

SEAWAYS SERVICES (U.K.) LIMITED

Company Registration Number: 2696286

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 1998



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REPORT OF THE AUDITORS TO THE DIRECTORS OF

SEAWAYS SERVICES (U. K.) LIMITED

**Pursuant to Paragraph 24 of Schedule 8
of the Companies Act 1989**

We have examined the abbreviated accounts on pages (2) to (7) together with the full financial statements of Seaways Services (U. K.) Limited for the year ended 30 April 1998. The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the directors are entitled under Sections 246 and 247 of the Companies Act 1989 to deliver abbreviated accounts in respect of the year ended 30 April 1998 and the abbreviated accounts on pages (2) to (7) have been properly prepared in accordance with Schedule 8 of that Act.

At 16 February 1999 we reported, as auditors of Seaways Services (U. K.) Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1989 for the year ended 30 April 1998 and our audit opinion was as follows:-

'In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 April 1998 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'

Bretton Reed Smith Limited

Bretton Reed Smith Limited,
Chartered Certified Accountants and Registered Auditors,
Fairclough House,
105 Redbrook Road,
Barnsley,
S75 2RG.

16 February 1999

SEAWAYS SERVICES (U.K.) LIMITED

BALANCE SHEET AS AT 30 APRIL 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
<u>Fixed Assets</u>			
Tangible Assets	(8)	270036	256382
Intangible Assets	(9)	<u>1000</u>	<u>1000</u>
		271036	257382
<u>Current Assets</u>			
Stock	(10)	42471	41374
Debtors and Prepayments	(11)	317069	242928
		<u>359540</u>	<u>284302</u>
<u>Creditors: Amounts falling due within one year</u>	(12)	<u>359135</u>	<u>325720</u>
Net Current Assets/Liabilities		405	(41418)
Total Assets less Current Liabilities		<u>271441</u>	<u>215964</u>
Provisions for Liabilities and Charges	(13)	20708	15691
<u>Net Assets</u>		<u>250733</u>	<u>200273</u>
<u>Capital & Reserves</u>			
<u>Share Capital</u>			
Authorised - 100 Ordinary £1 Shares		<u>100</u>	<u>100</u>
Issued & Fully Paid - 100 Ordinary £1 Shares		100	100
<u>Profit & Loss Account</u>		250633	200173
<u>Shareholders Funds</u>	(14)	<u>250733</u>	<u>200273</u>

We have relied upon the exemptions for individual accounts under Schedule 8 of the Companies Act 1985. We have done so on the grounds that the company is entitled to the benefit of those exemptions as a small company.

Approved by the Board 16 February 1999

..... T. D. Cotterill

J. Cotterill J. Cotterill

..... J. E. Shaw

SEAWAYS SERVICES (U.K.) LIMITED

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1998**

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention.

Tangible Fixed Assets

Depreciation is calculated to write off the cost, less estimated residual value of each asset over its expected useful life as follows:-

Fixtures & Fittings	- 10% on written down value
Motor Vehicles	- 25% on written down value
Plant and Machinery	- 10% on written down value

Stocks

Stocks are valued at the lower of cost (including where appropriate a proportion of overheads) and net realisable value.

Taxation

The charge for taxation is based on the profit for the year as adjusted for disallowable items. Deferred Taxation is accounted for in respect of all material timing differences to the extent that it is probable that a liability will crystallise. Provision is made at the rate of Corporation Tax which is expected to be applied when the liability is expected to crystallise.

Research & Development

Expenditure on research and development are written off in the year of expenditure through the Profit and Loss Account

Cash Flow Statement

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a Cash Flow Statement on the grounds that it is a Small Company.

Turnover

Turnover represents the invoiced amount of goods sold and services provided net of Value Added Tax.

SEAWAYS SERVICES (U.K.) LIMITED**NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1998****2. TURNOVER** 1998 1997

The turnover and pre-tax profit is attributable to the Decoration and Sale of Fluid Containers.

