

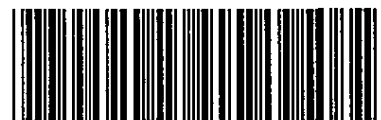
Registration number 03010238

Sun Mark Limited

Director's Report and Financial Statements
for the Year Ended 31 August 2011

Paul & Co
Chartered Accountants and Registered Auditors
11-12 Freetrade House
Lowther Road
Stanmore
Middx
HA7 1EP

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Sun Mark Limited

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The following pages do not form part of the statutory financial statements

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Sun Mark Limited
Company Information

Director	Dr R Ranger MBE
Secretary	Mrs Renu Ranger
Registered office	Sun House 428 Long Drive Greenford Middlesex United Kingdom UB6 8UH
Bank	Barclays Bank plc Wembley & Park Royal Br Acorn House 36/38 Park Royal Road Park Royal London NW10 7JA
Auditors	Paul & Co Chartered Accountants and Registered Auditors 11-12 Freetrade House Lowther Road Stanmore Middx HA7 1EP

Sun Mark Limited

Director's Report for the Year Ended 31 August 2011

The director presents his report and the audited financial statements for the year ended 31 August 2011

Director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 financial statements, the director is required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting 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 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 director is 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 him to ensure the financial statements comply with the Companies Act 2006. He is 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.

The director has taken 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 auditors are aware of that information. The director confirms that there is no relevant information that he knows of and which he knows the auditors are unaware of.

Principal activity

The principal activity of the company is distribution and export of food and consumer products both overseas and in the UK.

Business review

Fair review of the business

I am pleased to report that the company has continued its impressive performance in the year ended 31st August 2011 and has now been growing at a rapid and profitable manner for a decade. The consistent growth and success of the company has been achieved as a result of considerable investment in IT systems, staff training, further product development and marketing spend and further progressive market penetration achieved worldwide. An analysis of company's performance over recent years is given below.

Development and performance of the business

	2011	2010	2009	2008	2007
Turnover	£109,051,969	£82,501,314	£59,624,029	£41,021,524	£31,959,400
Turnover growth	32%	38%	45%	28%	25%
Gross profit margin	10%	10%	8%	8%	8%

Sun Mark Limited
Director's Report for the Year Ended 31 August 2011

continued

Profit before tax	£7,375,896	£5,372,575	£2,730,704	£1,057,183	£973,214
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The reasons behind this success is due to the following three factors

- 1 Focus on providing our customers with an even wider range of products
- 2 The strength and expertise of a well motivated management team which takes pride in the success of their company and believes in the director's vision
- 3 The support of our suppliers with whom we work as partners to achieve good quality and value for money products

Position of the business

At the end of the year, the net assets totalled £14,037,423 (2010 £9,317,656)

Financial risk

Financial risk management objectives and policies

The principal financial risks to which the Company is exposed are those of liquidity, interest rate, foreign currency and credit. Each of these are managed in accordance with Board-approved policies. These policies are set out below

Price risk, credit risk, liquidity risk and cash flow risk

The business' activities expose it primarily to the financial risks of changes in foreign currency exchange rates

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

Loans comprise loans from financial institutions. The interest rates and monthly repayments are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments

The Company does not use derivative financial instruments for speculative purposes

Results and dividend

The results for the company are set out in the financial statements

An interim ordinary dividend of £626,875 was paid during the year

Sun Mark Limited
Director's Report for the Year Ended 31 August 2011

continued

Charitable donations

During the year the company made charitable donations of £19,256 Individual donations were

	2011
	£
Charity	<u>19,256</u>

Political donations

During the year the company made political donations of £5,120 Individual donations were

	2011
	£
Political parties/candidates	<u>5,120</u>

Director

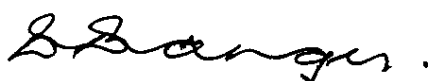
The director who held office during the year was as follows

- Dr R Ranger MBE

Auditors

The auditors, Paul & Co, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006

Approved by the Board on 5 December 2011 and signed on its behalf by



Mrs Renu Ranger
Company Secretary

Independent Auditors' Report to the Members of

Sun Mark Limited

We have audited the financial statements of Sun Mark Limited for the year ended 31 August 2011, set out on pages 7 to 22. 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 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 Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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/uknp.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 August 2011 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 financial statements 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.

