

Company Registration No 1508443 (England and Wales)

ANGLO PACIFIC FORWARDING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006



ANGLO PACIFIC FORWARDING LIMITED

DIRECTORS AND ADVISERS

Directors	S D Perry Mrs Z Perry
Secretary	Mrs Z Perry
Company number	1508443
Registered office	5/9 Willen Field Road Park Royal North Acton London NW10 7BQ
Registered auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham Gloucestershire GL50 3AT
Business address	5/9 Willen Field Road Park Royal North Acton London NW10 7BQ

ANGLO PACIFIC FORWARDING LIMITED

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ANGLO PACIFIC FORWARDING LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2006

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

Principal activities and review of the business

The principal activity of the group continued to be that of shipping and freight forwarding agents

The results for the year, which are set out in the profit and loss account, show turnover for the year of £14,245,231 (2005 £12,286,202) and a pre tax profit of £210,154 (2005 £263,701) The directors do not recommend the payment of a final dividend

The group has tangible fixed assets including fixtures and fittings and motor vehicles valued in the financial statements at net book value amounting to £775,525 (2005 £640,042), trade debtors of £1,385,441 (2005 £1,291,938) and cash at bank and in hand of £3,397,592 (2005 £2,635,330) The group has trade creditors of £3,149,416 (2005 £2,787,522) The financial position at the year end is considered to be satisfactory

The management of the business and the execution of the group's strategy are subject to a number of risks The key business risks and uncertainties affecting the company are considered to relate to competition from both national and local providers of shipping services and the general state of the shipping and freight forwarding market

The group's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or the position of the business

Future developments

The external commercial environment is expected to remain competitive in 2007 however the directors remain confident that they will continue to maintain and improve their current level of performance in the future

Financial instruments

The group is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures The nature of its financial instruments means that they are not subject to liquidity risk The risk of fluctuation in foreign currency exchange rates deflating or inflating the group's foreign currency assets and liabilities is mitigated through the use of forward contracts and bank accounts held in foreign currencies

Directors

The following directors have held office since 1 January 2006

S D Perry
Mrs Z Perry

Creditor payment policy

In the absence of disputes amounts due to suppliers are settled as expeditiously as possible, in accordance with agreed terms of payment

The company has not, however, adopted a code of payment practice It is not the policy of the company to distinguish between classes of suppliers when negotiating payment terms At 31 December 2006 there were 137 days trade creditors outstanding (2005 - 143 days)

Auditors

Hazlewoods LLP have expressed their willingness to continue in office

ANGLO PACIFIC FORWARDING LIMITED

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2006

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

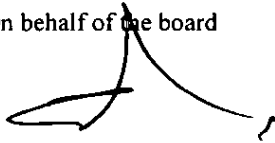
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group 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 group'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 group's auditors are aware of that information.

On behalf of the board



S D Perry

Director

30/7/2007

ANGLO PACIFIC FORWARDING LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ANGLO PACIFIC FORWARDING LIMITED

We have audited the financial statements of Anglo Pacific Forwarding Limited on pages 5 to 22 for the year ended 31 December 2006. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

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.

Respective responsibilities of directors and auditors

The directors' responsibilities for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page 2.

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. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition, we report to you, if in our opinion the company or the group 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 audit 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 and the group'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.

ANGLO PACIFIC FORWARDING LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF ANGLO PACIFIC FORWARDING LIMITED

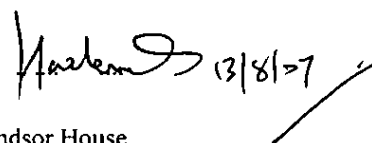
Opinion

In our opinion

- 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 and the group's affairs as at 31 December 2006 and of the group's profit for the year then ended,
- the financial statements 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

Hazlewoods LLP

Chartered Accountants and Registered Auditor



Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

ANGLO PACIFIC FORWARDING LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 31 December 2006

	Notes	2006 £	2005 £
Turnover	2	14,245,231	12,286,202
Cost of sales		(8,389,820)	(7,120,904)
Gross profit		5,855,411	5,165,298
Distribution costs		(3,804,656)	(3,368,748)
Administrative expenses		(1,952,985)	(1,630,176)
Operating profit	3	97,770	166,374
Interest receivable and similar income	4	122,609	108,427
Interest payable and similar charges	5	(10,225)	(11,100)
Profit on ordinary activities before taxation		210,154	263,701
Tax on profit on ordinary activities	6	(45,327)	(53,824)
Profit on ordinary activities after taxation	18	164,827	209,877

