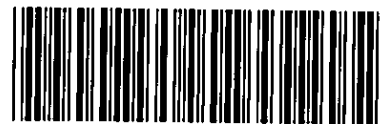


Redcliffe International (Shipping) Limited  
Directors' report and financial  
statements for the year ended  
31 December 2008

Company number 2674289

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COMPANIES HOUSE

**DIRECTORS**

D Shaw  
RA Leech  
MM Kendall  
MC Bishop  
P Sunderland  
F France

**SECRETARY**

MC Bishop

**REGISTERED OFFICE**

7 Albert Court  
Prince Consort Road  
London  
SW7 2BJ

**AUDITORS**

Roffe Swayne

## Directors' Report

For the year ended 31 December 2008

**Financial statements**

The Directors present their report and audited financial statements for the year ended 31 December 2008. This Directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and 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 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; and
- 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Acts 1985 and 2006. They are 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.

**Principal activity**

The principal activity of the Company during the year was specialist freight forwarding and road transport.

Results and dividend	2008	2007
	£	£
Profit for the year transferred to reserves	413,035	121,720

The Directors recommend the payment of a dividend of £250,000 for the year ended 31 December 2008 (2007 - £nil).

**Directors**

Directors, who served throughout the year and subsequently, except as noted, were as follows:

D Shaw

RA Leech

MM Kendall (appointed 31 January 2008)

MC Bishop (appointed 31 January 2008)

P Sunderland (appointed 31 January 2008)

F France (appointed 1 January 2009)

**Disclosure of information to Auditors**

The Directors have discussed with the Auditors, as part of the clearance and review process, 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 circumstances of the Company, consistently applied and adequately disclosed.

Directors' Report

For the year ended 31 December 2008

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**Disclosure of information to Auditors *continued***

The discussion with the Auditors also covered points arising from the work the Auditors performed during their audit; and explanations were given where the Auditors considered them necessary in order to provide them 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.

As a result of these discussions, as far as each of the Directors who held office at 10 June 2009 are aware:

- there is no relevant audit information (as defined by section 234ZA of the Companies Act 1985) of which the Company's Auditors are unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

**Political and charitable donations**

During the year, the Company made no political donations but made charitable donations totalling £918 (2007 - £700) principally to local charities serving the communities in which the Company operates.

This report was approved by the Board on 10 June 2009 and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.



MC Bishop  
Director

**Redcliffe International (Shipping) Limited**  
**Independent Auditors' Report**  
For the year ended 31 December 2008

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**Report of the Independent Auditors to the Shareholders of Redcliffe International (Shipping) Limited**

We have audited the financial statements of Redcliffe International (Shipping) Limited for the year ended 31 December 2008 on pages 6 to 15. These financial statements have been prepared with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 the Directors and Auditors**

The Directors' responsibilities for preparing the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out 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 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 Company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement 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 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.

Independent Auditors' Report

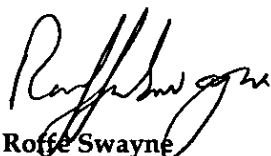
For the year ended 31 December 2008

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**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 affairs at 31 December 2008 and of the profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information in the Directors' Report is consistent with the financial statements.



Roffe Swayne

Chartered Accountants and Registered Auditors

Ashcombe Court

Woolsack Way

Godalming

Surrey

GU7 1LQ

11 June 2009

# Redcliffe International (Shipping) Limited

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## Profit and Loss Account

For the year ended 31 December 2008

	Notes	2008 £	2007 £
Turnover	2	8,275,354	4,936,029
Cost of sales		(6,401,834)	(3,671,395)
Gross profit		1,873,520	1,264,634
Administrative expenses		(1,269,179)	(1,056,688)
Other costs		-	(4,255)
Profit on ordinary activities before interest	3	604,341	203,691
Net interest payable	4	(5,934)	(10,250)
Profit on ordinary activities before taxation		598,407	193,441
Tax charge on profit on ordinary activities	5	(185,372)	(71,721)
Profit on ordinary activities after taxation and retained for the financial year	15	413,035	121,720

All the results above derive from continuing activities and there were no acquisitions in the year.