**Independent Auditors' Report to the Members of
Sun Mark Limited**

continued


V Paul, FCA
Senior Statutory Auditor

for and on behalf of
Paul & Co, Statutory Auditor

5 December 2011

11-12 Freetrade House
Lowther Road
Stanmore
Middx
HA7 1EP

Sun Mark Limited
Profit and Loss Account for the Year Ended 31 August 2011

	Note	2011 £	2010 £
Turnover	2	109,051,969	82,560,810
Cost of sales		(97,910,629)	(74,580,755)
Gross profit		<u>11,141,340</u>	<u>7,980,055</u>
Distribution costs		(399,133)	(289,038)
Administrative expenses		(3,398,231)	(2,327,022)
Other operating income	3	98,910	67,913
Operating profit	4	<u>7,442,886</u>	<u>5,431,908</u>
Other interest receivable and similar income		3,317	575
Interest payable and similar charges	7	(70,309)	(59,909)
Profit on ordinary activities before taxation		<u>7,375,894</u>	<u>5,372,574</u>
Tax on profit on ordinary activities	8	(2,029,252)	(1,557,167)
Profit for the financial year	20	<u>5,346,642</u>	<u>3,815,407</u>
Profit and loss reserve brought forward		8,547,656	4,732,249
Other profit and loss reserve movements	20	(626,875)	-
Profit and loss reserve carried forward		<u><u>13,267,423</u></u>	<u><u>8,547,656</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

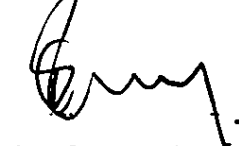
The notes on pages 10 to 22 form an integral part of these financial statements

Sun Mark Limited (Registration number: 03010238)

Balance Sheet as at 31 August 2011

		2011		2010 <i>as restated</i>	
	Note	£	£	£	£
Fixed assets					
Tangible assets	10		6,350,563		5,645,912
Investments	11		<u>1,422,476</u>		<u>1,043,746</u>
			7,773,039		6,689,658
Current assets					
Stocks	12	5,408,441		4,106,789	
Debtors	13	18,983,159		12,481,989	
Cash at bank and in hand		<u>2,061,389</u>		<u>1,196,580</u>	
		26,452,989		17,785,358	
Creditors: Amounts falling due within one year	14	<u>(17,147,950)</u>		<u>(12,449,310)</u>	
Net current assets			<u>9,305,039</u>		<u>5,336,048</u>
Total assets less current liabilities			17,078,078		12,025,706
Creditors: Amounts falling due after more than one year	15		(3,012,608)		(2,682,883)
Provisions for liabilities	16		<u>(28,047)</u>		<u>(25,167)</u>
Net assets			<u>14,037,423</u>		<u>9,317,656</u>
Capital and reserves					
Called up share capital	19		170,000		170,000
Revaluation reserve	20		600,000		600,000
Profit and loss reserve	20		<u>13,267,423</u>		<u>8,547,656</u>
Shareholders' funds	21		<u>14,037,423</u>		<u>9,317,656</u>

These accounts were approved by the Director on 5 December 2011



Dr R Ranger MBE
Director

The notes on pages 10 to 22 form an integral part of these financial statements

Sun Mark Limited
Cash Flow Statement for the Year Ended 31 August 2011

		2011	2010
	Note	£	£
Net cash flow from operating activities	22	3,988,565	3,322,848
Returns on investment and servicing of finance	23	(66,992)	(59,333)
Taxation	23	(1,518,903)	(1,255,699)
Capital expenditure and financial investment			
Purchase of intangible fixed assets		(378,730)	(1,033,747)
Purchase of tangible fixed assets		(878,384)	(500,696)
Sale of tangible fixed assets		-	5,500
		<u>(1,257,114)</u>	<u>(1,528,943)</u>
Equity dividends paid		<u>(626,875)</u>	<u>-</u>
Cash inflow before management of liquid resources and financing		518,681	478,873
Financing			
Repayment of loans and borrowings		<u>346,130</u>	<u>(138,088)</u>
		<u>346,130</u>	<u>(138,088)</u>
Increase in cash		<u><u>864,811</u></u>	<u><u>340,786</u></u>

