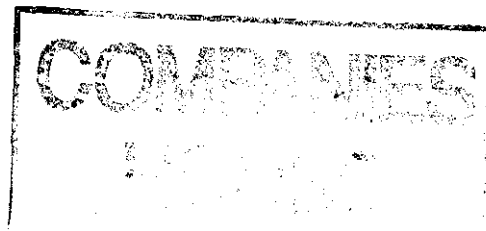


**SEAFOOD MARKETING INTERNATIONAL PLC
AND SUBSIDIARY UNDERTAKING**

ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2001



JMA
COMPANIES HOUSE
COMPANIES HOUSE

JBSUHEAH

0125
17/09/02
30/08/02

**ROYCE PEELING GREEN
CHARTERED ACCOUNTANTS
HILTON CHAMBERS
15 HILTON STREET
MANCHESTER
M1 1JL**

COMPANY INFORMATION AND CONTENTS

Directors	I Ahmed K Ahmed B Ahmed
Secretary	B Ahmed
Company Number	2575875
Registered Office	Seamark House Edge Lane Droylsden Manchester M43 6BB
Auditors	Royce Peeling Green Hilton Chambers 15 Hilton Street Manchester M1 1JL
Bankers	Barclays Bank plc 51 Mosley Street Manchester M60 2AU

CONTENTS

Page	
1 and 2	Directors' Report
3	Auditors' Report
4	Consolidated Profit and Loss Account
5	Consolidated Balance Sheet
6	Balance Sheet
7	Consolidated Cash Flow Statement
8 to 17	Notes to the Financial Statements

DIRECTORS' REPORT

The directors submit their annual report and audited financial statements for the year ended 31 December 2001.

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 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;

follow applicable accounting standards, 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 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 to 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The loss before taxation was £58,635 and after crediting tax recoverable of £68,836 retained profits of £10,201 have been transferred to reserves.

The retained earnings carried forward to next year are £7,918,550.

The directors do not recommend the payment of a final dividend.

TRADING ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Group continued to be the storage, processing and wholesaling of frozen seafoods and poultry.

In common with many in this industry, the company has experienced a very difficult trading year. This was particularly evident in the final quarter with the impact of September 11th leading to a significant fall in sales prices. As the lead time for the company's purchases is significant, a considerable quantity of stock was held which could not be sold at normal profit margins. The company has traded through this period and volumes were increased although margins were hit.

The directors are pleased to report that the early part of 2002 has seen an increase in prices and that the company is now seeing the rewards of continuing to purchase significant volumes at the lower prevailing prices in late 2001.

The directors predict an increase in sales in the current year with forecast profits exceeding £2million.

The directors are pleased with the progress made in the first year of trading in Bangladesh. It is envisaged that during the year ending 31 December 2002, the business of Seafood Marketing (Bangladesh) Limited will be acquired by a Bangladesh based company due to problems encountered in operating a UK registered company in Bangladesh.

DIRECTORS' REPORT (continued)

DIRECTORS

The directors and their beneficial interests in the share capital of the company were as follows:-

	<u>ORDINARY SHARES OF £1 EACH</u>	
	<u>As at</u> <u>31.12.2001</u>	<u>As at</u> <u>1.1.2001</u>
I. Ahmed	20,000	20,000
K. Ahmed	20,000	20,000
B. Ahmed	20,000	20,000

None of the directors had any material interest, direct or indirect, in any significant contract entered into by the group.

INTRODUCTION TO THE EURO

The directors are aware of the potential impact of introduction of the Euro and are committed to ensuring that the company's systems will be compliant.

The directors do not expect the final costs to be significant.

POLICY AND PRACTICE ON PAYMENTS TO SUPPLIERS

It is the Company's policy that the terms of payments to suppliers are agreed in advance and that payments are made in accordance with those terms provided the suppliers have complied with their contractual obligations. At 31 December 2001 the Company had 48 days purchases outstanding.

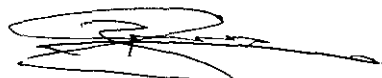
FIXED ASSETS

Full details of changes in fixed assets are shown in the notes to the financial statements

AUDITORS

The Auditors' Messrs. Royce Peeling Green, Chartered Accountants, have expressed their willingness to continue in office and a resolution regarding their appointment and remuneration will be submitted to the Annual General Meeting.

