

**IBCO LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**

**COMPANIES  
HOUSE**

THURSDAY



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COMPANIES HOUSE

# **IBCO LIMITED**

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# **IBCO LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2006***

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The directors present their report and financial statements for the year ended 31 December 2006

#### **Principal activities and review of the business**

The company was incorporated on 15 July 2004. The company commenced trade on 1 June 2005. The principal activity of the company is to be that of wholesalers of frozen foods.

#### **Results and dividends**

The results for the year are set out on page 6.

#### **Directors**

The following directors have held office since 1 January 2006:

B Ahmed

K Ahmed

I Ahmed

#### **Directors' interests**

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 2006	1 January 2006
B Ahmed	300	300
K Ahmed	300	300
I Ahmed	400	400

#### **Auditors**

Royce Peeling Green Limited were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# IBCO LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2006**

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### **Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

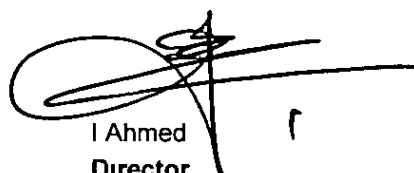
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditor**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



I Ahmed  
Director  
4 March 2008

# **IBCO LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO IBCO LIMITED**

### **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 6 to 17, together with the financial statements of IbcO Limited for the year ended 31 December 2006 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

#### **Basis of audit opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

#### **Other information**

On 5 March 2008 we reported, as auditors of IbcO Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 2006, and our audit report was as follows:

"We have audited the financial statements of IbcO Limited for the year ended 31 December 2006 set out on pages 5 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

# **IBCO LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO IBCO LIMITED (CONTINUED)**

### **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors 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.

# IBCO LIMITED

## INDEPENDENT AUDITORS' REPORT TO IBCO LIMITED (CONTINUED) UNDER SECTION 247B OF THE COMPANIES ACT 1985

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### Qualified opinion

In forming our opinion on the financial statements for the year ended 31 December 2005, we had considered the adequacy of the disclosures made in the financial statements concerning the following matters -

the gross profit margin in the financial statements did not reflect our knowledge of the business

we had no evidence to support the assets and liabilities acquired by the company on incorporation

Because of the potential significance, to the financial statements, of the combined effect of the two matters referred to in the paragraph above, we were unable to form an opinion as to whether the financial statements

gave a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended, and

had been properly prepared in accordance with the Companies Act 1985

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion the information given in the Directors' Report was consistent with the financial statements

### Opinion

In our opinion, with the exception of the comparative profit and loss account for the year ended 31 December 2005 where no opinion could be reached

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements "

*Royce Peeling Green Limited*  
**Royce Peeling Green Limited**

5 March 2008

Chartered Accountants  
Registered Auditor

The Copper Room  
Deva Centre  
Trinity Way  
Manchester  
M3 7BG

# IBCO LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 £	2005 £
Gross profit/(loss)		1,803,839	(346,223)
Administrative expenses		(1,785,825)	(549,493)
Operating profit/(loss)	2	18,014	(895,716)
Interest payable and similar charges	3	(104,404)	(76,860)
Loss on ordinary activities before taxation		(86,390)	(972,576)
Tax on loss on ordinary activities	4	-	-
Loss for the year	12	(86,390)	(972,576)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



# IBCO LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Intangible assets	5	841,667		941,667	
Tangible assets	6	188,065		126,258	
		1,029,732		1,067,925	
<b>Current assets</b>					
Stocks	7	3,231,797	4,060,871		
Debtors	8	2,327,391	2,145,006		
Cash at bank and in hand		19,188	1,703,195		
		5,578,376	7,909,072		
<b>Creditors amounts falling due within one year</b>	9	(7,666,074)	(9,948,573)		
<b>Net current liabilities</b>		(2,087,698)	(2,039,501)		
<b>Total assets less current liabilities</b>		(1,057,966)	(971,576)		
<b>Capital and reserves</b>					
Called up share capital	11	1,000	1,000		
Profit and loss account	12	(1,058,966)	(972,576)		
<b>Shareholders' funds</b>	13	(1,057,966)	(971,576)		

