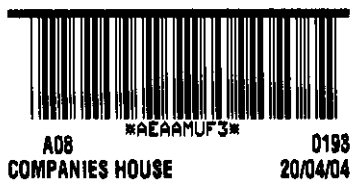


Cos House

Registered number:
01648649

LA MER LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2003



1

LA MER LIMITED
COMPANY INFORMATION

DIRECTORS

A. Clark
G.G.L. Miles (ceased 24/12/2003)
D.C. Theze (appointed 23/06/2003)

SECRETARY

A. Clark

AUDITORS

Day, Smith & Hunter
Star House
Pudding Lane
Maidstone
Kent
ME14 1LT

PRINCIPAL PLACE OF BUSINESS

1 Dodds Lane
Preston Street
Faversham
Kent
ME13 8PE

REGISTERED OFFICE

1 Dodds Lane
Preston Street
Faversham
Kent
ME13 8PE

REGISTERED NUMBER

01648649

LA MER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2003

The directors present their annual report together with the financial statements of the company for the year ended 31 August 2003.

PRINCIPAL ACTIVITY

The principal activity of the company throughout the year under review was that of fish wholesalers and distributors.

REVIEW OF BUSINESS

The profit for the year after taxation amounted to £230,259.

DIVIDENDS

Full details are given in Note 5.

EVENT OCCURRING AFTER THE END OF THE YEAR

The company is currently in the process of buying back Mr G.G.L Miles' shareholdings for £205,000.

DIRECTORS

The directors who held office during the year and their beneficial interest in the issued share capital of the company were as follows:

| | 31 August 2003 | 31 August 2002 |
|--------------------------------------|----------------|----------------|
| Ordinary shares of £1 each | | |
| A. Clark | 9,000 | 9,000 |
| G.G.L. Miles (ceased 24/12/2003) | 1,000 | 1,000 |
| D.C. Theze (appointed 23/06/2003) | - | - |
| Class 'A' ordinary shares of £1 each | | |
| A. Clark | 1 | 1 |
| Class 'B' ordinary shares of £1 each | | |
| G.G.L. Miles (ceased 24/12/2003) | 1 | 1 |

DIRECTORS' RESPONSIBILITIES

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 as at the end of the financial year 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 maintaining 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. It is also their responsibility to safeguard the assets of the company and hence to take reasonable steps to prevent and detect fraud and other irregularities.

AUDITORS

The auditors, Day, Smith & Hunter, will be proposed for re-election in accordance with Section 385 of the Companies Act 1985.

LA MER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2003
(continued)

SMALL COMPANY EXEMPTIONS

The directors have taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies in the preparation of this report.

Approved by the board of directors on 25 March 2004 and signed on their behalf by:



A. Clark
Director

LA MER LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 11 of La Mer Limited for the year ended 31 August 2003. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and on the basis of 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 auditor's 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 the directors' remuneration and transactions with the company 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 United Kingdom 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Day, Smith & Hunter
Registered Auditors and
Chartered Accountants

Star House
Pudding Lane
Maidstone
Kent
ME14 1LT

25 March 2004

LA MER LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2003

| | <u>Note</u> | <u>2003</u> | <u>2002</u> |
|---|-------------|-----------------------|-----------------------|
| | | £ | £ |
| TURNOVER | | 5,853,636 | 6,235,275 |
| Cost of sales | | <u>5,080,705</u> | <u>5,457,169</u> |
| GROSS PROFIT | | 772,931 | 778,106 |
| Administration expenses | | <u>484,439</u> | <u>553,471</u> |
| | | 288,492 | 224,635 |
| Other interest receivable and similar income | | 1,247 | 1,342 |
| Interest payable and similar charges | | <u>(4,765)</u> | <u>(4,064)</u> |
| PROFIT on ordinary activities before taxation | | 284,974 | 221,913 |
| TAXATION on profit on ordinary activities | 4 | <u>54,715</u> | <u>46,297</u> |
| PROFIT on ordinary activities after taxation | | 230,259 | 175,616 |
| DIVIDENDS | 5 | <u>100,000</u> | <u>169,300</u> |
| RETAINED PROFIT for the financial year | | 130,259 | 6,316 |
| SURPLUS BROUGHT FORWARD | | <u>299,644</u> | <u>293,328</u> |
| SURPLUS CARRIED FORWARD | | <u><u>429,903</u></u> | <u><u>299,644</u></u> |

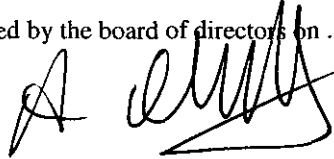
The notes on pages 7 to 11 form part of these financial statements.