By Order of the Board:



B. AHMED
DIRECTOR

28TH AUGUST 2002

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

SEAFOOD MARKETING INTERNATIONAL PLC AND SUBSIDIARY UNDERTAKING

We have audited the financial statements of Seafood Marketing International Plc and its subsidiary undertaking on pages 4 to 17 for the year ended 31 March 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the group'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 gives 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 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 transactions with the group is not disclosed.

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

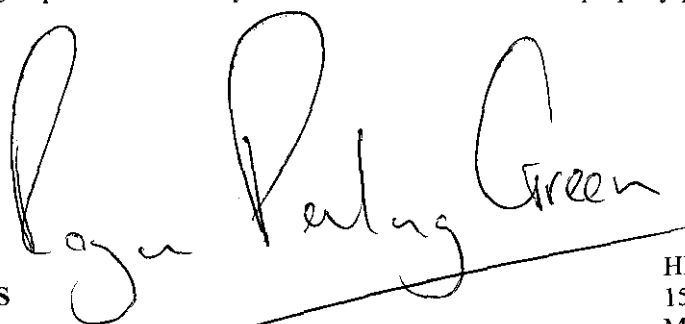
Basis of audit opinion

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 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 mis-statement, 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 affairs of the group and the company as at 31 December 2001 and of the group's result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ROYCE PEELING GREEN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
30 AUGUST 2002

HILTON CHAMBERS
15 HILTON STREET
MANCHESTER
M1 1JL

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Turnover of the Group	2	58,059,107	52,994,139
Cost of sales		(53,484,105)	(46,718,419)
Gross Profit		4,575,002	6,275,720
Administrative expenses		(3,858,514)	(2,802,748)
Other operating income		1,045	-
Operating Profit		717,533	3,472,972
Interest receivable	3	182,379	95,860
Interest payable	4	(958,547)	(1,009,918)
Profit on ordinary activities before taxation		(58,635)	2,558,914
Taxation	6	68,836	(734,720)
Profit on ordinary activities after taxation		10,201	1,824,194
Dividends		-	-
Retained profit transferred to reserves	7	10,201	1,824,194

All amounts relate to continuing activities

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

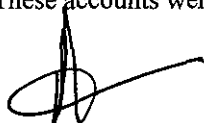
The notes on pages 8 to 17 form part of these financial statements

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	£	£
Fixed Assets					
Tangible assets	8		3,630,107		4,567,169
Current Assets					
Stock	11	15,896,388		16,955,634	
Debtors	12	8,302,741		7,827,532	
Cash at bank and in hand		123,096		35,331	
		24,322,225		24,818,497	
Creditors					
Amounts falling due within one year	13	(17,821,393)		(18,306,536)	
Net Current Assets			6,500,832		6,511,961
Total Assets less Current Liabilities			10,130,939		11,079,130
Creditors					
Amounts falling due after more than one year	14		(2,038,537)		(3,007,232)
Provision for Liabilities and Charges					
Deferred taxation	16		(112,697)		(101,349)
Deferred Income					
Government grants	17		(1,155)		(2,200)
			7,978,550		7,968,349
Capital and Reserves					
<i>Equity Interests</i>					
Share capital	18		60,000		60,000
Profit and loss account	19		7,918,550		7,908,349
TOTAL SHAREHOLDERS' FUNDS	20		7,978,550		7,968,349

These accounts were approved by the board on

28th August 2002


K. AHMED
DIRECTOR

The notes on pages 8 to 17 form part of these financial statements

SEAFOOD MARKETING INTERNATIONAL PLC

BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed Assets					
Tangible assets	8	3,593,100		4,561,857	
Investments	9	100		100	
		<u>3,593,200</u>		<u>4,561,957</u>	
Current Assets					
Stock	11	15,396,717		16,955,634	
Debtors	12	8,580,555		7,847,627	
Cash at bank and in hand		28		53	
		<u>23,977,300</u>		<u>24,803,314</u>	
Creditors					
Amounts falling due within one year	13	<u>(17,382,516)</u>		<u>(18,178,536)</u>	
Net Current Assets		<u>6,594,784</u>		<u>6,624,778</u>	
Total Assets less Current Liabilities		<u>10,187,984</u>		<u>11,186,735</u>	
Creditors					
Amounts falling due after one year	14	(2,038,537)		(3,007,232)	
Provision for Liabilities and Charges					
Deferred taxation	16	(112,697)		(101,349)	
Deferred Income					
Government grants	17	<u>(1,155)</u>		<u>(2,200)</u>	
		<u>8,035,595</u>		<u>8,075,954</u>	
Capital and Reserves					
<i>Equity Interests</i>					
Share capital	18	60,000		60,000	
Profit and loss account	19	<u>7,975,595</u>		<u>8,015,954</u>	
TOTAL SHAREHOLDERS' FUNDS	20	<u>8,035,595</u>		<u>8,075,954</u>	