3. OPERATING PROFIT

This is stated after charging:

Depreciation	28270	32040
Directors Remuneration (see below)	20397	24966
Auditors Remuneration	<u>1200</u>	<u>1100</u>

4. INTEREST PAYABLE

Bank Loans, Overdrafts and Other Loans repayable within 5 Years

Bank Overdraft	2272	3409
Hire Purchase Interest	<u>259</u>	<u>1700</u>
	<u>2531</u>	<u>5109</u>

5. OTHER OPERATING INCOME

Profit on Sale of Fixed Assets	-	1160
Interest on Overpaid Rates	<u>-</u>	<u>48</u>
	<u>-</u>	<u>1208</u>

6. DIRECTORS & EMPLOYEES

The average number of persons employed by the company was made up as follows :-

Manufacturing	13	15
Sales	1	1
Administration	<u>3</u>	<u>3</u>
	<u>17</u>	<u>19</u>

Staff Costs:

Wages and Salaries	197840	216646
Social Security Costs	<u>14876</u>	<u>16360</u>
	<u>212716</u>	<u>233006</u>

Directors Emoluments:

Directors Salaries	20397	24966
Benefits in Kind	1124	3667
Pension Contributions	<u>2750</u>	<u>3330</u>
	<u>24271</u>	<u>31963</u>

SEAWAYS SERVICES (U.K.) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1998

	<u>1998</u>	<u>1997</u>
7. <u>TAXATION</u>		
UK. Corporation Tax (@ 21%/24%)		
Current	8414	1394
Deferred	<u>5017</u>	<u>454</u>
Based on Profits for the Year	<u>13431</u>	<u>1848</u>

8. TANGIBLE ASSETS

	<u>Alteration to Leasehold Property</u>	<u>Plant & Machinery</u>	<u>Motor Vehicles</u>	<u>Fixtures & Fittings</u>	<u>Total</u>
<u>Cost</u>					
as at 30 April 1997	64316	177412	80289	26208	348225
Additions		38835	4000	7508	50343
Disposals			20665		20665
as at 30 April 1998	<u>64316</u>	<u>216247</u>	<u>63624</u>	<u>33716</u>	<u>377903</u>

Depreciation

as at 30 April 1997		52906	30770	8167	91843
Charge For Year		13138	12983	2149	28270
Eliminated in Respect of Disposals			12246		12246
as at 30 April 1998		<u>66044</u>	<u>31507</u>	<u>10316</u>	<u>107867</u>

Net Book Value

as at 30 April 1998	<u>64316</u>	<u>150203</u>	<u>32117</u>	<u>23400</u>	<u>270036</u>
as at 30 April 1997	<u>64316</u>	<u>124506</u>	<u>49519</u>	<u>18041</u>	<u>256382</u>

Assets held under Hire Purchase Contracts:	<u>1998</u>	<u>1997</u>
Plant & Machinery	Nil	11481
Motor Vehicles	<u>Nil</u>	<u>Nil</u>

SEAWAYS SERVICES (U.K.) LIMITED

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1998**

9. INTANGIBLE ASSETS

Goodwill is not depreciated as the directors consider its useful life to be infinite. This represents a departure from Statement of Standard Accounting Practice 22 in order to show a true and fair view.

10. STOCK IN TRADE

	<u>1998</u>	<u>1997</u>
Stocks consist of: Goods for Re-sale	<u>42471</u>	<u>41374</u>

11. DEBTORS

Due within one year

Trade Debtors	291354	212352
Prepayments & Other Debtors	<u>25715</u>	<u>30576</u>
	<u>317069</u>	<u>242928</u>

12. CREDITORS

Due within one year -

Directors Loan Accounts	7385	37042
Trade Creditors	276768	191756
Bank Loans and Overdrafts	37505	68160
Taxation and Social Security	4978	6090
Current Corporation Tax	8414	1394
Value Added Tax	8291	8390
Hire Purchase	-	2083
Accruals and Other Creditors	<u>15794</u>	<u>10805</u>
	<u>359135</u>	<u>325720</u>

The National Westminster Bank plc. overdraft is secured by the personal guarantees of the directors.

13. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred Taxation

Balance as at 1 May 1997	15691	15237
Movement - Timing Differences	<u>5017</u>	<u>454</u>
Balance as at 30 April 1998	<u>20708</u>	<u>15691</u>

SEAWAYS SERVICES (U.K.) LIMITED

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1998**

	<u>1998</u>	<u>1997</u>
14. <u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS</u>		
Profit for the financial year	<u>50460</u>	<u>16409</u>
Net Increase in Shareholders Funds	50460	16409
Opening Shareholders Funds	<u>200273</u>	<u>183864</u>
Closing Shareholders Funds	<u><u>250733</u></u>	<u><u>200273</u></u>

15. SUBSEQUENT EVENTS

No significant events have occurred since the Balance Sheet date of the company.