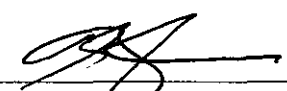
LA MER LIMITED
BALANCE SHEET - 31 AUGUST 2003

| | Note | 2003 | | 2002 | |
|--|------|------|----------------|------|---------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 6 | | 150,006 | | 94,924 |
| Investments | 7 | | 1,350 | | 1,350 |
| | | | 151,356 | | 96,274 |
| CURRENT ASSETS | | | | | |
| Stock | | | 7,307 | | - |
| Debtors | 8 | | 768,164 | | 640,009 |
| Cash at bank and in hand | | | 71,922 | | 157,362 |
| | | | 847,393 | | 797,371 |
| CREDITORS: | | | | | |
| Amounts falling due within one year | 9 | | 524,573 | | 583,999 |
| NET CURRENT ASSETS | | | | | |
| | | | 322,820 | | 213,372 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| | | | 474,176 | | 309,646 |
| CREDITORS: | | | | | |
| Amounts falling due after more than one year | 10 | | 34,271 | | - |
| NET ASSETS | | | | | |
| | | | 439,905 | | 309,646 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 11 | | 10,002 | | 10,002 |
| Profit and loss account | | | 429,903 | | 299,644 |
| SHAREHOLDERS' FUNDS | | | | | |
| | | | 439,905 | | 309,646 |

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the board of directors on 25 March 2004 and signed on its behalf.


A. Clark
Director


D. C. Theze
Director

The notes on pages 7 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2003

1 ACCOUNTING POLICIES

The principal accounting policies which are adopted consistently in the preparation of the financial statements are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life. The principal annual rates in use are:

| | |
|----------------------------------|----------------------|
| Leasehold property improvements | over term of lease |
| Motor vehicles | 25% reducing balance |
| Fixtures, fittings and equipment | 15% reducing balance |
| Computer equipment | 25% reducing balance |

Leased assets

Where assets are financed by leasing or hire purchase agreements that give rights approximating to ownership the assets are treated as if they had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases and hire purchase agreements. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest elements charged against profit so as to produce a constant periodic rate of charge on the remaining balance of the obligation for each accounting period.

Rentals applicable to operating leases, where substantially all the benefit and risk of ownership remain with the lessor, are charged to the profit and loss account on a straight line basis over the lease term.

Stock

Stock is valued at the lower of cost and estimated net realisable value, after making due allowance for obsolete and slow moving items.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value. Dividends are brought into account in the profit and loss account when received.

2 OPERATING PROFIT

The operating profit is stated after charging:

| | 2003 | 2002 |
|--|---------|---------|
| | £ | £ |
| Directors' emoluments | 221,432 | 259,850 |
| Depreciation | 26,893 | 30,689 |
| Auditors' remuneration | 7,740 | 7,000 |
| Operating lease rentals - land and buildings | 9,381 | 4,250 |

The operating profit is stated after crediting:

| | | |
|------------------------------------|---|-----|
| Profit on disposal of fixed assets | - | 829 |
|------------------------------------|---|-----|

LA MER LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2003
(continued)

3 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services was:

| | 2003 | 2002 |
|---|----------------|----------------|
| | £ | £ |
| Directors' emoluments | 125,229 | 232,962 |
| Company contributions to money purchase pension schemes | 96,203 | 26,888 |
| | <u>221,432</u> | <u>259,850</u> |

The remuneration of the highest paid director was:

| | 2003 | 2002 |
|---|----------------|----------------|
| | £ | £ |
| Emoluments | 42,000 | 119,457 |
| Company contributions to money purchase pension schemes | 85,000 | - |
| | <u>127,000</u> | <u>119,457</u> |

Two directors accrue retirement benefits under the money purchase pension schemes (2002 : 1).

4 TAXATION

| | 2003 | 2002 |
|---|----------------|----------------|
| | £ | £ |
| Corporation tax on ordinary activities at 19% (2002 - 19.58%) | <u>54,715</u> | <u>46,297</u> |
| Profit on activities before tax | <u>284,974</u> | <u>221,913</u> |
| Corporation tax at the rate of 19% (2002 - 19.58%) | 54,145 | 43,451 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 1,102 | 978 |
| Depreciation for period in excess of capital allowances | - | 1,891 |
| Capital allowances for period in excess of depreciation | (511) | - |
| Franked investment income | (21) | (23) |
| | <u>54,715</u> | <u>46,297</u> |

5 DIVIDENDS

| | 2003 | 2002 |
|--|----------------|----------------|
| | £ | £ |
| Interim dividend on ordinary shares paid | - | 12,000 |
| Interim dividend on 'A' ordinary shares paid | 60,000 | 17,300 |
| Interim dividend on 'B' ordinary shares paid | 40,000 | 15,000 |
| Proposed final dividend on 'A' ordinary shares | - | 55,000 |
| Proposed final dividend on 'B' ordinary shares | - | 70,000 |
| | <u>100,000</u> | <u>169,300</u> |