These accounts were approved by the board on

28th August 2002



K. AHMED

DIRECTOR

The notes on pages 8 to 17 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Cash Inflow from Operating Activities	21		968,117		280,764
Returns on Investments and Servicing of Finance	22		(776,168)		(898,249)
Taxation			(182,775)		(1,017,858)
Capital expenditure and financial investment	22		(133,847)		(1,033,747)
Cash (outflow)/inflow before use of liquid resources and financing			(124,673)		(2,669,090)
Financing	22		(1,225,589)		774,844
(Decrease)/Increase in cash in the year			(1,350,262)		(1,894,246)
Reconciliation of net cash flow to movement in net debt					
(Decrease)/Increase in cash in the year		(1,350,262)		(1,894,246)	
Cash (inflow)/outflow from (increase)/decrease in debt and lease funding		1,225,589		(774,844)	
Change in net debt resulting from cash flows			(124,673)		(2,669,090)
Other non-cash movements					
New finance leases			-		(1,233,923)
Movement in net debt in the year			(124,673)		(3,903,013)
Net debt at 1 January 2001			(11,246,183)		(7,343,170)
Net debt at 31 December 2001	23		(11,370,856)		(11,246,183)

The notes on pages 8 to 17 form part of these financial statements

1 PRINCIPAL ACCOUNTING POLICIES***Accounting Convention***

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Basis of Consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the parent undertaking and all subsidiary undertakings made up to the end of the financial year.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value of all tangible fixed assets other than freehold land, over their expected useful lives. The rates generally used are:-

Freehold buildings	4% straight line
Plant and machinery	20% - 33% straight line
Fixtures and fittings	10%-20% straight line
Motor vehicles	20%-25% straight line

Stock and work in progress

Stocks are stated at the lower of cost and net realisable value.

Government Grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the Profit and Loss Account by annual instalments over the expected useful lives of the relevant assets.

Government grants or assistance of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

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 operating profit.

Contributions to Pension Funds

The pension costs charged against profits represent the amount of contributions payable to the scheme in respect of the accounting period.

Deferred Taxation

Deferred taxation is provided at the current rate of corporation tax on the liability method, in respect of tax deferred by taxation allowances and timing differences, except to the extent that there is a reasonable probability that a liability will not become payable within the foreseeable future.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The corresponding obligations are included in the balance sheet as creditors. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other assets are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

2 TURNOVER

The turnover and operating profit for the year was derived from the company's principal activity.

The geographical analysis of turnover is as follows:

	2001	2000
	£	£
Italy	7,979,811	9,219,823
Belgium	6,249,137	4,820,318
Germany	13,252,378	9,672,391
Other exports	13,238,185	16,811,556
United Kingdom	17,339,596	12,470,051
	<u>58,059,107</u>	<u>52,994,139</u>

3 OPERATING PROFIT

The operating profit is stated after charging or crediting:

	2001	2000
	£	£
Other operating lease rentals	139,989	84,500
Amounts payable to the auditors in respect of audit services	25,154	19,179
Depreciation - owned assets	431,311	199,741
Depreciation - assets held under hire purchase and finance lease contracts	639,598	392,813
Profit on disposal of other fixed assets	-	(4,250)
Grants transferred from deferred income	(1,045)	(1,045)
Loss/(Profit) on foreign exchange	364,086	(156,630)

4 INTEREST PAYABLE

	2001	2000
	£	£
Interest on bank loans and overdrafts, and other loans wholly repayable within 5 years	694,122	731,893
Finance charges in respect of finance leases	148,760	133,854
Hire purchase interest	112,934	144,171
Other interest	2,731	-
	<u>958,547</u>	<u>1,009,918</u>

5 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2001	2000
	£	£
Wages and salaries	1,785,034	1,452,573
Social security costs	141,693	122,715
Pension costs	86,100	238,100
	<u>2,012,827</u>	<u>1,813,388</u>

The average weekly number of employees was

	2001	2000
Management	10	3
Administration	32	26
Production	129	118
	<u>171</u>	<u>147</u>

Remuneration in respect of directors was as follows:

	2001	2000
	£	£
Management remuneration	200,000	200,000
Pensions	86,100	238,100
	<u>286,100</u>	<u>438,100</u>

Retirement benefits are accruing to 3 (2000-3) directors under money purchase schemes.

