

COMPANY REGISTRATION NUMBER 02110466

**SEA AIR AND LAND FORWARDING LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR**  
**31ST AUGUST 2007**

**BHAGANI & CO**

Chartered Accountants & Registered Auditor  
Station House  
11 Masons Avenue  
Harrow  
Middlesex HA3 5AH

SATURDAY



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COMPANIES HOUSE

# **SEA AIR AND LAND FORWARDING LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST AUGUST 2007**

<b>CONTENTS</b>	<b>PAGE</b>
The director's report	1
Independent auditor's report to the company	3
Independent auditor's report to the shareholders	4
Abbreviated profit and loss account	6
Abbreviated balance sheet	7
Cash flow statement	8
Notes to the abbreviated accounts	9

# SEA AIR AND LAND FORWARDING LIMITED

## THE DIRECTOR'S REPORT

### YEAR ENDED 31ST AUGUST 2007

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31st August 2007

#### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of freight and forwarding agency

I am pleased to report that the company has continued its efforts in the year ended 31st August 2007. The consistent growth and success of the company has been achieved over the years and it is the result of excellent services with competitive rates of freight and the progressive market penetration worldwide. An analysis of company's Turnover during the year is given below

	2007 £	2006 £
United Kingdom	3,891,648	3,495,842
Overseas	1,616,325	1,496,682
	<u>5,507,973</u>	<u>4,992,524</u>

The reasons behind this success is due to the following three factors

1 Focus on providing our customers with excellent services at competitive price

2 The strength and expertise of a well motivated management team who takes pride in the success of their company and believe in my vision

3 The support of our suppliers with whom we work as partners to achieve good quality and value for money services

I would like to thank all the staff and suppliers for their valuable contribution to another successful year

#### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £276,165. Particulars of dividends paid are detailed in note 8 to the financial statements

#### THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows

	Ordinary Shares of £1 each	
	At 31 August 2007	At 1 September 2006
Dr R S Ranger	<u>180,000</u>	<u>180,000</u>

# SEA AIR AND LAND FORWARDING LIMITED

## THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31ST AUGUST 2007

### DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 profit or loss of the company for that period. In preparing these financial statements, the director is 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 director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

In so far as the director is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### AUDITOR

A resolution to re-appoint Bhagani & Co as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office  
Station House  
11 Masons Avenue  
Harrow  
Middlesex  
United Kingdom  
HA3 5AH

Signed by order of the director



X  
MRS RENU RANGER  
Company Secretary

Approved by the director on 18th December 2007

**SEA AIR AND LAND FORWARDING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO SEA AIR AND LAND**  
**FORWARDING LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

I have examined the abbreviated accounts, together with the financial statements of Sea Air And Land Forwarding Limited for the year ended 31st August 2007 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. My work has been undertaken so that I might state to the company those matters I am required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company for my audit work, for this report, or for the opinions I have formed.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITOR**

The director is responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is my 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 OPINION**

I conducted my 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 I have carried out the procedures I 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**

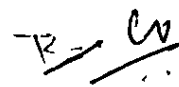
In my opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

**OTHER INFORMATION**

On 18th December 2007 I reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st August 2007, and the full text of the company audit report is reproduced on pages 4 to 5 of these financial statements.

Station House  
11 Masons Avenue  
Harrow  
Middlesex HA3 5AH

18th December 2007



**BHAGANI & CO**  
Chartered Accountants  
& Registered Auditor

**BHAGANI & Co.,**  
CHARTERED ACCOUNTANTS  
STATION HOUSE  
11 MASON'S AVENUE, HARROW,  
MIDDLESEX HA3 5AH  
TEL. 061 2000 FAX 061 1207

**SEA AIR AND LAND FORWARDING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**SEA AIR AND LAND FORWARDING LIMITED**  
**YEAR ENDED 31ST AUGUST 2007**

I have audited the financial statements of Sea Air And Land Forwarding Limited for the year ended 31st August 2007 which have been prepared on the basis of the accounting policies set out on page 8

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's shareholders those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for my audit work, for this report, or for the opinions I have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR**

The director's responsibilities for preparing 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 Director's Responsibilities.

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

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you whether in my opinion the information given in the Director's Report is consistent with the financial statements.

In addition I report to you if, in my opinion, the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

I read the Director's Report and consider the implications for my report if I become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

I conducted my 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 director 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.