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

Approved by the Board and authorised for issue on 4 March 2008

  
I Ahmed  
Director

# IBCO LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

	2006		2005	
	£	£	£	£
<b>Net cash inflow from operating activities</b>		817,944		(495,280)
<b>Returns on investments and servicing of finance</b>				
Interest paid	(104,404)		(78,680)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(104,404)		(78,680)
Payments to acquire tangible assets	(112,819)		(202,390)	
<b>Net cash inflow before management of liquid resources and financing</b>		600,721		(776,350)
<b>Financing</b>				
Issue of ordinary share capital	-		1,000	
Repayment of directors loans	(236,405)		(172,484)	
<b>Net cash (outflow)/inflow from financing</b>		(236,405)		(171,484)
<b>Increase in cash in the year</b>		364,316		(947,834)

# IBCO LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

1	Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities		2006	2005	
			£	£	
	Operating profit/(loss)		18,014	(895,716)	
	Depreciation of tangible assets		51,012	78,952	
	Amortisation of intangible assets		100,000	58,333	
	Decrease/(increase) in stocks		829,074	(4,060,871)	
	Increase in debtors		(182,385)	(2,145,006)	
	(Decrease)/Increase in creditors within one year		2,229	6,469,028	
	Net cash inflow/(outflow) from operating activities		817,944	(495,280)	
2	Analysis of net debt	1 January 2006	Cash flow	Other non-cash changes	31 December 2006
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,703,195	(1,684,007)	-	19,188
	Bank overdrafts	(2,651,029)	2,048,323	-	(602,706)
		(947,834)	364,316	-	(583,518)
	Net debt	(947,834)	364,316	-	(583,518)
3	Reconciliation of net cash flow to movement in net debt		2006	2005	
			£	£	
	Increase/(decrease) in cash in the year		364,316	(947,834)	
	Movement in net debt in the year		364,316	(947,834)	
	Opening net debt		(947,834)	-	
	Closing net debt		(583,518)	(947,834)	

# **IBCO LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand and continued support from its principle suppliers

The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information and discussions with the company's bankers, the directors consider that the company will continue to operate within the facility currently agreed and within that which they expect will be agreed on 31 March 2008, when the company's bankers are due to consider renewing the facility for a further year.

However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.4 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

#### **1.6 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.7 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.8 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

### 1 Accounting policies

(continued)

#### 1.9 Deferred taxation

In accordance with Financial Reporting Standard 19 'Accounting for deferred tax', deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse.

Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2 Operating profit/(loss)	2006 £	2005 £
Operating profit/(loss) is stated after charging		
Amortisation of intangible assets	100,000	58,333
Depreciation of tangible assets	51,012	20,619
Operating lease rentals	243,306	-
Auditors' remuneration	12,500	12,500

3 Interest payable	2006 £	2005 £
On bank loans and overdrafts	104,404	76,860

# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

4	Taxation	2006	2005
	Current tax charge	-	-
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(86,390)	(972,576)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2005 - 19.00%)	(16,414)	(184,789)
	Effects of		
	Tax losses available to carry forward	16,414	184,789
		16,414	184,789
	<b>Current tax charge</b>	-	-

A deferred tax asset has not been recognised as the directors believe that there is uncertainty regarding the timing of the recoverability of these losses

5	Intangible fixed assets	Goodwill £
	<b>Cost</b>	
	At 1 January 2006 & at 31 December 2006	1,000,000
	<b>Amortisation</b>	
	At 1 January 2006	58,333
	Charge for the year	100,000
	At 31 December 2006	158,333
	<b>Net book value</b>	
	At 31 December 2006	841,667
	At 31 December 2005	941,667

# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

### 6 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2006	452,562	-	452,562
Additions	83,470	29,349	112,819
	<hr/>	<hr/>	<hr/>
At 31 December 2006	536,032	29,349	565,381
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 January 2006	326,304	-	326,304
Charge for the year	43,675	7,337	51,012
	<hr/>	<hr/>	<hr/>
At 31 December 2006	369,979	7,337	377,316
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2006	166,053	22,012	188,065
	<hr/>	<hr/>	<hr/>
At 31 December 2005	126,258	-	126,258
	<hr/>	<hr/>	<hr/>