Highest Paid Director

	2001	2000
	£	£
Aggregate emoluments	88,000	88,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

6 TAXATION*Based on the profit for the year*

	2001 £	2000 £
UK Corporation tax at 30% (2000: 30%)	(42,477)	696,058
Deferred tax charge	11,348	101,349
	(31,129)	797,407
Prior year adjustments - corporation tax	(37,707)	(62,687)
	(68,836)	734,720

7 PROFIT FOR THE FINANCIAL YEAR

	2001 £	2000 £
Dealt with in the accounts of the holding company	(90,659)	1,931,799
Retained by subsidiaries	100,860	(107,605)
	10,201	1,824,194

The company has taken advantage of the exemption from presenting its own profit and loss account.

8 TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings £	Plant and Machinery £	Motor Vehicles	Fixtures & Fittings £	Total £
Cost					
At 1.1.2001	1,321,875	6,081,838	41,792	84,683	7,530,188
Additions	-	124,551	26,731	1,406	152,688
Disposals	-	-	(23,764)	-	(23,764)
At 31.12.2001	1,321,875	6,206,389	44,759	86,089	7,659,112
Depreciation					
At 1.1.2001	179,510	2,725,475	12,451	45,583	2,963,019
Charge for the year	44,880	1,005,528	11,516	8,985	1,070,909
Disposals	-	-	(4,923)	-	(4,923)
At 31.12.2001	224,390	3,731,003	19,044	54,568	4,029,005
Net Book Value					
Owned assets	1,097,485	1,165,098	25,715	31,521	2,319,819
Leased assets	-	1,310,288	-	-	1,310,288
At 31.12.2001	1,097,485	2,475,386	25,715	31,521	3,630,107
Owned assets	1,142,365	1,406,477	29,341	39,100	2,617,283
Leased assets	-	1,949,886	-	-	1,949,886
At 31.12.2000	1,142,365	3,356,363	29,341	39,100	4,567,169
Analysis of Freehold land and buildings					
	Land £	Buildings £	Total £		
Cost	200,000	1,121,875	1,321,875		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

8 TANGIBLE FIXED ASSETS (continued)

Company	Freehold Land and Buildings	Plant and Machinery	Motor Vehicles	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 January 2001	1,321,875	6,080,228	41,792	80,981	7,524,876
Additions	-	97,291	19,000	-	116,291
Disposals	-	-	(23,764)	-	(23,764)
At 31 December 2001	1,321,875	6,177,519	37,028	80,981	7,617,403
Depreciation					
At 1 January 2001	179,510	2,725,475	12,451	45,583	2,963,019
Charged for the year	44,880	1,002,480	10,743	8,104	1,066,207
Eliminated on disposal	-	-	(4,923)	-	(4,923)
At 31 December 2001	224,390	3,727,955	18,271	53,687	4,024,303
Net Book Value					
Owned assets	1,097,485	1,139,276	18,757	27,294	2,282,812
Leased assets	-	1,310,288	-	-	1,310,288
At 31 December 2001	1,097,485	2,449,564	18,757	27,294	3,593,100
Owned assets	1,142,365	1,404,867	29,341	35,398	2,611,971
Leased assets	-	1,949,886	-	-	1,949,886
At 31 December 2000	1,142,365	3,354,753	29,341	35,398	4,561,857

9 FIXED ASSETS INVESTMENTS

Company	Shares in Group Undertakings
Cost	£
At 1 January 2001	100
At 31 December 2001	100
Net Book Value	
At 31 December 2001	100
At 31 December 2000	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

10 PRINCIPAL FIXED ASSET INVESTMENTS

The company holds more than 10% of the share capital of the following:

Name	Country of registration	Class of share	Proportion held	Nature of business
<i>Principal subsidiary undertakings:</i>				
Seafood Marketing (Bangladesh) Limited	England & Wales	Ordinary	100%	Seafood Processing
			Profit for year	Aggregate Capital and Reserves at 31.12.01
			£	£
Seafood Marketing (Bangladesh) Limited			100,860	(6,645)

The accounts reference date for the subsidiary undertaking is coterminous with that of the company.