Reconciliation of net cash flow to movement in net debt

		2011	2010
	Note	£	£
Increase in cash in the year	24	864,811	340,786
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(346,130)</u>	<u>138,088</u>
Change in net funds resulting from cash flows		518,681	478,874
Translation difference		<u>-</u>	<u>1</u>
Movement in net funds in the year		518,681	478,875
Net debt at the start of the year	24	<u>(1,623,275)</u>	<u>(2,102,149)</u>
Net debt at the end of the year	24	<u><u>(1,104,594)</u></u>	<u><u>(1,623,274)</u></u>

The notes on pages 10 to 22 form an integral part of these financial statements

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Land and buildings	2% straight line
Plant and machinery	25% written down value
Fixtures and fittings	25% written down value
Motor vehicles	25% written down value
Office equipment	25% written down value

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

continued

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Group accounts

The company is exempt from publishing group accounts as all its subsidiaries are non trading and dormant.

2 Turnover

An analysis of turnover by geographical market is given below

	2011 £	2010 £
Sales - UK	8,910,082	9,089,443
Sales - Rest of world	100,139,510	73,464,255
	<u>109,049,592</u>	<u>82,553,698</u>
Other sales income	2,377	7,112
Turnover	<u>109,051,969</u>	<u>82,560,810</u>

3 Other operating income

	2011 £	2010 £
Rent receivable	98,910	67,838
Other income	-	75
	<u>98,910</u>	<u>67,913</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

continued

4 Operating profit

Operating profit is stated after charging/(crediting)

	2011		2010
	£	£	£
Hire of other assets - operating leases		10,142	3,188
Auditors' remuneration			
The audit of the company's annual accounts	9,000		8,000
Tax services	-		1,400
Other services	4,000		-
		13,000	9,400
Foreign currency losses/(gains)		353,532	(55,816)
Profit on disposal of tangible fixed assets		-	(1,670)
Depreciation of owned assets		173,733	151,472

5 Particulars of employees

The average number of persons employed by the company (including director) during the year, analysed by category, was as follows

	2011 No.	2010 No.
Distribution	14	12
Administration	28	24
Management	5	5
	<u>47</u>	<u>41</u>

The aggregate payroll costs of these persons were as follows

	2011 £	2010 £
Wages and salaries	1,117,443	870,977
Social security costs	115,145	83,721
	<u>1,232,588</u>	<u>954,698</u>

Sun Mark Limited
Notes to the Financial Statements for the Year Ended 31 August 2011

continued

6 Director's remuneration

The director's remuneration for the year are as follows

	2011 £	2010 £
Director's remuneration (including benefits in kind)	<u>40,000</u>	<u>37,500</u>

7 Interest payable and similar charges

	2011 £	2010 £
Interest on bank borrowings	<u>70,309</u>	<u>59,909</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

continued

8 Taxation

Analysis of current period tax charge

	2011 £	2010 £
Current tax		
Corporation tax charge	<u>2,026,372</u>	<u>1,536,785</u>
Deferred tax		
Origination and reversal of timing differences	<u>2,880</u>	<u>20,382</u>
Total tax on profit on ordinary activities	<u>2,029,252</u>	<u>1,557,167</u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is higher than (2010 - higher than) the standard rate of corporation tax in the UK of 27.16% (2010 - 28.00%)

The differences are reconciled below

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>7,375,894</u>	<u>5,372,574</u>
Standard rate corporation tax charge	2,003,293	1,504,321
Expenses not deductible for tax purposes (including goods)	10,400	16,083
Depreciation	34,630	42,412
Accelerated capital allowances	(22,074)	(26,031)
Rate Difference	122	-
Total current tax for the year	<u>2,026,371</u>	<u>1,536,785</u>

9 Dividends

	2011 £	2010 £
Paid	<u>626,875</u>	<u>-</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