The accompanying notes form an integral part of this profit and loss account.

## Statement of Total Recognised Gains and Losses

For the year ended 31 December 2008

There were no recognised gains and losses other than the profits for the years ended 31 December 2008 and 2007.

# Redcliffe International (Shipping) Limited

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## Balance Sheet

As at 31 December 2008

	Notes	2008	2007
		£	£
<b>Fixed assets</b>			
Tangible assets	6	133,963	130,927
Investments	7	59	59
		<b>134,022</b>	<b>130,986</b>
<b>Current assets</b>			
Debtors	8	2,549,974	1,625,058
Cash at bank and in hand		688,076	97,721
		<b>3,238,050</b>	<b>1,722,779</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(2,487,239)</b>	<b>(1,351,456)</b>
<b>Net current assets</b>		<b>750,811</b>	<b>371,323</b>
<b>Total assets less current liabilities</b>		<b>884,833</b>	<b>502,309</b>
<b>Creditors: amounts falling due after more than one year</b>	10	<b>(9,928)</b>	<b>(35,347)</b>
<b>Provisions for liabilities and charges</b>	12	<b>-</b>	<b>(5,092)</b>
<b>Net assets</b>		<b>874,905</b>	<b>461,870</b>
<b>Capital and reserves</b>			
Called up share capital	14	50,000	50,000
Profit and loss account	15	824,905	411,870
<b>Equity shareholders' funds</b>	16	<b>874,905</b>	<b>461,870</b>

The accompanying notes form an integral part of this balance sheet.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements on pages 6 to 15 were approved by the Board on 10 June 2009 and signed on its behalf by:



MM Kendall

Director

10 June 2009



## Notes to the financial statements

For the year ended 31 December 2008

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**1 Accounting policies***Accounting convention*

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and with the Financial Reporting Standard for Smaller Entities (effective January 2007). The accounting policies have been applied consistently throughout the year and the preceding year.

*Revenue recognition*

Revenue is recognised in the financial statements based on the date of invoices. Invoices are raised once all contractual obligations have been fulfilled.

*Tangible fixed assets*

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, apart from freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plant and machinery	3-10 years straight line
Motor vehicles	4 years straight line

*Investments*

Investments are stated at cost less provision for any permanent diminution in value.

*Taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that had been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**1 Accounting policies *continued***

***Foreign currency***

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Profits or losses arising on foreign currencies are dealt with in the profit and loss account against the transactions to which they relate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

***Pensions***

The Company operates two defined contribution schemes. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

***Related party***

The Company is a related party with Charles Kendall Group Limited, its Ultimate Parent Undertaking. As a wholly owned subsidiary, the Company is taking advantage of the exemption, under FRS 8: Related Party Disclosure, from making further disclosure of transactions with Charles Kendall Group Limited, and its fellow Subsidiary Undertakings.

***Finance leases and hire purchase commitments***

Assets acquired 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 charges 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 obligations outstanding in each period.

***Operating leases***

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

***Cash flow exemption***

As a wholly owned subsidiary, the Company is taking advantage of the exemption, under FRS 1 (revised): Cash Flow Statements, from preparing a cash flow statement since its results are included in the published consolidated financial statements of Charles Kendall Group Limited, the Ultimate Parent Undertaking.

## Notes to the financial statements

For the year ended 31 December 2008

**2 Turnover**

Turnover represents the invoiced value of goods and services sold to third parties excluding import duty and value added tax and relates wholly to the principal activity. An analysis of turnover, all of which originates in the United Kingdom, by geographical market is as follows:

	2008 £	2007 £
United Kingdom	5,380,267	3,394,147
Middle East	1,410,623	758,150
North America	46,518	46,930
Europe	993,764	477,535
Rest of the world	444,182	259,267
	<b>8,275,354</b>	<b>4,936,029</b>