11 STOCKS

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Raw materials	11,579,511	14,118,277	11,594,912	14,118,277
Finished goods	4,316,877	2,837,357	3,801,805	2,837,357
	<u>15,896,388</u>	<u>16,955,364</u>	<u>15,396,717</u>	<u>16,955,634</u>

12 DEBTORS

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Trade debtors	7,482,962	7,253,536	7,482,962	7,253,536
Amounts owed by group undertakings	-	-	480,141	29,215
Amounts owed by related undertakings	389,071	287,134	213,704	287,134
Corporation Tax	42,477	-	42,477	-
Other debtors	214,248	251,643	187,288	242,523
Prepayments and accrued income	173,983	35,219	173,983	35,219
	<u>8,302,741</u>	<u>7,827,532</u>	<u>8,580,555</u>	<u>7,847,627</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

13 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans and overdrafts	8,933,386	7,495,359	8,933,386	7,495,359
Obligations under hire purchase and finance lease contracts	522,029	778,923	522,029	778,923
Trade creditors	6,852,214	8,453,713	7,012,016	8,445,739
Amounts owed to related undertakings	164,492	114,485	-	-
Corporation tax	158,889	379,371	158,889	379,371
Other taxation and social security	35,729	46,256	35,729	46,256
Other creditors	516,128	172,964	154,123	172,964
Accruals and deferred income	638,526	865,465	566,344	859,924
	<u>17,821,393</u>	<u>18,306,536</u>	<u>17,382,516</u>	<u>18,178,536</u>

Bank loans and overdrafts are secured on the company's assets by way of a fixed and floating debenture dated 28 May 1992.

Included in other creditors are directors' loan accounts of £154,123 (2000 - £172,964).

14 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group and Company	2001	2000
	£	£
Bank loans	1,290,014	1,736,678
Obligations under hire purchase and finance lease contracts	<u>748,523</u>	<u>1,270,554</u>
	<u>2,038,537</u>	<u>3,007,232</u>
	2001	2000
	£	£
Bank loans repayable by instalments as follows:-		
Between one and two years	446,664	446,664
Between two and five years	789,992	1,129,992
After five years	<u>53,358</u>	<u>160,022</u>
	1,290,014	1,736,678
Within one year	<u>446,664</u>	<u>446,664</u>
	<u>1,736,678</u>	<u>2,183,342</u>

Bank loans include a loan of £586,678 which is secured by a charge over the company's freehold land and buildings. It is repayable by instalments over the period to 29 May 2007 and interest is charged at 2% over LIBOR.

Bank loans include a loan of £1,050,000 which is secured by a charge over the company's freehold land and buildings. It is repayable by instalments over the period to 19 June 2005 and interest is charged at 1.75% over LIBOR.

Bank loans include an unsecured loan of £100,000 which is repayable by equal instalments over the period to 19 May 2004. Fixed interest charges of £29,633 are repayable over the same period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

15 HIRE PURCHASE CREDITORS**Group and Company**

Obligations under finance lease and hire purchase creditors are analysed as follows:

	2001	2000
	£	£
Within one year	522,029	778,923
Between one and two years	295,367	522,028
Between two and five years	453,156	748,526
	<u>1,270,552</u>	<u>2,049,477</u>

Obligations under finance leases and hire purchase contracts are secured on the assets concerned.

16 DEFERRED TAXATION**Group and Company**

Deferred taxation provided and unprovided for in the financial statement is set out below. Any amount unprovided represents a contingent liability at the Balance Sheet date and is calculated using a tax rate of 30%.

