

**Pacific Manufacturing (UK) Limited**

## Report and Accounts

**31 March 2000**

**Registration number 2784764**

**FAIRMAN LAW**

**Chartered Certified Accountants**  
300 Kingston Road  
London SW20 8LX



**Pacific Manufacturing (UK) Limited**  
**Directors and Officers**

**DIRECTORS**

Mr J Ramos  
Mr K Shahid

**SECRETARY**

Mr N Syed

**REGISTERED OFFICE**

300 Kingston Road  
London SW20 8LX.

**AUDITORS**

Fairman Law  
Chartered Certified Accountants  
300 Kingston Road  
London SW20 8LX.

**Pacific Manufacturing (UK) Limited**  
**Directors' Report**

The directors present their report and accounts for the year ended 31 March 2000.

**Principal activities and review of the business**

The company's principal activity during the year continued to be that of exportation of chemicals and commodities including providing facilities of an export confirming house. Turnover has decreased by 20.7% during the year. The company is in a good position to take advantage of any opportunities which may arise in the future.

**Results and dividends**

The loss for the year, after taxation, amounted to £40,757. The directors do not recommend a dividend for the year ended 31 March 2000.

**Directors and directors' interests**

The directors at the balance sheet date and their interests in the share capital of the company were as follows:

	£1 Ordinary shares	
	2000	1999
J Ramos	Nil	Nil
K Shahid	Nil	Nil

**Auditors**

A resolution to reappoint FAIRMAN LAW as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 6/11/00

  
N SYED  
Secretary

**Pacific Manufacturing (UK) Limited**  
**Statement of Directors' Responsibilities**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts comply with the Companies Act 1985. 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) Limited**  
**Auditors' Report**

**Report of the auditors**  
**to the shareholders of Pacific Manufacturing (UK) Limited**

We have audited the accounts on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Fairman Law*

**FAIRMAN LAW**

Chartered Certified Accountants  
Registered Auditor

300 Kingston Road  
London SW20 8LX.

Dated this the 8<sup>th</sup> Day of November 2000.

**Pacific Manufacturing (UK) Limited**  
**Profit and Loss Account**  
**for the year ended 31 March 2000**

	Notes	2000 £	1999 £
Turnover	2	3,335,965	4,208,437
Cost of sales		(3,236,403)	(4,086,512)
<b>Gross profit</b>		<u>99,562</u>	<u>121,925</u>
Administrative expenses		(141,954)	(101,816)
<b>Operating (loss)/profit</b>	3	<u>(42,392)</u>	<u>20,109</u>
Interest receivable		1,635	-
Interest payable	6	-	(703)
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(40,757)</u>	<u>19,406</u>
Taxation on ordinary activities	7	-	(895)
<b>(Loss)/profit on ordinary activities after taxation</b>		<u>(40,757)</u>	<u>18,511</u>
<b>Retained (loss)/profit for the year</b>	12	<u>(40,757)</u>	<u>18,511</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) Limited**  
**Balance Sheet**  
**as at 31 March 2000**

	Notes	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	8	9,350	10,086
<b>Current assets</b>			
Debtors	9	1,359,615	2,022,579
Cash at bank and in hand		558,183	329,124
		<u>1,917,798</u>	<u>2,351,703</u>
<b>Creditors: amounts falling due within one year</b>	10	(1,951,820)	(2,345,704)
<b>Net current (liabilities)/assets</b>		<u>(34,022)</u>	<u>5,999</u>
<b>Total assets less current liabilities</b>		<u>(24,672)</u>	<u>16,085</u>
		<u>(24,672)</u>	<u>16,085</u>
<b>Capital and reserves</b>			
Called up share capital	11	30,000	30,000
Profit and loss account	12	(54,672)	(13,915)
<b>Shareholders' funds:</b>			
Equity		<u>(24,672)</u>	<u>16,085</u>
	13	<u>(24,672)</u>	<u>16,085</u>

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J RAMOS

Director

Approved by the board on 6/11/00

**Pacific Manufacturing (UK) Limited**  
**Cash Flow Statement**  
**for the year ended 31 March 2000**

	Notes	2000 £	1999 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating (loss)/profit		(42,392)	20,109
Depreciation charges		3,028	2,786
Decrease in debtors		662,964	348,969
Decrease in creditors		(151,249)	(79,807)
<b>Net cash inflow from operating activities</b>		<u>472,351</u>	<u>292,057</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		472,351	292,057
<b>Returns on investments and servicing of finance</b>	14	1,635	(703)
<b>Taxation</b>		(895)	(1,323)
<b>Capital expenditure</b>	14	<u>(2,292)</u>	<u>-</u>
		470,799	290,031
<b>Financing</b>	14	(241,740)	(228,758)
<b>Increase in cash</b>		<u>229,059</u>	<u>61,273</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase in cash in the period</b>		229,059	61,273
<b>Decrease in debt and lease financing</b>		241,740	228,758
<b>Change in net debt</b>	15	<u>470,799</u>	<u>290,031</u>
<b>Net debt at 1 April</b>		<u>(1,721,535)</u>	<u>(2,011,566)</u>
<b>Net debt at 31 March</b>		<u>(1,250,736)</u>	<u>(1,721,535)</u>



**Pacific Manufacturing (UK) Limited**  
**Notes to the Accounts**  
**at 31 March 2000**

**1 Accounting policies**

**Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**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% of Net Book Value
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Computers and Office Equipments bought on or after 1st April 1998 are depreciated at 25% of the cost.

