

Registered number
02784764

Pacific Manufacturing (UK) Ltd

Report and Accounts

30 September 2013

Fairman Law

Chartered Accountants

Fairman Law House

Park Terrace

Worcester Park

Surrey, KT4 7JZ

Pacific Manufacturing (UK) Ltd
Report and accounts
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Pacific Manufacturing (UK) Ltd
Company Information

Directors

M Syed

T Jaffer

Secretary

N Syed

Auditors

Fairman Law

Fairman Law House

Park Terrace

Worcester Park

Surrey

KT4 7JZ

Registered office

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Directors' Report

The directors present their report and accounts for the year ended 30 September 2013.

Principal activities

The company's principal activity during the year continued to be that of exportation of chemicals and commodities including provision of facilities of an export confirming house.

Review of the business

The trading profit on ordinary activities before taxation was £261,102(2012-£224,892)
The turnover has decreased by 21.2% this year but the company is expecting better performance in the future .Business risks are monitored continually by the Board of Directors.

Financial instrument risk

The company's exposure to credit risk, liquidity risk and cash flow risk is considered to be low, hence the information relating to its financial risk management is immaterial to the assessment of assets, liabilities, financial position and profit or loss of the company.

Dividends

The directors recommend a final dividend of £39,000 (130p per share)

Directors

The following persons served as directors during the year:

M Syed

T Jaffer

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and

he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Third party indemnity provisions

The company has insurance cover against third party indemnity.

This report was approved by the board on 26 June 2014 and signed on its behalf.

M Syed

Director

Pacific Manufacturing (UK) Ltd

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 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.

Pacific Manufacturing (UK) Ltd

Strategic Report

Pacific Manufacturing (UK) Ltd is a privately owned export & distribution company based in the UK for over two decades. We have 20 years of exporting & trading experience, having also secured exclusive arrangements by well known groups of established medium & large companies in the fast moving consumer goods industry in Africa, who have generated a very healthy annual turnover. Our core expertise is in sourcing out raw & packaging materials, spare parts and complete machinery plants for the soap, cosmetic, food & beverage industry.

We believe that due to our area of expertise we can also offer and deliver turn key projects for the sector which we have mentioned above. As we have a significant level of involvement with several companies in the fast moving consumer goods industry and the fact we follow the market trend for the commodities we supply in bulk, we are in a position to provide competitive prices to existing and potential customers. For us top priority remains in meeting the demands of our customer base & also ensuring efficiency and cost saving.

Our company continued its principal role as provider of competitive and efficient service, despite the stiff competition in the market. Although compared to last year our turnover has dropped by 21.2%, which is mainly due to the fact that last year we successfully delivered a couple of turn key projects to our customers in Africa, besides this there is also slowing down in the economies in our target markets, resulting in lower demand.

The company strategy is to combat further reduction in turnover by obtaining exclusive arrangements with our customers to distribute their brand, these are products manufactured in the EU and conform to all the necessary EU food standard regulations. This strategy has been applied with the hope to compensate.

Apart from what we have been sourcing out on a regular basis, we can also offer logistical support by road, sea and air. Having established a strong relationship with several well established freight companies, we can also offer competitive prices from shipping lines & forwarder for exporting commodities.

This report was approved by the board on 26 June 2014 and signed on its behalf.

M Syed
Director

Pacific Manufacturing (UK) Ltd

Independent auditors' report

to the members of Pacific Manufacturing (UK) Ltd

We have audited the accounts of Pacific Manufacturing (UK) Ltd for the year ended 30 September 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ike Mawji

(Senior Statutory Auditor)

for and on behalf of

Fairman Law

Accountants and Statutory Auditors

26 June 2014

Fairman Law House

Park Terrace

Worcester Park

Surrey

KT4 7JZ

Pacific Manufacturing (UK) Ltd
Profit and Loss Account
for the year ended 30 September 2013

	Notes	2013 £	2012 £
Turnover	2	9,975,236	12,659,429
Cost of sales		(9,385,897)	(11,986,876)
Gross profit		<u>589,339</u>	<u>672,553</u>
Administrative expenses		(256,163)	(242,647)
Operating profit	3	<u>333,176</u>	<u>429,906</u>
Currency losses		(72,104)	(205,071)
Interest receivable		30	57
Profit on ordinary activities before taxation		<u>261,102</u>	<u>224,892</u>
Tax on profit on ordinary activities	6	(53,017)	(45,355)
Profit for the financial year		<u>208,085</u>	<u>179,537</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

Pacific Manufacturing (UK) Ltd**Balance Sheet****as at 30 September 2013**

	Notes	2013	2012
		£	£
Fixed assets			
Tangible assets	7	13,274	15,424
Current assets			
Debtors	8	4,108,763	4,948,465
Cash at bank and in hand		2,384,596	2,119,176
		<u>6,493,359</u>	<u>7,067,641</u>
Creditors: amounts falling due within one year	9	(1,667,150)	(1,536,437)
Net current assets		<u>4,826,209</u>	<u>5,531,204</u>
Total assets less current liabilities		<u>4,839,483</u>	<u>5,546,628</u>
Creditors: amounts falling due after more than one year	10	(4,188,884)	(5,065,114)
Net assets		<u>650,599</u>	<u>481,514</u>
Capital and reserves			
Called up share capital	11	30,000	30,000
Profit and loss account	12	620,599	451,514
Shareholders' funds	14	<u>650,599</u>	<u>481,514</u>

