

Registered number

02784764

Pacific Manufacturing (UK) Ltd

Report and Accounts

30 September 2014

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

Bankers

Credit Suisse

SIHR 11

Talacker16/ Barenhof

CH -8001

Zurich

Switzerland

Nat West Bank plc

98 High Street

Wimbledon

London

SW19 5ZH

Registered office

Fairman Law House

Worcester Park

Park Terrace

Surrey

KT4 7JZ

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Directors' Report

The directors present their report and accounts for the year ended 30 September 2014.

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 for the year under review was £107,753 (2013: £261,102). Turnover decreased by 2.23% (2013: 21.2%), nonetheless, it was an improvement on the previous year's figures. This is an indication that the measures put in place by management have made and would continue to make a positive impact on the Company's trading. The Directors continue to monitor business risks and have measures in place to mitigate such risks as and when they do occur.

Dividends

The directors recommend a final dividend of 130p per share - ie. £39,000 (2013: £39,000)

Events since the balance sheet date

No significant events have occurred after the year end nor are any future events presently envisaged.

Directors

The following persons served as directors during the year:

M Syed

T Jaffer

Political and charitable donations

There were no political donations during the year under consideration. Charitable donations however amounted to £390.00 (2013: £414.00)

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.

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.

This report was approved by the board on 29 May 2015 and signed on its behalf.

M Syed
Director

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 2.23%, 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 29 May 2015 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 2014 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/auditscopeukprivate

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 2014 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 and the Strategic 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.

I Mawji

(Senior Statutory Auditor)

for and on behalf of

Fairman Law

Accountants and Statutory Auditors

29 May 2015

Fairman Law House

Park Terrace

Worcester Park

Surrey

KT4 7JZ

Pacific Manufacturing (UK) Ltd
Profit and Loss Account
for the year ended 30 September 2014

	Notes	2014 £	2013 £
Turnover	2	9,752,821	9,975,236
Cost of sales		(9,189,198)	(9,385,897)
Gross profit		<u>563,623</u>	<u>589,339</u>
Administrative expenses		(237,075)	(256,163)
Operating profit	3	<u>326,548</u>	<u>333,176</u>
Currency Losses		(218,823)	(72,104)
Interest receivable		27	30
Profit on ordinary activities before taxation		<u>107,752</u>	<u>261,102</u>
Tax on profit on ordinary activities	6	(24,121)	(53,017)
Profit for the financial year		<u><u>83,631</u></u>	<u><u>208,085</u></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 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	7	11,283	13,274
Current assets			
Debtors	8	5,048,549	4,111,692
Cash at bank and in hand		1,768,087	2,384,596
		<u>6,816,636</u>	<u>6,496,288</u>
Creditors: amounts falling due within one year	9	(2,001,296)	(1,665,626)
Net current assets		<u>4,815,340</u>	<u>4,830,662</u>
Total assets less current liabilities		<u>4,826,623</u>	<u>4,843,936</u>
Creditors: amounts falling due after more than one year	10	(4,129,548)	(4,193,337)
Provisions for liabilities			
Deferred taxation		(1,845)	-
Net assets		<u>695,230</u>	<u>650,599</u>
Capital and reserves			
Called up share capital	11	30,000	30,000
Profit and loss account	12	665,230	620,599
Shareholders' funds	14	<u>695,230</u>	<u>650,599</u>

M Syed

Director

Approved by the board on 29 May 2015

Pacific Manufacturing (UK) Ltd
Cash Flow Statement
for the year ended 30 September 2014

	Notes	2014 £	2013 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		326,548	333,176
Depreciation and amortisation		1,991	2,342
(Increase)/decrease in debtors		(936,857)	839,702
Increase/(decrease) in creditors		302,622	(753,179)
Currency Losses		(218,823)	(72,104)
Net cash (outflow)/inflow from operating activities		<u>(524,519)</u>	<u>349,937</u>

CASH FLOW STATEMENT

Net cash (outflow)/inflow from operating activities		(524,519)	349,937
Returns on investments and servicing of finance	15	27	30
Taxation		(53,017)	(45,355)
Capital expenditure	15	-	(192)
		<u>(577,509)</u>	<u>304,420</u>
Equity dividends paid		(39,000)	(39,000)
		<u>(616,509)</u>	<u>265,420</u>
(Decrease)/increase in cash		<u>(616,509)</u>	<u>265,420</u>