**Deferred taxation**

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

**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 Turnover**

Turnover and pre-tax profit/loss are wholly attributable to the Company's principal activity. The turnover arises wholly from sales to customers in the African Continent.

	2000	1999
Turnover attributable to geographical markets outside the UK	100.0%	100.0%

**3 Operating Loss**

This is stated after charging:

	2000 £	1999 £
Depreciation of owned fixed assets	3,028	2,786
Foreign Currency Exchange loss	26,202	(31,688)
Auditors' remuneration	3,380	3,800

**Pacific Manufacturing (UK) Limited**  
**Notes to the Accounts**  
**at 31 March 2000**

<b>4 Directors' emoluments</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>12,675</u>	<u>12,418</u>

<b>5 Staff costs</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Wages and salaries	44,624	50,285
Social security costs	<u>4,495</u>	<u>5,406</u>
	<u>49,119</u>	<u>55,691</u>

**Average number of employees during the year**

Administration	<u>5</u>	<u>5</u>
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<b>6 Interest payable</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	<u>-</u>	<u>703</u>

<b>7 Tax on profit on ordinary activities</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
UK corporation tax at 20%	<u>-</u>	<u>895</u>

**Pacific Manufacturing (UK) Limited**  
**Notes to the Accounts**  
**at 31 March 2000**

**8 Tangible fixed assets**

	<b>Fixtures Fittings and Equipment £</b>
<b>Cost</b>	
At 1 April 1999	24,034
Additions	2,292
At 31 March 2000	<u>26,326</u>
<b>Depreciation</b>	
At 1 April 1999	13,948
Charge for the year	3,028
At 31 March 2000	<u>16,976</u>
<b>Net book value</b>	
At 31 March 2000	<u>9,350</u>
At 31 March 1999	<u>10,086</u>

**9 Debtors**

	<b>2000 £</b>	<b>1999 £</b>
Trade debtors	1,330,287	2,021,800
Other debtors	1,810	779
Prepayments and accrued income	27,518	-
	<u>1,359,615</u>	<u>2,022,579</u>

**10 Creditors: amounts falling due within one year**

	<b>2000 £</b>	<b>1999 £</b>
Shareholders' loans	1,808,919	2,050,659
Trade creditors	138,119	288,780
Corporation tax	-	895
Other taxes and social security costs	-	1,369
Other creditors	1,281	-
Accruals and deferred income	3,501	4,001
	<u>1,951,820</u>	<u>2,345,704</u>

**Pacific Manufacturing (UK) Limited**  
**Notes to the Accounts**  
**at 31 March 2000**

<b>11 Share capital</b>			<b>2000</b>	<b>1999</b>
			<b>£</b>	<b>£</b>
Authorised:				
Ordinary shares of £1 each			<u>30,000</u>	<u>30,000</u>
	<b>2000</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
<b>12 Profit and loss account</b>			<b>2000</b>	<b>1999</b>
			<b>£</b>	<b>£</b>
At 1 April			(13,915)	(32,426)
Retained (loss)/profit			(40,757)	18,511
			<u>(54,672)</u>	<u>(13,915)</u>
<b>13 Reconciliation of movements in shareholders' funds</b>			<b>2000</b>	<b>1999</b>
			<b>£</b>	<b>£</b>
At 1 April			16,085	(2,426)
(Loss)/profit for the financial year			(40,757)	18,511
			<u>(24,672)</u>	<u>16,085</u>

**Pacific Manufacturing (UK) Limited**  
**Notes to the Accounts**  
**at 31 March 2000**

<b>14 Gross cash flows</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	1,635	-
Interest paid	-	(703)
	<u>1,635</u>	<u>(703)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	<u>(2,292)</u>	<u>-</u>
<b>Financing</b>		
Loan repayments	<u>(241,740)</u>	<u>(228,758)</u>

<b>15 Analysis of changes in net debt</b>	<b>At 1 Apr 1999</b>	<b>Cash flows</b>	<b>Non-cash changes</b>	<b>At 31 Mar 2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	329,124	229,059		558,183
Debt due within 1 year	(2,050,659)	241,740		(1,808,919)
<b>Total</b>	<u>(1,721,535)</u>	<u>470,799</u>	<u>-</u>	<u>(1,250,736)</u>

**16 CONTROL**

The controlling shareholders of the company are Mr N & Mrs H Jaffer, who are resident in The Republic of Congo.