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

ANGLO PACIFIC FORWARDING LIMITED

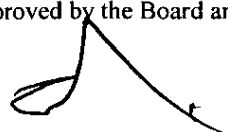
BALANCE SHEETS

As at 31 December 2006

	Notes	Group 2006 £	2005 £	Company 2006 £	2005 £
Fixed assets					
Intangible assets	8	-	2,047	-	-
Tangible assets	9	775,525	640,042	-	29,381
Investments	10	683	683	154,751	154,751
		<u>776,208</u>	<u>642,772</u>	<u>154,751</u>	<u>184,132</u>
Current assets					
Stocks	11	141,281	168,456	-	-
Debtors	12	2,042,549	1,664,366	1,104,511	677,736
Cash at bank and in hand		3,397,592	2,635,330	2,020	7,033
		<u>5,581,422</u>	<u>4,468,152</u>	<u>1,106,531</u>	<u>684,769</u>
Creditors: amounts falling due within one year	13	<u>(4,963,601)</u>	<u>(3,900,536)</u>	<u>(499,688)</u>	<u>(203,919)</u>
Net current assets		<u>617,821</u>	<u>567,616</u>	<u>606,843</u>	<u>480,850</u>
Total assets less current liabilities		<u>1,394,029</u>	<u>1,210,388</u>	<u>761,594</u>	<u>664,982</u>
Creditors, amounts falling due after more than one year	14	<u>(112,687)</u>	<u>(82,396)</u>	<u>-</u>	<u>(4,053)</u>
Provisions for liabilities	15	<u>(20,182)</u>	<u>(31,659)</u>	<u>-</u>	<u>-</u>
		<u>1,261,160</u>	<u>1,096,333</u>	<u>761,594</u>	<u>660,929</u>
Capital and reserves					
Called up share capital	17	120	120	120	120
Revaluation reserve	18	70,000	70,000	178,000	178,000
Other reserves	18	24,430	24,430	29,980	29,980
Profit and loss account	18	1,166,610	1,001,783	553,494	452,829
Shareholders' funds	19	<u>1,261,160</u>	<u>1,096,333</u>	<u>761,594</u>	<u>660,929</u>

Approved by the Board and authorised for issue on

30/12/2007



S D Perry
Director

ANGLO PACIFIC FORWARDING LIMITED

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

	£	2006 £	£	2005 £
Net cash inflow from operating activities		1,068,425		765,943
Returns on investments and servicing of finance				
Interest received	122,609		108,427	
Interest paid	(10,225)		(11,100)	
Net cash inflow for returns on investments and servicing of finance		112,384		97,327
Taxation		(55,937)		(57,358)
Capital expenditure				
Payments to acquire tangible assets	(329,611)		(184,760)	
Receipts from sales of tangible assets	45,800		38,375	
Net cash outflow for capital expenditure		(283,811)		(146,385)
Net cash inflow before management of liquid resources and financing		841,061		659,527
Management of liquid resources				
Bank deposits	352,219		(452,827)	
		352,219		(452,827)
Financing				
Capital element of hire purchase contracts	(78,799)		(69,273)	
Net cash outflow from financing		(78,799)		(69,273)
Increase in cash in the year		1,114,481		137,427

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

1	Reconciliation of operating profit to net cash inflow from operating activities	2006	2005		
		£	£		
	Operating profit	97,770	166,374		
	Depreciation of tangible assets	274,523	228,576		
	Amortisation of intangible assets	2,047	38,074		
	(Loss)/profit on disposal of tangible assets	7,327	(6,518)		
	Decrease/(increase) in stocks	27,175	(34,755)		
	(Increase)/decrease in debtors	(378,183)	534,174		
	Increase/(decrease) in creditors within one year	1,037,766	(159,982)		
	Net cash inflow from operating activities	1,068,425	765,943		
2	Analysis of net funds	1 January 2006	Cash flow	Other non-cash changes	31 December 2006
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,687,369	1,114,481	-	2,801,850
	Liquid resources				
	Bank deposits	947,961	(352,219)	-	595,742
	Hire purchase contracts	(144,600)	78,799	(133,522)	(199,323)
	Net funds	2,490,730	841,061	(133,522)	3,198,269
3	Reconciliation of net cash flow to movement in net debt	2006	2005		
		£	£		
	Increase in cash in the year	1,114,481	137,427		
	Cash (inflow)/outflow from (decrease)/increase in liquid resources	(352,219)	452,827		
	Cash outflow from decrease in debt	78,799	74,820		
	Change in net debt resulting from cash flows	841,061	665,074		
	New hire purchase contracts	(133,522)	(91,994)		
	Movement in net funds in the year	707,539	573,080		
	Opening net funds	2,490,730	1,917,650		
	Closing net funds	3,198,269	2,490,730		