**SEA AIR AND LAND FORWARDING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**SEA AIR AND LAND FORWARDING LIMITED** *(continued)*  
**YEAR ENDED 31ST AUGUST 2007**

**OPINION**

In my 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 affairs as at 31st August 2007 and of its 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 Director's Report is consistent with the financial statements

Station House  
11 Masons Avenue  
Harrow  
Middlesex HA3 5AH  
  
18th December 2007

  
**BHAGANI & CO**  
Chartered Accountants  
& Registered Auditor

**BHAGANI & Co.,**  
**CHARTERED ACCOUNTANTS**  
**STATION HOUSE**  
**11 MASON'S AVENUE, HARROW,**  
**MIDDLESEX HA3 5AH**  
**TEL: 061-2000 FAX 863 1207**

**SEA AIR AND LAND FORWARDING LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST AUGUST 2007**

	Note	2007 £	2006 £
<b>TURNOVER</b>		<b>5,507,973</b>	<b>4,992,524</b>
Cost of sales		<u>4,188,389</u>	<u>4,077,809</u>
<b>GROSS PROFIT</b>		<b>1,319,584</b>	<b>914,715</b>
Distribution Costs		1,965	1,730
Administrative expenses		771,867	750,134
Other operating income		<u>(2,000)</u>	<u>(120,000)</u>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>547,752</b>	<b>282,851</b>
Profit on disposal of fixed assets		<u>—</u>	<u>7,099</u>
		<b>547,752</b>	<b>289,950</b>
Income from shares in group undertakings	<b>5</b>	<b>3,000</b>	—
Interest receivable		8,648	5,898
Interest payable and similar charges	<b>6</b>	<u>(169,235)</u>	<u>(160,381)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>390,165</b>	<b>135,467</b>
Tax on profit on ordinary activities	<b>7</b>	<u>114,000</u>	<u>36,185</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>276,165</u></b>	<b><u>99,282</u></b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the  
year as set out above

The notes on pages 9 to 17 form part of these abbreviated accounts



# SEA AIR AND LAND FORWARDING LIMITED

## ABBREVIATED BALANCE SHEET

31ST AUGUST 2007

	Note	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	9	3,389,843	3,443,482
Investments	10	10,000	10,000
		<u>3,399,843</u>	<u>3,453,482</u>
<b>CURRENT ASSETS</b>			
Debtors	11	1,249,437	1,088,027
Cash at bank and in hand		454,959	419,985
		<u>1,704,396</u>	<u>1,508,012</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	876,082	813,207
<b>NET CURRENT ASSETS</b>		<u>828,314</u>	<u>694,805</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,228,157</u>	<u>4,148,287</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	13	1,976,889	2,126,549
		<u>2,251,268</u>	<u>2,021,738</u>
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	15	4,194	5,829
		<u>2,247,074</u>	<u>2 015,909</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	16	180,000	180,000
Profit and loss account	17	2,067,074	1,835,909
<b>SHAREHOLDERS' FUNDS</b>	18	<u>2,247,074</u>	<u>2,015,909</u>

These abbreviated accounts were approved and signed by the director and authorised for issue on 18th December 2007

x   
DR R S RANGER

The notes on pages 9 to 17 form part of these abbreviated accounts

# SEA AIR AND LAND FORWARDING LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31ST AUGUST 2007

	Note	2007 £	2006 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	19	422,784	390,265
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	19	(157,587)	(154,483)
TAXATION	19	(30,356)	(38,698)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	19	(400)	11,148
EQUITY DIVIDENDS PAID		(45,000)	(45,000)
CASH INFLOW BEFORE FINANCING		189,441	163,232
FINANCING	19	(154,467)	(70,131)
INCREASE IN CASH	19	<u>34,974</u>	<u>93,101</u>

The notes on pages 9 to 17 form part of these abbreviated accounts

# **SEA AIR AND LAND FORWARDING LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST AUGUST 2007**

### **1 ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

#### **Fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Buildings	2% Straight Line
Plant & Machinery	25% WDV
F&F	25% WDV
Motor Vehicles	25% WDV

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 2 OPERATING PROFIT

Operating profit is stated after charging

	2007	2006
	£	£
Depreciation of owned fixed assets	48,489	53,713
Depreciation of assets held under hire purchase agreements	5,550	10,208
Auditor's remuneration - as auditor	8,000	8,400
Net loss on foreign currency translation	<u>757</u>	<u>838</u>