10 Tangible fixed assets

	Freehold land and buildings <i>as restated</i> £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total <i>as restated</i> £
Cost or Valuation						
As at 1 September 2010	5,920,127	199,437	125,815	50,260	154,925	6,450,564
Additions	772,891	15,357	72,821	-	17,315	878,384
As at 31 August 2011	<u>6,693,018</u>	<u>214,794</u>	<u>198,636</u>	<u>50,260</u>	<u>172,240</u>	<u>7,328,948</u>
Depreciation						
As at 1 September 2010	480,608	129,723	83,755	13,378	97,188	804,652
Charge for the year	95,790	21,268	28,720	9,221	18,734	173,733
As at 31 August 2011	<u>576,398</u>	<u>150,991</u>	<u>112,475</u>	<u>22,599</u>	<u>115,922</u>	<u>978,385</u>
Net book value						
As at 31 August 2011	<u>6,116,620</u>	<u>63,803</u>	<u>86,161</u>	<u>27,661</u>	<u>56,318</u>	<u>6,350,563</u>
As at 31 August 2010	<u>5,439,519</u>	<u>69,714</u>	<u>42,060</u>	<u>36,882</u>	<u>57,737</u>	<u>5,645,912</u>

Revaluation of fixed assets

The freehold land and buildings were revalued for the first time during the year ended 31 August 2008 at an open market value basis by the director. Property value is increased by £600,000. The aggregate depreciation on freehold buildings under historical cost basis would have been £337,501 (2010 - £303,501)

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

11 Investments held as fixed assets

	Shares in group undertakings £
Cost	
As at 1 September 2010	1,043,746
Additions	378,730
As at 31 August 2011	<u>1,422,476</u>
Net book value	
As at 31 August 2011	<u>1,422,476</u>
As at 31 August 2010	<u>1,043,746</u>

The company holds more than 20% of the share capital of the following companies

	Country of incorporation	Principal activity	Class	%
Subsidiary undertakings				
Friendship Films Ltd	UK	Production and distribution of films	Ordinary	100
Sunmark (Gulf) JLT	Dubai, UAE	- Dormant Dormant - trading commenced in October 2011	Ordinary	100
Associated holdings				
Sun Oil Nigeria	Nigeria	Dormant	Ordinary	50

	Capital & reserves £	Profit/(loss) for the period £
Subsidiary undertakings		
Friendship Films Ltd	10,000	-
Sunmark (Gulf) JLT	51,505	-
Associated holdings		
Sun Oil Nigeria	49,562	-

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

continued

12 Stocks and work in progress

	2011	2010
	£	£
Stocks	<u>5,408,441</u>	<u>4,106,789</u>

13 Debtors

	2011	2010
	£	£
Trade debtors	17,148,618	10,946,165
Other debtors	1,814,114	1,519,508
Prepayments and accrued income	20,427	16,316
	<u>18,983,159</u>	<u>12,481,989</u>

14 Creditors Amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	153,373	136,969
Trade creditors	13,040,249	9,281,090
Amounts owed to group undertakings	25,000	125,000
Corporation tax	1,590,544	1,083,076
Social security and other taxes	31,039	25,619
Other creditors	10,501	10,500
Director current accounts	79,408	-
Accruals and deferred income	2,217,836	1,787,056
	<u>17,147,950</u>	<u>12,449,310</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company

	2011	2010
	£	£
Bank loans	<u>153,375</u>	<u>136,970</u>

Bank Loans are secured against Freehold Properties

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

continued

15 Creditors. Amounts falling due after more than one year

	2011 £	2010 £
Bank loans and overdrafts	<u>3,012,608</u>	<u>2,682,883</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company

	2011 £	2010 £
Bank loans	<u>3,012,608</u>	<u>2,682,883</u>

Bank Loans are secured against Freehold Properties

Included in the creditors are the following amounts due after more than five years

	2011 £	2010 £
After more than five years by instalments	<u>2,399,109</u>	<u>2,135,002</u>

16 Provisions for liabilities

	Deferred tax provision £
As at 1 September 2010	25,167
Deferred tax provision charged to the profit and loss account	<u>2,880</u>
As at 31 August 2011	<u>28,047</u>

Deferred tax

Deferred tax is provided at 27.16% (2010 - 28.00%)

	2011 £	2010 £
Due to Timing differences	<u>28,047</u>	<u>25,167</u>

17 Prior year adjustment

The revaluation reserve was overstated by £201,500 in the year ended 31 August 2008 and the accumulated depreciation was correspondingly understated. This has been rectified as a prior year adjustment. The effect on the Profit and Loss Reserve is neutral.