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2006

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention, adopting the following principal accounting policies all of which are in accordance with applicable Accounting Standards

1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of Anglo Pacific Forwarding Limited and its subsidiaries made up to 31 December 2006

1.3 Turnover

Turnover represents the amounts excluding value added tax receivable during the year for goods and services supplied. Turnover is recognised at such a time that shipping is complete

1.4 Goodwill

Purchased goodwill, including that attributable to the acquisition of subsidiary and associated undertakings, is capitalised and is written off over its estimated useful life of between 3 and 10 years, depending on the size of the acquisition, the nature of its business and its position in the market place

1.5 Tangible fixed assets and depreciation

Depreciation is calculated to write off the cost or valuation less estimated residual value of tangible assets over their estimated useful lives at the following rates per annum

Land and buildings Leasehold	Over the lease term
Fixtures, fittings & equipment	10 - 25% of cost per annum
Motor vehicles	25% of cost per annum

1.6 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

The cost of and income from operating leases is respectively charged and credited to the profit and loss account on a straight line basis over the lease term

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.8 Stock

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

1.9 Pensions

The group operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

1.10 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

1 Accounting policies

(Continued)

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date, or if appropriate at the forward contract rate. Non-monetary assets denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of acquisition of the assets. Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction, or at the contracted rate if the transaction is covered by a forward exchange contract. All revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity. The analysis by geographical area of the group's turnover is set out as below:

	2006 £	2005 £
Geographical segment		
United Kingdom	418,986	405,598
Other EU Countries	425,384	152,184
Australasia	8,192,459	7,144,680
United States of America	2,212,383	1,948,966
Rest of World	2,996,019	2,634,774
	<u>14,245,231</u>	<u>12,286,202</u>

3 Operating profit

	2006 £	2005 £
Operating profit is stated after charging		
Depreciation of intangible assets	2,047	38,074
Depreciation of tangible assets	274,523	228,576
Loss on disposal of tangible assets	7,327	-
Operating lease rentals	384,584	340,327
Auditors' remuneration (company £4,610, 2005 £5,150)	15,610	15,800
Remuneration of auditors for non-audit work	4,190	6,352
and after crediting		
Profit on disposal of tangible assets	-	(6,518)
Profit on foreign exchange transactions	(126,936)	(47,142)

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

4	Investment Income	2006	2005
		£	£
	Bank interest	122,609	108,427
		<u> </u>	<u> </u>
5	Interest payable	2006	2005
		£	£
	Hire purchase interest	10,225	11,100
		<u> </u>	<u> </u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

6	Taxation	2006 £	2005 £
	Domestic current year tax		
	U K corporation tax	55,772	54,905
	Adjustment for prior years	1,032	-
	Current tax charge	56,804	54,905
	Deferred tax		
	Deferred tax charge/credit current year	(11,477)	(1,081)
		45,327	53,824
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	210,154	263,701
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2005 - 30%)	63,046	79,110
	Effects of		
	Non deductible expenses	13,279	3,567
	Depreciation add back	85,169	78,035
	Capital allowances	(77,935)	(74,026)
	Adjustments to previous periods	1,032	-
	Chargeable disposals	4,500	-
	Other tax adjustments	(32,287)	(31,781)
		(6,242)	(24,205)
	Current tax charge	56,804	54,905

Other tax adjustments comprises marginal relief available to certain group members from paying corporation tax at the standard rate of 30%

7 Profit for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	2006 £	2005 £
Holding company's profit for the financial year	100,665	100,671

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

8 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2006	245,391
Disposals	(39,750)
	<hr/>
At 31 December 2006	205,641
	<hr/>
Amortisation	
At 1 January 2006	243,344
Amortisation on disposals	(39,750)
Charge for the year	2,047
	<hr/>
At 31 December 2006	205,641
	<hr/>
Net book value	
At 31 December 2006	-
	<hr/>
At 31 December 2005	2,047
	<hr/>
 Company	
	Goodwill £
Cost	
At 1 January 2006	39,750
Disposals	(39,750)
	<hr/>
At 31 December 2006	-
	<hr/>
Amortisation	
At 1 January 2006	39,750
Amortisation on disposals	(39,750)
	<hr/>
At 31 December 2006	-
	<hr/>
Net book value	
At 31 December 2006	-
	<hr/>
At 31 December 2005	-
	<hr/>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