	Amount Provided		Amount Unprovided	
	2001	2000	2001	2000
	£	£	£	£
Accelerated capital allowances	112,697	101,349	-	-
	<u>112,697</u>	<u>101,349</u>	<u>-</u>	<u>-</u>

The movement on deferred taxation is as follows:-

	£
Charge for the year	<u>11,348</u>

17 GOVERNMENT GRANTS**Group and Company**

	2001	2000
	£	£
At 1 January 2001	2,200	3,245
Grants received during the year	-	-
Transferred to profit and loss account during the year	<u>(1,045)</u>	<u>(1,045)</u>
At 31 December 2001	<u>1,155</u>	<u>2,200</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

18 SHARE CAPITAL

Authorised	Number	£
Ordinary shares of £1 each	100,000	100,000
Allotted, issued and fully paid	Number	£
Ordinary shares of £1 each at 31 December 2000 and 31 December 2001	60,000	60,000

19 RESERVES

	Profit and Loss Account £
At 1 January 2001	7,908,349
Profit for the year	10,201
	<u>7,918,550</u>

20 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	10,201	1,824,194
Increase in shareholders' funds	10,201	1,824,194
Opening shareholders' funds	7,968,349	6,144,155
Closing shareholders' funds	<u>7,978,550</u>	<u>7,968,349</u>

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

	2001 £	2000 £
Operating profit	717,533	3,472,972
Depreciation charges	1,070,909	592,554
(Profit) on sale of fixed assets	-	(4,250)
Decrease/(Increase) in stocks	1,059,246	(2,541,808)
Government grants transferred from deferred income	(1,045)	(1,045)
(Increase) in debtors	(432,732)	(975,028)
(Reduction) in creditors	(1,445,794)	(262,631)
Net cash inflow from operating activities	<u>968,117</u>	<u>280,764</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

22 GROSS CASH FLOWS

	2001	
	£	£
<i>Returns on investments and servicing of finance</i>		
Interest received	182,379	95,860
Interest paid	(696,852)	(849,938)
Hire purchase and finance lease interest	(261,695)	(144,171)
Net cash (outflow) for returns on investments and servicing of finance	(776,168)	(898,249)
<i>Capital expenditure and finance investment</i>		
Purchase of tangible fixed assets	(152,688)	(1,061,747)
Proceeds of sale of fixed assets	18,841	28,000
Net cash inflow/(outflow) for capital expenditure and financial investment	(133,847)	(1,033,747)
<i>Financing</i>		
Debt due after one year:		
New long term loans	-	1,500,000
Repayment of long term loans	(446,664)	(296,664)
Other:	(446,664)	1,203,336
Capital element of finance lease rentals	(778,925)	(428,492)
Government grants	-	-
	(778,925)	(428,492)
<i>Other</i>	(1,225,589)	774,844

23 ANALYSIS OF NET DEBT

	At 1 January 2001 £	Cash flow £	Other non- cash changes £	At 31 December 2001 £
Cash in hand and at bank	35,331	87,765	-	123,096
Overdrafts	(7,048,695)	(1,438,027)	-	(8,486,722)
	(7,013,364)	(1,350,262)	-	(8,363,626)
Debt due within one year	(446,664)	-	-	(446,664)
Debt due after one year	(1,736,678)	446,664	-	(1,290,014)
Finance leases	(2,049,477)	778,925	-	(1,270,552)
Total	(11,246,183)	(124,673)	-	(11,370,856)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

24 OPERATING LEASE COMMITMENTS

Group and Company

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the next financial year:

	2001	Other 2000	Land and buildings 2001 £	2000 £
Expiring:				
Within one year	-	-	-	-
Within two to five years	36,668	-	140,000	119,149
After five years	-	-	-	-
	<u>36,688</u>	<u>-</u>	<u>-</u>	<u>119,149</u>

25 PENSIONS – DEFINED CONTRIBUTION SCHEME

Group and Company

The company operates a defined contribution pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

There were no outstanding or prepaid contributions at the balance sheet date.

	2001 £	2000 £
Contributions payable by the company for the year	86,100	238,100

26 RELATED PARTY TRANSACTIONS

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

Iqbal Brothers and Company

Sales to £7,688,392 (2000 - £6564,200)

Purchases from £123,035 (2000 - £385,839)

Balance due from £389,071 (2000 - £213,704)

Ibco Enterprises

Rent paid £139,989 (2000 - £84,500)

Seafood Marketing (Bangladesh) Limited was charged rent of £58,908 (2000 nil) by Logistics Export Limited, a company controlled by the company's directors. At 31 December 2001, Logistics Export Limited was owed £211,163 (2000 £114,485).

Included in Other Creditors is an amount of £232,254 (2000 Nil) due to Mrs S N Khanom, the mother of the company's three directors.

27. CAPITAL COMMITMENT

At 31 December 2001, the company had capital commitments as follows:-

	2001 £	2000 £
Contracted for but not provided for in the financial statements	595,000	-