LA MER LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2003
(continued)

6 TANGIBLE FIXED ASSETS

| | Land and buildings | Motor vehicles | Equipment, fixtures and fittings | Total |
|-----------------------|--------------------------|-------------------|--|---------|
| | £ | £ | £ | £ |
| <u>Cost</u> | | | | |
| At 1 September 2002 | - | 140,030 | 40,651 | 180,681 |
| Additions | 17,883 | 43,912 | 20,180 | 81,975 |
| At 31 August 2003 | 17,883 | 183,942 | 60,831 | 262,656 |
| <u>Depreciation</u> | | | | |
| At 1 September 2002 | - | 54,952 | 30,805 | 85,757 |
| Charge for the year | 33 | 22,533 | 4,327 | 26,893 |
| At 31 August 2003 | 33 | 77,485 | 35,132 | 112,650 |
| <u>Net book value</u> | | | | |
| At 31 August 2003 | 17,850 | 106,457 | 25,699 | 150,006 |
| At 31 August 2002 | - | 85,078 | 9,846 | 94,924 |

The net book value of fixed assets at 31 August 2003 includes £42,649 (2002 £Nil) in respect of assets leased under finance leases or under hire purchase contracts.

The depreciation charge for the year includes £1,263 (2002 £Nil) in respect of assets leased under finance leases or under hire purchase contracts.

The net book value of land and buildings at 31 August 2003 is made up as follows:

| | 2003 | 2002 |
|---------------------------------|--------|------|
| | £ | £ |
| Leasehold property improvements | 17,850 | - |

7 INVESTMENTS

| | 2003 | 2002 |
|---------------------|-------|-------|
| | £ | £ |
| Listed investments: | | |
| At cost | 1,350 | 1,350 |
| At market value | 5,055 | 5,341 |

8 DEBTORS

| | 2003 | 2002 |
|---------------|---------|---------|
| | £ | £ |
| Trade debtors | 752,364 | 632,631 |
| Other debtors | 15,800 | 7,378 |
| | 768,164 | 640,009 |

LA MER LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2003
(continued)

9 CREDITORS: amounts falling due within one year

| | 2003 | 2002 |
|--|----------------|----------------|
| | £ | £ |
| Trade creditors | 398,727 | 397,859 |
| Other creditors | 55,803 | 134,935 |
| Corporation tax | 54,715 | 46,297 |
| Other tax and social security | 8,739 | 4,908 |
| Obligations under finance leases and hire purchase | 6,589 | - |
| | <u>524,573</u> | <u>583,999</u> |

10 CREDITORS: amounts falling due after more than one year

| | 2003 | 2002 |
|--|---------------|----------|
| | £ | £ |
| Obligations under finance leases and hire purchase contracts | <u>34,271</u> | <u>-</u> |

The current portion of finance leases and hire purchase contracts is included in creditors falling due within one year. The obligations are secured on the associated fixed assets.

11 CALLED UP SHARE CAPITAL

| | 2003 | 2002 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Authorised | | |
| Ordinary shares of £1 each | 25,000 | 25,000 |
| Class 'A' ordinary shares of £1 each | 100 | 100 |
| Class 'B' ordinary shares of £1 each | 100 | 100 |
| | <u></u> | <u></u> |
| Allotted, called up and fully paid | | |
| Ordinary shares of £1 each | 10,000 | 10,000 |
| Class 'A' ordinary shares of £1 each | 1 | 1 |
| Class 'B' ordinary shares of £1 each | 1 | 1 |
| | <u>10,002</u> | <u>10,002</u> |

12 FINANCIAL COMMITMENTS

Operating leases

At 31 August 2003 the company had annual commitments under non cancellable operating leases as set out below:

| | 2003 | | 2002 | |
|--------------------------------|--------------------|----------|--------------------|----------|
| | Land and buildings | Other | Land and buildings | Other |
| Operating leases which expire: | | | | |
| Within two to five years | 4,250 | - | - | - |
| Over five years | 9,000 | - | 4,250 | - |
| | <u>13,250</u> | <u>-</u> | <u>4,250</u> | <u>-</u> |

LA MER LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2003

(continued)

13 PENSION SCHEME

The company operates money purchase (defined contribution) pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £96,203 (2002: £26,888). The company also made contributions of £1,217 (2002:£1,474) into staff personal pension schemes.

14 RELATED PARTIES

The company was controlled throughout the current and previous year by one of the directors, Mr. A. Clark.

Mr. A. Clark acts as guarantor in respect of a twelve year lease for premises at 1 Dodds Lane entered into by the company during the year.

15 EVENT OCCURRING AFTER THE END OF THE YEAR

The company is currently in the process of buying back Mr G.G.L. Miles' shareholdings for £205,000.