9 Tangible fixed assets

Group

	Land and buildings Leasehold	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 January 2006	87,866	940,743	407,721	1,436,330
Additions	116,002	184,122	163,009	463,133
Disposals	(87,866)	(403,503)	(78,610)	(569,979)
At 31 December 2006	116,002	721,362	492,120	1,329,484
Depreciation				
At 1 January 2006	82,530	518,482	195,276	796,288
On disposals	(87,866)	(379,458)	(49,528)	(516,852)
Charge for the year	7,592	182,324	84,607	274,523
At 31 December 2006	2,256	321,348	230,355	553,959
Net book value				
At 31 December 2006	113,746	400,014	261,765	775,525
At 31 December 2005	5,336	422,261	212,445	640,042

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Net book values			
At 31 December 2006	38,214	204,567	242,781
At 31 December 2005	66,655	111,266	177,921
Depreciation charge for the year			
31 December 2006	10,422	44,660	55,082
31 December 2005	19,619	33,175	52,794

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

9 Tangible fixed assets (continued)

Company

	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 January 2006	87,866	87,484	175,350
Disposals	(87,866)	(82,480)	(170,346)
At 31 December 2006	-	5,004	5,004
Depreciation			
At 1 January 2006	82,530	63,439	145,969
On disposals	(87,866)	(58,435)	(146,301)
Charge for the year	5,336	-	5,336
At 31 December 2006	-	5,004	5,004
Net book value			
At 31 December 2006	-	-	-
At 31 December 2005	5,336	24,045	29,381

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £	Total £
Net book values		
At 31 December 2006	-	-
At 31 December 2005	9,994	9,994
Depreciation charge for the year		
31 December 2006	-	-
31 December 2005	6,663	6,663

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

10 Fixed asset investments

Group

Unlisted
investments
£

Cost or valuation

At 1 January 2006 & at 31 December 2006

683

Company

Shares in
group
undertakings
£

Cost

At 1 January 2006 and at 31 December 2006

154,751

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Subsidiary undertakings	Country of registration or incorporation	Shares held	
		Class	%
Anglo Pacific International Plc	England and Wales	Ordinary	100
Anglo Pacific (Fine Art) Limited	England and Wales	Ordinary	100
Australian Forwarding Agency (London) Limited	England and Wales	Ordinary	100
Anglo Pacific Shipping Limited	England and Wales	Ordinary	100

Anglo Pacific International Plc owns 100% of the share capital of Sanz International Shipping Limited, a company which is incorporated in England and Wales

The principal activity of these undertakings for the last relevant financial year was as follows

Anglo Pacific International Plc	Shipping and freight forwarding agents
Anglo Pacific (Fine Art) Limited	Dormant
Australian Forwarding Agency (London) Limited	Dormant
Anglo Pacific Shipping Limited	Dormant
Sanz International Shipping Limited	Dormant

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

11 Stocks

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Raw materials and consumables	141,281	168,456	-	-

12 Debtors

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Trade debtors	1,385,441	1,291,938	-	-
Amounts owed by group undertakings	-	-	1,087,337	661,572
Other debtors	424,851	131,911	16,006	12,173
Prepayments and accrued income	232,257	240,517	267	2,357
Deferred tax asset (see note 15)	-	-	901	1,634
	2,042,549	1,664,366	1,104,511	677,736

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

13 Creditors : amounts falling due within one year

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Payments received on account	541,146	392,939	-	-
Net obligations under finance lease and hire purchase contracts	86,636	62,204	1,409	5,963
Trade creditors	3,149,416	2,787,522	-	-
Amounts owed to group undertakings	-	-	12,121	12,121
Corporation tax	55,772	54,905	28,089	28,150
Taxes and social security costs	160,465	94,958	64,807	19,709
Directors current accounts	34,381	15,888	34,381	15,888
Other creditors	243,020	193,020	-	-
Accruals and deferred income	692,765	299,100	358,881	122,088
	<u>4,963,601</u>	<u>3,900,536</u>	<u>499,688</u>	<u>203,919</u>