**3 Profit on ordinary activities before interest  
is stated after charging/(crediting):**

Auditors' remuneration		
- Previous auditor	10,398	20,970
- Current auditor	9,000	-
Directors' remuneration	227,177	106,044
Depreciation of tangible fixed assets		
- Owned assets	23,927	26,489
- Under finance lease	41,376	37,331
Loss on disposal of tangible assets	-	3,696
(Profit)/loss on foreign currency translation	(88,431)	-
Operating lease rentals		
- plant and equipment	4,444	8,263
- buildings	28,000	33,000

**4 Net interest payable**

Bank loans and overdrafts repayable within five years	202	2,879
Finance lease and hire purchase contracts	5,722	6,757
Other interest payable	14	1,706
	<b>5,938</b>	<b>11,342</b>
Less:		
Interest receivable on bank deposit accounts	(4)	(878)
Other interest receivable	-	(214)
	<b>5,934</b>	<b>10,250</b>

## Notes to the financial statements

For the year ended 31 December 2008

5	Tax charge on profit on ordinary activities	2008 £	2007 £
	Current tax		
	UK corporation tax at 28% (2007 - 30%)	195,822	76,939
	Adjustments in respect of previous periods	(2,538)	(3,918)
	<b>Total current tax</b>	<b>193,284</b>	<b>73,021</b>
	Deferred tax		
	Capital allowances in excess of depreciation	(9,949)	(3,041)
	Adjustments in respect of previous periods	2,037	1,741
	<b>Total deferred tax (note 12)</b>	<b>(7,912)</b>	<b>(1,300)</b>
	<b>Total tax charge on profit on ordinary activities</b>	<b>185,372</b>	<b>71,721</b>

6	Tangible fixed assets	Plant & Machinery £	Motor Vehicles £	Total £
	Cost			
	At 1 January 2008	163,011	253,444	416,455
	Additions	20,809	47,530	68,339
	<b>At 31 December 2008</b>	<b>183,820</b>	<b>300,974</b>	<b>484,794</b>
	Depreciation			
	At 1 January 2008	142,554	142,974	285,528
	Charge for year	8,130	57,173	65,303
	<b>At 31 December 2008</b>	<b>150,684</b>	<b>200,147</b>	<b>350,831</b>
	Net book value			
	<b>At 31 December 2008</b>	<b>33,136</b>	<b>100,827</b>	<b>133,963</b>
	<b>At 31 December 2007</b>	<b>20,457</b>	<b>110,470</b>	<b>130,927</b>

Included within fixed assets are assets held under finance leases or hire purchase contracts with a net book value of £55,743 (2007 - £97,119).

7	Listed Investments	£
	Cost	
	At 1 January 2008 and	3,040
	<b>At 31 December 2008</b>	<b>3,040</b>
	Provision for diminution in value	
	At 1 January 2008 and	2,981
	<b>At 31 December 2008</b>	<b>2,981</b>
	Net book value	
	<b>At 31 December 2008</b>	<b>59</b>
	<b>At 31 December 2007</b>	<b>59</b>

## Notes to the financial statements

For the year ended 31 December 2008

**7 Listed Investments *continued***

Listed investments represent trade investments in listed shares on the London Stock Exchange and elsewhere. These shares had a market value, which is the same as their listed value on the Exchanges, of £59 (2007 - £59) at 31 December 2008.

<b>8 Debtors</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,291,711	1,411,037
Amounts owed by Group undertakings	172,617	171,978
Deferred tax asset (note 12)	2,820	-
Other debtors	24,974	5,057
Prepayments and accrued income	57,852	36,986
	<b>2,549,974</b>	<b>1,625,058</b>

Included in debtors are amounts falling due after more than one year of £171,978 (2007 - £171,978)

<b>9 Creditors: amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Overdrafts	-	127,660
Net obligations under hire purchase contracts (note 11)	27,045	39,916
Trade creditors	1,312,602	901,031
Amounts owed to Group undertakings	533,412	-
Corporation tax	199,689	76,939
Other taxes and social security	-	69,971
Other creditors	94	-
Accruals	414,397	135,939
	<b>2,487,239</b>	<b>1,351,456</b>

For the prior year only the bank overdraft is secured by fixed and floating charges over the assets of the company.