Reconciliation of net cash flow to movement in net debt

(Decrease)/increase in cash in the period		(616,509)	265,420
Change in net debt	16	<u>(616,509)</u>	<u>265,420</u>
Net funds at 1 October		2,384,596	2,119,176
Net funds at 30 September		<u>1,768,087</u>	<u>2,384,596</u>

Pacific Manufacturing (UK) Ltd
Notes to the Accounts
for the year ended 30 September 2014

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 and equipment	15% Reducing balance
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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

	2014	2013
	£	£

By activity:

Export	9,752,821	9,975,236
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By geographical market:

East Africa	9,752,821	9,975,236
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3 Operating profit

	2014	2013
	£	£

This is stated after charging:

Depreciation of owned fixed assets	1,991	2,342
Auditors' remuneration for audit services	4,500	4,500
	<u> </u>	<u> </u>
4 Directors' emoluments	2014	2013
	£	£
Emoluments	50,960	53,440
	<u> </u>	<u> </u>
5 Staff costs	2014	2013
	£	£
Wages and salaries	141,395	137,652
Social security costs	10,591	12,237
	<u> </u>	<u> </u>
	151,986	149,889
	<u> </u>	<u> </u>
Average number of employees during the year	Number	Number
Administration	6	6
Sales	1	1
	<u> </u>	<u> </u>
	7	7
	<u> </u>	<u> </u>
6 Taxation	2014	2013
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	22,276	53,017
	<u> </u>	<u> </u>
Deferred tax:		
Origination and reversal of timing differences	1,845	-
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	24,121	53,017
	<u> </u>	<u> </u>
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:		
	2014	2013
	£	£
Profit on ordinary activities before tax	107,752	261,102
	<u> </u>	<u> </u>
Standard rate of corporation tax in the UK	20%	20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	21,550	52,220

Effects of:		
Expenses not deductible for tax purposes	816	945
Capital allowances for period in excess of depreciation	(90)	(148)
	<hr/>	<hr/>
Current tax charge for period	22,276	53,017
	<hr/>	<hr/>

7 Tangible fixed assets

		Fixtures, fittings, tools and equipment
		£
Cost		
At 1 October 2013		46,351
At 30 September 2014		<hr/> 46,351
Depreciation		
At 1 October 2013		33,077
Charge for the year		1,991
At 30 September 2014		<hr/> 35,068
Net book value		
At 30 September 2014		<hr/> 11,283
At 30 September 2013		<hr/> 13,274

8 Debtors	2014	2013
	£	£
Trade debtors	5,038,207	4,097,256
Other debtors	10,342	14,436
	<hr/> 5,048,549	<hr/> 4,111,692

9 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	1,932,362	1,566,182
Corporation tax	22,276	53,017
Other taxes and social security costs	3,158	3,527
Other creditors	39,000	38,400
Accruals and deferred income	4,500	4,500
	<hr/> 2,001,296	<hr/> 1,665,626

10 Creditors: amounts falling due after one year	2014	2013
	£	£

Other creditors			4,129,548	4,193,337
			<u> </u>	<u> </u>
11 Share capital	Nominal		2014	2013
	value	Number	£	£
Allotted, called up and fully paid:				
Ordinary shares	£1 each	30,000	30,000	30,000
			<u> </u>	<u> </u>
12 Profit and loss account			2014	
			£	
At 1 October 2013			620,599	
Profit for the financial year			83,631	
Dividends			(39,000)	
At 30 September 2014			<u>665,230</u>	
13 Dividends			2014	2013
			£	£
Dividends for which the company became liable during the year:				
Dividends paid			39,000	39,000
			<u> </u>	<u> </u>
14 Reconciliation of movement in shareholders' funds			2014	2013
			£	£
At 1 October			650,599	481,514
Profit for the financial year			83,631	208,085
Dividends			(39,000)	(39,000)
At 30 September			<u>695,230</u>	<u>650,599</u>
15 Gross cash flows			2014	2013
			£	£
Returns on investments and servicing of finance				
Interest received			27	-
			<u> </u>	<u> </u>
16 Analysis of changes in net debt				
	At 1 Oct	Cash flows	Non-cash	At 30 Sep
	2013		changes	2014
	£	£	£	£
Cash at bank and in hand	2,384,596	(615,766)		1,768,830
Overdrafts	-	(743)		(743)
		<u>(616,509)</u>		

Total	<u>2,384,596</u>	<u>(616,509)</u>	<u>-</u>	<u>1,768,087</u>
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17 Related party transactions

There were no related party transactions during the year under review.

18 Ultimate controlling party

The ultimate controlling party is Nadeem Syed by virtue of the fact that he owns 51% of the issued share capital of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.