### 3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2007	2006
	No	No
Sales and distribution	6	8
Administrative staff	<u>10</u>	<u>8</u>
	<u>16</u>	<u>16</u>

The aggregate payroll costs of the above were

	2007	2006
	£	£
Wages and salaries	362,262	357,700
Social security costs	39,559	36,825
Other pension costs	<u>2,333</u>	<u>2,333</u>
	<u>404,154</u>	<u>396,858</u>

### 4. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were

	2007	2006
	£	£
Aggregate emoluments	<u>2,333</u>	<u>2,333</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2007	2006
	No	No
Defined benefit schemes	<u>1</u>	<u>1</u>

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 5. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2007 £	2006 £
Dividend from group undertakings	<u>3,000</u>	<u>—</u>

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Finance charges	2,006	2,369
Other similar charges payable	<u>167,229</u>	<u>158,012</u>
	<u>169,235</u>	<u>160,381</u>

### 7. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year	<u>115,635</u>	<u>30,356</u>
Total current tax	<u>115,635</u>	<u>30,356</u>
Deferred tax		
Origination and reversal of timing differences (note 15)		
Capital allowances	<u>(1,635)</u>	<u>5,829</u>
Tax on profit on ordinary activities	<u>114,000</u>	<u>36,185</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 30% (2006 - 30%)

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>390,165</u>	<u>135,467</u>
Profit on ordinary activities by rate of tax	<u>115,635</u>	<u>30,356</u>
Total current tax (note 7(a))	<u>115,635</u>	<u>30,356</u>

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 8. DIVIDENDS

#### Equity dividends

	2007 £	2006 £
Paid during the year		
Equity dividends on ordinary shares	<u>45,000</u>	<u>45,000</u>

### 9. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>					
At 1 September 2006	3,443,723	173,518	300,000	94,220	4,011,461
Additions	—	400	—	—	400
<b>At 31 August 2007</b>	<u>3,443,723</u>	<u>173,918</u>	<u>300,000</u>	<u>94,220</u>	<u>4,011,861</u>
<b>DEPRECIATION</b>					
At 1 September 2006	120,000	141,808	246,607	59,564	567,979
Charge for the year	24,000	8,027	13,348	8,664	54,039
<b>At 31 August 2007</b>	<u>144,000</u>	<u>149,835</u>	<u>259,955</u>	<u>68,228</u>	<u>622,018</u>
<b>NET BOOK VALUE</b>					
<b>At 31 August 2007</b>	<u>3,299,723</u>	<u>24,083</u>	<u>40,045</u>	<u>25,992</u>	<u>3,389,843</u>
At 31 August 2006	<u>3,323,723</u>	<u>31,710</u>	<u>53,393</u>	<u>34,656</u>	<u>3,443,482</u>

#### Hire purchase agreements

Included within the net book value of £3,389,843 is £16,650 (2006 - £30,622) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £5,550 (2006 - £10,208).

### 10. INVESTMENTS

#### Investment in Group Company

	£
<b>COST</b>	
At 1st September 2006 and 31st August 2007	<u>10,000</u>
<b>NET BOOK VALUE</b>	
<b>At 31st August 2007</b>	<u>10,000</u>
At 31st August 2006	<u>10,000</u>

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 11 DEBTORS

	2007	2006
	£	£
Trade debtors	653,548	629,450
Amounts owed by group undertakings	590,000	450,000
VAT recoverable	—	376
Other debtors	2,654	4,460
Prepayments and accrued income	3,235	3,741
	<u>1,249,437</u>	<u>1,088,027</u>

### 12. CREDITORS: Amounts falling due within one year

	2007	2006
	£	£
Bank loans	244,888	244,888
Trade creditors	290,589	296,730
Other creditors including taxation and social security		
Corporation tax	115,635	30,356
PAYE and social security	9,868	9,558
VAT	545	—
Hire purchase agreements	8,813	13,620
Other creditors	—	3
	<u>134,861</u>	<u>53,537</u>
Accruals and deferred income	205,744	218,052
	<u>876,082</u>	<u>813,207</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007	2006
	£	£
Bank loans	<u>244,888</u>	<u>244,888</u>

### 13. CREDITORS: Amounts falling due after more than one year

	2007	2006
	£	£
Bank loans and overdrafts	1,973,007	2,068,854
Other creditors		
Hire purchase agreements	3,882	12,695
Director's current account	—	45,000
	<u>3,882</u>	<u>57,695</u>
	<u>1,976,889</u>	<u>2,126,549</u>