Included in other creditors is an amount due to the directors of £34,381 (2005 £15,888) This loan is interest free and has no fixed repayment terms

14 Creditors : amounts falling due after more than one year

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	<u>112,687</u>	<u>82,396</u>	<u>-</u>	<u>4,053</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

15 Provisions for liabilities and charges

Group

Deferred
taxation
£

Balance at 1 January 2006	31,659
Profit and loss account	(11,477)
Balance at 31 December 2006	<u>20,182</u>

Company

Balance at 1 January 2006	(1,634)
Profit and loss account	733
Balance at 31 December 2006	<u>(901)</u>

The deferred tax liability is made up as follows:

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Accelerated capital allowances	22,480	31,659	(901)	(1,634)
Other timing differences	(2,298)	-	-	-
	<u>20,182</u>	<u>31,659</u>	<u>(901)</u>	<u>(1,634)</u>

16 Pension costs

The company operates a defined contribution pension scheme for its employees. The assets are held separately from those of the group in an independently administered fund.

Defined contribution

	2006	2005
	£	£
Contributions payable by the group for the year	<u>24,177</u>	<u>13,936</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

17 Share capital	2006 £	2005 £
Authorised		
100,000 'A' ordinary shares of 1p each	1,000	1,000
100,000 'B' ordinary shares of 1p each	1,000	1,000
70,000 9% cumulative redeemable preference shares of £1 each of £1 each	70,000	70,000
	<u>72,000</u>	<u>72,000</u>
 Allotted, called up and fully paid		
12,000 'A' ordinary shares of 1p each	120	120
	<u>120</u>	<u>120</u>

The company has a share option scheme under which options to subscribe for the company's shares have been awarded to certain executives. At 31 December 2006 options under this scheme were outstanding over 1,482 'B' ordinary shares (2005 1,482 'B' Ordinary shares) at £112.50 each, exercisable between 7 October 2002 and 6 October 2012. There were no options granted or exercised during the year.

18 Statement of movements on reserves Group

	Capital redemption reserve £	Other reserves £	Profit and loss account £
Balance at 1 January 2006	70,000	24,430	1,001,783
Retained profit for the year	-	-	164,827
	<u>70,000</u>	<u>24,430</u>	<u>1,166,610</u>

Company

	Capital redemption reserve £	Other reserves £	Profit and loss account £
Balance at 1 January 2006	178,000	29,980	452,829
Retained profit for the year	-	-	100,665
	<u>178,000</u>	<u>29,980</u>	<u>553,494</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

19 Reconciliation of movements in shareholders' funds	2006		2005	
	£		£	
Group				
Profit for the financial year		164,827		209,877
Opening shareholders' funds		1,096,333		886,456
		<u>1,261,160</u>		<u>1,096,333</u>
Closing shareholders' funds				
		<u>1,261,160</u>		<u>1,096,333</u>
Company				
Profit for the financial year		100,665		100,671
Opening shareholders' funds		660,929		560,258
		<u>761,594</u>		<u>660,929</u>
Closing shareholders' funds				
		<u>761,594</u>		<u>660,929</u>

20 Financial commitments

At 31 December 2006 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2006	2005	2006	2005
	£	£	£	£
Expiry date				
Within one year	-	115,117	-	1,117
Between two and five years	70,625	170,230	7,911	5,877
In over five years	377,813	-	-	-
	<u>448,438</u>	<u>285,347</u>	<u>7,911</u>	<u>6,994</u>

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2006	2005	2006	2005
	£	£	£	£
Expiry date				
Within one year	-	12,750	-	-
	<u>-</u>	<u>12,750</u>	<u>-</u>	<u>-</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2006

21 Directors' emoluments	2006 £	2005 £
Emoluments for qualifying services	504,251	232,329
Company pension contributions to money purchase schemes	642	535
	<u>504,893</u>	<u>232,864</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2005- 2)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	417,380	156,100
Company pension contributions to money purchase schemes	642	535
	<u>418,022</u>	<u>156,635</u>

22 Employees

Number of employees

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

	2006 Number	2005 Number
Selling and distribution	70	63
Administration	26	26
	<u>96</u>	<u>89</u>

Employment costs

	2006 £	2005 £
Wages and salaries	2,918,112	2,448,075
Social security costs	316,506	248,272
Other pension costs	24,177	13,936
	<u>3,258,795</u>	<u>2,710,283</u>

23 Control

The company's share capital is controlled by S D Perry