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

continued

18 Acquisitions

Shares in Konning £327,225
Shares in Sun MArk (Gulf) JLT £51,505

	Book value £	Fair value £
Fixed assets		
Investments	378,730	378,730
Total assets	<u>378,730</u>	<u>378,730</u>
Net assets	<u>378,730</u>	378,730
Purchase consideration		<u>378,730</u>

19 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
Equity		
170,000 Ordinary shares of £1 each	<u>170,000</u>	<u>170,000</u>

20 Reserves

	Revaluation reserve £	Profit and loss reserve £	Total £
Balance at 1 September 2010	600,000	8,547,656	9,147,656
Transfer from profit and loss account for the year	-	5,346,642	5,346,642
Dividends	-	(626,875)	(626,875)
Balance at 31 August 2011	<u>600,000</u>	<u>13,267,423</u>	<u>13,867,423</u>

Sun Mark Limited
Notes to the Financial Statements for the Year Ended 31 August 2011

continued

21 Reconciliation of movements in shareholders' funds

	2011	2010
	£	as restated £
Profit attributable to members of the company	5,346,642	3,815,407
Dividends	(626,875)	-
	<u>4,719,767</u>	<u>3,815,407</u>
Other recognised losses for the year	-	(201,500)
Net addition to shareholders' funds	<u>4,719,767</u>	<u>3,613,907</u>
Opening shareholders' funds (originally £9,519,156 before deducting prior year adjustment of £201,500)	9,317,656	5,703,749
Closing shareholders' funds	<u><u>14,037,423</u></u>	<u><u>9,317,656</u></u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

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22 Reconciliation of operating profit to operating cash flows

	2011	2010
	£	£
Operating profit	7,442,888	5,431,908
Depreciation, amortisation and impairment charges	173,733	151,472
Profit on disposal of fixed assets	-	(1,671)
Increase in stocks	(1,301,652)	(189,415)
Increase in debtors	(6,501,170)	(6,451,181)
Increase in creditors	4,174,766	4,381,735
Net cash inflow from operating activities	3,988,565	3,322,848

23 Analysis of cash flows

	2011	2010
	£	£
Returns on investment and servicing of finance		
Other interest paid	(70,309)	(59,909)
Interest received	3,317	576
	<u>(66,992)</u>	<u>(59,333)</u>
Taxation		
Taxation paid	<u>(1,518,903)</u>	<u>(1,255,699)</u>

24 Analysis of net debt

	At start of period	Cash flow	Other non-cash changes	At end of period
	£	£	£	£
Cash at bank and in hand	<u>1,196,578</u>	<u>864,811</u>	<u>-</u>	<u>2,061,389</u>
Debt due within one year	(136,970)	136,970	(153,375)	(153,375)
Debt due after one year	<u>(2,682,883)</u>	<u>(483,100)</u>	<u>153,375</u>	<u>(3,012,608)</u>
Change in debt	<u>(2,819,853)</u>	<u>(346,130)</u>	<u>-</u>	<u>(3,165,983)</u>
Net debt	<u>(1,623,275)</u>	<u>518,681</u>	<u>-</u>	<u>(1,104,594)</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

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25 Related parties

Controlling entity

The company was under the control of Dr R S Ranger throughout the current and previous years. Dr Ranger is the Managing Director and majority shareholder.

Related party transactions

The Company traded with its related company Sea Air & Land Forwarding Limited in providing goods and services worth £6,213,725 (2010 £5,146,280) during the year. As at the balance sheet date trade creditors includes £1,240,353 payable to Sea Air & Land Forwarding Limited. In addition the company owed Sea Air and Land Forwarding Ltd £25,000 (2010 £125,000).

The company paid storage charges worth £360,000 (2010 £360,000) to Sea Air & Land Forwarding Ltd during the year.

The company advanced a loan to a subsidiary undertaking of £163,348 (2010 £163,957). The loan is repayable on demand and is interest free.

In the previous year the company advanced a loan to a key employee of the company who is also a relative of the director. The loan was interest free and repayable on demand. It has now been repaid, the amount outstanding at the year-end was Nil (2010 £620,817).

During the year company paid an interim Dividend of £626,875, of which £590,000 was paid to the director and his wife. The remaining £36,875 is paid to Sea Air & Land Forwarding Ltd.

Director's advances

The following balance owed by the director was outstanding at the year end:

	Maximum Balance	2011	2010
	£	£	£
Director's Current Account	112,169	105,564	-

No interest is charged in respect of this balance.