (1994: 1) who is also a director.

Emoluments of the chairman and highest paid director (excluding pensions contributions)	£ 64,133	£ 30,500
	=====	=====

6. TAXATION

No corporation tax charge has arisen on the company's profit for the year owing to the availability of tax losses brought forward.

NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

(CONTINUED)

7. TANGIBLE FIXED ASSETS

	<u>Ship unloaders</u> £	<u>Plant and machinery</u> £	<u>Warehouse</u> £	<u>Total</u> £
COST				
At 1 January 1995	2,174,385	319,982	1,440,527	3,934,894
Additions	15,200	121,565	-	136,765
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1995	2,189,585	441,547	1,440,527	4,071,659
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 1995	196,914	53,523	218,122	468,559
Charge for the year	205,264	70,794	62,633	338,691
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1995	402,178	124,317	280,755	807,250
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 1995	1,787,407	317,230	1,159,772	3,264,409
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1994	£1,977,471	£ 266,459	£1,222,405	£3,466,335
	<hr/>	<hr/>	<hr/>	<hr/>

The total cost of the warehouse includes £70,412 in respect of interest capitalised in prior years.

8. DEBTORS

	<u>1995</u> £	<u>1994</u> £
Amounts falling due within one year:		
Other debtors	11,538	146
Prepayments	19,021	22,596
VAT	15,956	-
	<hr/>	<hr/>
	£ 46,515	£ 22,742
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

(CONTINUED)

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1995</u>	<u>1994</u>
	£	£
Bank loans and overdrafts (secured) (see note 11)	298,477	288,021
Trade creditors	327,315	276,352
Other loans	306,915	191,423
Other creditors	1,305	1,305
Accruals and deferred income	19,350	30,335
Hire purchase	37,584	-
	<hr/>	<hr/>
	£ 990,946	£ 787,436
	=====	=====

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1995</u>	<u>1994</u>
	£	£
Bank loans (secured) (see note 11)	375,000	652,845
Other loans	1,193,795	1,356,251
Hire purchase	15,527	-
	<hr/>	<hr/>
	£1,584,322	£2,009,096
	=====	=====

Obligations under hire purchase:

	£	£
Within one year	37,584	-
Within 2-5 years	15,527	-
	<hr/>	<hr/>
	53,111	-
	=====	=====

Included in other loans is a balance of £498,670 due to Lakeland Overseas SA, which was used to pay the deposit on a ship unloading machine. Per the terms of the loan Lakeland Overseas SA has an option to buy the equipment from Seament (Tilbury) Limited during the period of the loan, at the lower of its cost and market value at the date of exercise of the option.

Other loans also includes a balance of £319,978 due to Seabulk SA, which was used to acquire a ship unloading machine. Per the terms of the loan Seabulk SA has an option to buy the equipment from Seament (Tilbury) Limited during the period of the loan at the lower of its cost and market value at the date of the exercise of the option.

NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

(CONTINUED)

11. BANK BORROWINGS

	<u>1995</u>	<u>1994</u>
	£	£
Secured loan (i) 1994		
3% over the bank's base rate	-	5,250
Secured loan (ii) 1997		
2% over the bank's base rate	337,800	490,548
Secured loan (ii) 1998		
3% over the bank's base rate	322,078	428,951
Bank overdraft	13,599	16,117
	<hr/>	<hr/>
	£ 673,477	£ 940,866
	=====	=====
Due within one year	298,477	288,021
Due after more than one year	375,000	652,845
	<hr/>	<hr/>
	£ 673,477	£ 940,866
	=====	=====

All loans are repayable by instalments within 5 years.

(i) Secured by charges over the company's warehouse.

(ii) Secured by a fixed charge over one of the company's ship unloaders and the warehouse.

12. PROVISIONS FOR LIABILITIES AND CHARGES

The amounts of potential and provided deferred taxation in the accounts are as follows:

	<u>1995</u>		<u>1994</u>	
	<u>Potential</u>	<u>Provided</u>	<u>Potential</u>	<u>Provided</u>
	£	£	£	£
Accelerated capital allowances	294,000	-	254,000	-
Other timing differences	(252,500)	-	(254,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 41,500	£ -	£ -	£ -
	=====	=====	=====	=====

13. CALLED UP SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
a) Authorised		
£1 ordinary shares	£1,000,000	£1,000,000
	=====	=====
b) Issued, called up and fully paid		
£1 ordinary shares	£ 650,002	£ 650,002
	=====	=====

NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

(CONTINUED)

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1995</u> £	<u>1994</u> £
Profit for the financial year	42,412	49,721
Net addition to shareholders' funds	42,412	49,721
Opening shareholders' funds	693,787	644,066
Closing shareholders' funds	£ 736,199	£ 693,787
	=====	=====

15. OPERATING LEASE COMMITMENTS

At 31 December 1995 the company was committed to making the following payments during the next year in respect of operating leases.

	<u>Land</u>
Leases which expire:	
After 5 years	£ 158,000
	=====

16. ULTIMATE HOLDING COMPANY

In the directors' opinion the company's holding company is Seabulk Investments SA, incorporated in Panama.