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 13. CREDITORS: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007 £	2006 £
Bank loans and overdrafts	<u>1,973,007</u>	<u>2,068,854</u>

### 14. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2007 £	2006 £
Amounts payable within 1 year	8,813	13,620
Amounts payable between 2 to 5 years	<u>3,882</u>	<u>12,695</u>
	<u>12,695</u>	<u>26,315</u>

### 15 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2007 £	2006 £
Provision brought forward	5,829	-
Profit and loss account movement arising during the year	<u>(1,635)</u>	<u>5,829</u>
Provision carried forward	<u>4,194</u>	<u>5,829</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	<u>4,194</u>	<u>5,829</u>
	<u>4,194</u>	<u>5,829</u>



# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 16 SHARE CAPITAL

Authorised share capital.

	2007 £	2006 £
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

Allotted, called up and fully paid:

	2007 No	£	2006 No	£
Ordinary shares of £1 each	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>

### 17. PROFIT AND LOSS ACCOUNT

	2007 £	2006 £
Balance brought forward	1,835,909	1,781,627
Profit for the financial year	276,165	99,282
Equity dividends	<u>(45,000)</u>	<u>(45,000)</u>
Balance carried forward	<u>2,067,074</u>	<u>1,835,909</u>

### 18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit for the financial year	276,165	99,282
Equity dividends	<u>(45,000)</u>	<u>(45,000)</u>
Net addition to shareholders' funds	231,165	54,282
Opening shareholders' funds	<u>2,015,909</u>	<u>1,961,627</u>
Closing shareholders' funds	<u>2,247,074</u>	<u>2,015,909</u>

### 19. NOTES TO THE STATEMENT OF CASH FLOWS

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating profit	547,752	282,851
Depreciation	54,039	63,921
Increase in debtors	(161,410)	(27,740)
(Decrease)/increase in creditors	<u>(17,597)</u>	<u>71,233</u>
Net cash inflow from operating activities	<u>422,784</u>	<u>390,265</u>

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 19. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

#### RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2007	2006
	£	£
Income from group undertakings	3,000	—
Interest received	8,648	5,898
Interest paid	(167,229)	(158,012)
Interest element of hire purchase	<u>(2,006)</u>	<u>(2,369)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(157,587)</u>	<u>(154,483)</u>

#### TAXATION

	2007	2006
	£	£
Taxation	<u>(30,356)</u>	<u>(38,698)</u>

#### CAPITAL EXPENDITURE

	2007	2006
	£	£
Payments to acquire tangible fixed assets	(400)	(11,078)
Receipts from sale of fixed assets	<u>—</u>	<u>22,226</u>
Net cash (outflow)/inflow from capital expenditure	<u>(400)</u>	<u>11,148</u>

#### FINANCING

	2007	2006
	£	£
Repayment of bank loans	(95,847)	(97,727)
Capital element of hire purchase	(13,620)	(17,404)
Director's current account	<u>(45,000)</u>	<u>45,000</u>
Net cash outflow from financing	<u>(154,467)</u>	<u>(70,131)</u>

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2007

### 19. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

#### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007	2006
	£	£
Increase in cash in the period	34,974	93,101
Net cash outflow from bank loans	95,847	97,727
Cash outflow in respect of hire purchase	13,620	17,404
Cash outflow from/(inflow) from director's long-term loans	<u>45,000</u>	<u>(45,000)</u>
	<u>189,441</u>	<u>163,232</u>
Change in net debt	189,441	163,232
Net debt at 1 September 2006	<u>(1,965,072)</u>	<u>(2,128,304)</u>
Net debt at 31 August 2007	<u>(1,775,631)</u>	<u>(1,965,072)</u>

#### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2006 £	Cash flows £	At 31 Aug 2007 £
Net cash			
Cash in hand and at bank	<u>419,985</u>	<u>34,974</u>	<u>454,959</u>
Debt			
Debt due within 1 year	(244,888)	—	(244,888)
Debt due after 1 year	(2,113,854)	140,847	(1,973,007)
Hire purchase agreements	(26,315)	13,620	(12,695)
	<u>(2,385,057)</u>	<u>154,467</u>	<u>(2,230,590)</u>
Net debt	<u>(1,965,072)</u>	<u>189,441</u>	<u>(1,775,631)</u>