### 7 Stocks

	2006 £	2005 £
Finished goods and goods for resale	3,231,797	4,060,871
	<hr/>	<hr/>

### 8 Debtors

	2006 £	2005 £
Trade debtors	2,211,871	2,023,430
Other debtors	101,279	105,619
Prepayments and accrued income	14,241	15,957
	<hr/>	<hr/>
	2,327,391	2,145,006
	<hr/>	<hr/>

# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

9	Creditors, amounts falling due within one year	2006 £	2005 £
	Bank loans and overdrafts	602,706	2,651,029
	Trade creditors	6,321,284	6,280,456
	Taxes and social security costs	21,682	10,378
	Directors' current accounts	592,111	828,516
	Accruals and deferred income	128,291	178,194
		<u>7,666,074</u>	<u>9,948,573</u>

The bank facility is secured by a fixed and floating charge over the assets of the company. Interest is charged at 1.75% above bank base rate.

### 10 Pension costs

#### Defined contribution

	2006 £	2005 £
Contributions payable by the company for the year	<u>51,411</u>	<u>-</u>

### 11 Share capital

	2006 £	2005 £
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>



# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

### 12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2006	(972,576)
Loss for the year	(86,390)
	<hr/>
Balance at 31 December 2006	(1,058,966)
	<hr/>

### 13 Reconciliation of movements in shareholders' funds

	2006 £	2005 £
Loss for the financial year	(86,390)	(972,576)
Proceeds from issue of shares	-	1,000
	<hr/>	<hr/>
Net depletion in shareholders' funds	(86,390)	(971,576)
Opening shareholders' funds	(971,576)	-
	<hr/>	<hr/>
Closing shareholders' funds	(1,057,966)	(971,576)
	<hr/>	<hr/>

### 14 Financial commitments

At 31 December 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2007

	Land and buildings 2006 £	2005 £
Operating leases which expire Between two and five years	240,000	-
	<hr/>	<hr/>

### 15 Directors' emoluments

	2006 £	2005 £
Emoluments for qualifying services	180,000	-
Company pension contributions to money purchase schemes	51,411	-
	<hr/>	<hr/>
	231,411	-
	<hr/>	<hr/>

# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

### 16 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2006 Number	2005 Number
Administration and warehouse	30	26

#### Employment costs

	2006 £	2005 £
Wages and salaries	750,532	284,476
Social security costs	64,879	21,050
Other pension costs	51,411	-
	866,822	305,526

# IBCO LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

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### 17 Related party transactions

The company has given an unlimited cross guarantee with Seamark PLC, a company with common directors and shareholders

In addition I Ahmed, K Ahmed, B Ahmed have granted a joint and several guarantee of £250,000 as security for the company's bank facility

During the year contracts were entered into with businesses in which each of the directors has a material interest as a partner or shareholder. The details of these transactions are as follows -

Seamark PLC

Sales to £402,875 (2005 £405,416)

Purchases from £4,258,879 (2005 £4,583,353)

Rent paid £240,000 (2005 £nil)

Owed £4,694,426 (2005 £4,569,555)

The company purchased goods to a value of £5,881,272 (2005 £1,836,384) from Seamark (BD) Limited, a Bangladesh company under common ownership, on equivalent terms to those applied by other similar suppliers. At the year end IbcO Limited owed Seamark (BD) Limited £ 1,425,027 (2005 £1,596,384)

The company purchased goods to a value of £42,780 (2005 £nil) from IbcO Industries Bangladesh, a Bangladesh company under common ownership, on equivalent terms to those applied by other similar suppliers. At the year end IbcO Limited owed IbcO Industries Bangladesh £ 42,780 (2005 £nil)

Included in other debtors is an amount of £65,066 (2005 £65,066) in respect of a loan to Seamark (BD) Limited

The company sold goods to a value of £209,139 (2005 £216,758) to Seamark USA Inc a US registered business owned by Mr I Ahmed and Mr K Ahmed. At the year end the company was owed £552,645 (2005 357,227) by Seamark USA Inc