M Syed

Director

Approved by the board on 26 June 2014

Pacific Manufacturing (UK) Ltd
Cash Flow Statement
for the year ended 30 September 2013

	Notes	2013	2012
		£	£
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		333,176	429,906
Depreciation		2,342	2,723
Decrease/(increase) in debtors		839,702	(1,382,498)
(Decrease)/increase in creditors		(753,179)	2,439,464
Currency gains/(losses)		(72,104)	(205,071)
Net cash inflow from operating activities		<u>349,937</u>	<u>1,284,524</u>

CASH FLOW STATEMENT

Net cash inflow from operating activities		349,937	1,284,524
Returns on investments and servicing of finance	15	30	57
Taxation		(45,355)	(22,633)
Capital expenditure	15	(192)	(4,448)
		<u>304,420</u>	<u>1,257,500</u>
Equity dividends paid		(39,000)	(34,900)
		<u>265,420</u>	<u>1,222,600</u>
Increase in cash		<u>265,420</u>	<u>1,222,600</u>

Reconciliation of net cash flow to movement in net debt

Increase in cash in the period		265,420	1,222,600
Change in net debt	16	<u>265,420</u>	<u>1,222,600</u>
Net funds at 1 October		2,119,176	896,576
Net funds at 30 September		<u>2,384,596</u>	<u>2,119,176</u>

Pacific Manufacturing (UK) Ltd
Notes to the Accounts
for the year ended 30 September 2013

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Fixtures, fittings, tools and equipment	15% Net Book Value
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Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 Analysis of turnover	2013	2012
	£	£
By activity:		
Export	<u>9,975,236</u>	<u>12,659,429</u>
By geographical market:		
East Africa	<u>9,975,236</u>	<u>12,659,429</u>
3 Operating profit	2013	2012
	£	£

This is stated after charging:

Depreciation of owned fixed assets	2,342	2,723
Auditors' remuneration	4,500	4,500
4 Directors' emoluments	2013	2012
	£	£
Emoluments	53,440	24,800
5 Staff costs	2013	2012
	£	£
Wages and salaries	137,652	137,679
Social security costs	12,237	11,059
	149,889	148,738
Average number of employees during the year	Number	Number
Administration	6	5
Sales	1	1
	7	6
6 Taxation	2013	2012
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	53,017	45,355
Tax on profit on ordinary activities	53,017	45,355
Factors affecting tax charge for period		
The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:		
	2013	2012
	£	£
Profit on ordinary activities before tax	261,102	224,892
Standard rate of corporation tax in the UK	20%	20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax less marginal relief	52,220	44,978
Effects of:		

Expenses not deductible for tax purposes	946	1,498
Capital allowances for period in excess of depreciation	(149)	(1,122)
Current tax charge for period	<u>53,017</u>	<u>45,355</u>

7 Tangible fixed assets

	Fixtures, fittings, tools and equipment £
Cost	
At 1 October 2012	46,159
Additions	192
At 30 September 2013	<u>46,351</u>
Depreciation	
At 1 October 2012	30,735
Charge for the year	2,342
At 30 September 2013	<u>33,077</u>
Net book value	
At 30 September 2013	<u>13,274</u>
At 30 September 2012	<u>15,424</u>

8 Debtors

	2013 £	2012 £
Trade debtors	4,097,256	4,940,063
Other debtors	11,507	8,402
	<u>4,108,763</u>	<u>4,948,465</u>

9 Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	1,566,182	1,446,418
Corporation tax	53,017	45,355
Other taxes and social security costs	3,527	2,767
Other creditors	44,424	41,897
	<u>1,667,150</u>	<u>1,536,437</u>

10 Creditors: amounts falling due after one year

2013 £	2012 £
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Other creditors			<u>4,188,884</u>	<u>5,065,114</u>
11 Share capital	Nominal value	2013 Number	2013 £	2012 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	30,000	<u>30,000</u>	<u>30,000</u>
12 Profit and loss account			2013 £	
At 1 October 2012			451,514	
Profit for the financial year			208,085	
Dividends			(39,000)	
At 30 September 2013			<u>620,599</u>	
13 Dividends			2013 £	2012 £
Dividends for which the company became liable during the year:				
Dividends payable			<u>39,000</u>	<u>34,900</u>
14 Reconciliation of movement in shareholders' funds			2013 £	2012 £
At 1 October			481,514	336,877
Profit for the financial year			208,085	179,537
Dividends			(39,000)	(34,900)
At 30 September			<u>650,599</u>	<u>481,514</u>
15 Gross cash flows			2013 £	2012 £
Returns on investments and servicing of finance				
Interest received			<u>30</u>	<u>57</u>
Capital expenditure				
Payments to acquire tangible fixed assets			<u>(192)</u>	<u>(4,448)</u>
16 Analysis of changes in net debt				
	At 1 Oct 2012	Cash flows	Non-cash changes	At 30 Sep 2013

	£	£	£	£
Cash at bank and in hand	2,119,176	<u>265,420</u>		2,384,596
		<u> </u>		
Total	<u>2,119,176</u>	<u>265,420</u>	<u>-</u>	<u>2,384,596</u>

17 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	Land and buildings	Other	Other
	2013	2012	2013	2012
	£	£	£	£
Operating leases which expire:				
within one year	-	-	10,000	10,000
within two to five years	-	-	40,000	40,000
	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>

18 Related party

Shareholders and one of the directors M Syed, are family members. However there are no related party transactions of any nature.

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