<b>10 Creditors: amounts falling due after more than one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts (note 11)	9,928	35,347

**11 Net obligations under hire purchase contracts*****Maturity of debt***

In one year or less	27,045	39,916
Between one and five years	9,928	35,347
	<b>36,973</b>	<b>75,263</b>

Obligations under hire purchase contracts are secured on the assets to which they relate.

## Notes to the financial statements

For the year ended 31 December 2008

12	Provisions for liabilities and charges	2008	2007
		£	£
	Deferred tax		
	Accelerated capital allowances	(2,820)	5,092
	<i>Movement during the year:</i>		£
	At 1 January 2008		5,092
	Credited to profit and loss account (note 5)		(7,912)
	At 31 December 2008 (note 8)		(2,820)
13	Pensions		
	The company operates two defined contribution pension schemes. The assets of these schemes are held separately from those of the company in independently administered funds. Contributions payable by the Company to the funds amounted to £43,076 (2007 - £44,355). There were no contributions payable to the plan at the year end.		
	The number of directors for whom retirement benefits are accruing under money purchase pension schemes was two (2007 - two). Three directors (2007 - nil) are members of a separate Charles Kendall Group Pension Scheme.		
14	Called up share capital	2008	2007
		Number	£
	Authorised ordinary shares of £1 each	100,000	100,000
	Allotted, issued and fully paid ordinary shares of £1 each	50,000	50,000
15	Profit and loss account		£
	At 1 January 2008		411,870
	Retained profit for the financial year		413,035
	At 31 December 2008		824,905
16	Reconciliation of movements in equity shareholders' funds	2008	2007
		£	£
	Profit for the financial year	413,035	121,720
	Opening equity shareholders' funds	461,870	340,150
	Closing equity shareholders' funds	874,905	461,870

## Notes to the financial statements

For the year ended 31 December 2008

**17 Financial commitments**

At 31 December 2008 the Company had annual commitments under non-cancellable operating leases which expire as follows:

	2008	2007
	£	£
<b>Buildings:</b>		
In over five years	28,000	33,000
<b>Vehicles, plant and equipment:</b>		
Within one year	1,659	1,267
Within two and five years	1,309	13,569

**18 Contingent Liabilities**

The Company has given a bank performance bond in favour of GHQ Jordan Armed Forces amounting to US \$200,000 (2007 - US \$200,000). There were no liabilities in respect of this performance bond outstanding at the year end.

**19 Related party transactions**

In the prior year the Company owed £5,756 to Nicobar Holdings Pension Fund, in which D Shaw and R Leech, Directors of the Company, are the trustees. In 2007 the Company repaid the balance of the loan. Interest paid on the balance of the loan amounted to £1,706. At the balance sheet date the amounts owed to Nicobar Holdings Pension Fund was £nil (2007 - £nil).

On 31 December 2007 the Company sold 100% of the issued share capital of Andaman International Limited and 40% of the share capital of Redcliffe International Shipping Pakistan (Private) Limited (a company incorporated in Pakistan) to D Shaw and R Leech, Directors of the Company, for £1 each.

On 31 December 2007 the Company was owed £38,991 by Redcliffe International Shipping Pakistan (Private) Limited and £21,250 by Redcliffe International Turkey, a branch of the Company. Both loans were sold to D Shaw and R Leech, Directors of Company, for £1.

## 20 Ultimate Parent Undertaking

The Ultimate Parent Undertaking and Ultimate Controlling Party was Redcliffe International Holdings Limited until 24 January 2008.

On 25 January 2008 Charles Kendall Group Limited acquired the entire issued share capital of Redcliffe International Holdings Limited, and accordingly from that date the Directors regard Charles Kendall Group Limited (formerly Charles Kendall & Partners (Investments) Limited), a Company registered in England and Wales, as the Company's Ultimate Parent Undertaking and Ultimate Controlling Party.

Charles Kendall Group Limited is the Parent Undertaking of the largest and smallest group of which the Company is a member and for which group financial statements are drawn up.

Copies of the group financial statements can be obtained from:

The Company Secretary  
Charles Kendall Group Limited  
7 Albert Court  
Prince Consort Road  
London  
SW7 2BJ