

# Overseas Trading Limited

Registered number 04442532

## Abbreviated accounts

For the year ended 31 May 2009

SATURDAY



\*A115WHVP\*

A23

27/02/2010

394

COMPANIES HOUSE

# OVERSEAS TRADING LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	R B Segal J R Buitekant
<b>Company secretary</b>	J R Buitekant
<b>Company number</b>	04442532
<b>Registered office</b>	Top Floor, Tayson House Methley Road Castleford West Yorkshire WF10 1PA
<b>Auditor</b>	Mazars LLP Chartered Accountants & Registered Auditors Mazars House Gelderd Road Gildersome Leeds LS27 7JN
<b>Bankers</b>	HSBC Bank Plc 33 Park Row Leeds West Yorkshire LS1 1LD

# OVERSEAS TRADING LIMITED

## CONTENTS

---

	Page
Directors' Report	1 - 2
Independent Auditor's Report	3
Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the financial statements	7 - 14

# **OVERSEAS TRADING LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2009**

---

The directors present their report and the financial statements for the year ended 31 May 2009

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements 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 financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- 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 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 financial statements 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.

### **Principal activities**

The principal activity of the company is the sourcing and distribution of food and non-food products to the wholesale and retail trade.

### **Business review**

Performance for the year to 31st May 2009 has been affected by the economic events of the last 12 months, which was particularly manifested by the US Dollar exchange rate fluctuations, the main currency used for the company's product purchasing.

Longer forward currency contracts are now in place to ensure that forecast gross margins at product level is maintained.

The Directors are confident that forecasts set for the current year will be achieved.

### **Risk exposure and mitigating procedures**

#### **Market risk**

The company has excellent relationships with its key suppliers and customers and has contracts in place to source key products.

#### **Operational risk**

The company has solid reporting systems and produces timely and accurate management information, which enables management to assess risk and make informed business decisions.

#### **Foreign exchange risk**

The company minimises some of risk by buying forward foreign currency options and assessing market conditions on a regular basis.

# OVERSEAS TRADING LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2009

---

### Results and dividends

The loss for the year, after taxation, amounted to £82,372 (2008 - profit £47,178)

The directors do not recommend the payment of a dividend for the year ended 31 May 2009

### Directors

The directors who served during the year were

R B Segal  
J R Butekant

### Provision of information to auditor

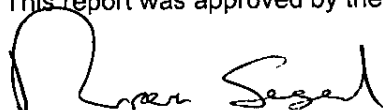
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

### Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 25 February 2010 and signed on its behalf



R B Segal  
Director

# OVERSEAS TRADING LIMITED

## INDEPENDENT AUDITOR'S REPORT TO OVERSEAS TRADING LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

---

We have examined the abbreviated accounts which comprise the abbreviated Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and related notes, together with the financial statements of Overseas Trading Limited for the year ended 31 May 2009 prepared under section 396 of the Companies Act 2006

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006

It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies, and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. This report, including our opinion, has been prepared for and only for the company's members, as a body. 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 this 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.

### Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

*Mazars LLP*

Ian Wrightson (Senior Statutory Auditor)

for and on behalf of Mazars LLP, Chartered Accountants (Registered Auditors)

Mazars House  
Gelder Road  
Gildersome  
Leeds  
LS27 7JN

Date *25 February 2010*

# OVERSEAS TRADING LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2009

---

	Note	2009 £	2008 £
Turnover	1	16,332,660	14,683,580
Gross profit		1,984,966	2,599,913
Administrative expenses		(1,891,158)	(2,197,414)
Operating profit	2	93,808	402,499
Interest receivable		2,656	364
Interest payable	5	(212,832)	(273,815)
(Loss)/profit on ordinary activities before taxation		(116,368)	129,048
Tax on (loss)/profit on ordinary activities	6	33,996	(81,870)
(Loss)/profit for the financial year	13	(82,372)	47,178

---

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the profit and loss account

The notes on pages 7 to 14 form part of these financial statements

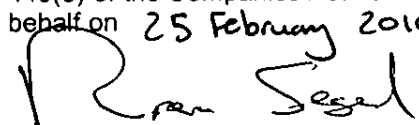
# OVERSEAS TRADING LIMITED

Registered number 04442532

## ABBREVIATED BALANCE SHEET AS AT 31 MAY 2009

	Note	£	2009 £	£	2008 £
<b>Fixed assets</b>					
Tangible fixed assets	7		50,580		67,440
<b>Current assets</b>					
Stocks	8	2,472,691		2,754,294	
Debtors	9	3,236,902		2,704,798	
Cash at bank and in hand		1,102,633		168	
		<u>6,812,226</u>		<u>5,459,260</u>	
<b>Creditors</b> , amounts falling due within one year	10	<u>(6,125,669)</u>		<u>(4,917,109)</u>	
<b>Net current assets</b>			686,557		542,151
<b>Total assets less current liabilities</b>			<u>737,137</u>		<u>609,591</u>
<b>Creditors</b> , amounts falling due after more than one year	11		<u>(351,206)</u>		<u>(141,288)</u>
<b>Net assets</b>			<u>385,931</u>		<u>468,303</u>
<b>Capital and reserves</b>					
Called up share capital	12		100		100
Profit and loss account	13		<u>385,831</u>		<u>468,203</u>
<b>Shareholders' funds</b>	14		<u>385,931</u>		<u>468,303</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf on 25 February 2010.



**R B Segal**  
Director

The notes on pages 7 to 14 form part of these financial statements



# OVERSEAS TRADING LIMITED

## ABBREVIATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2009

	Note	2009 £	2008 £
Net cash flow from operating activities	15	(860,092)	80,026
Returns on investments and servicing of finance	16	(210,176)	(273,451)
Taxation		-	4,846
Capital expenditure and financial investment	16	-	(33,081)
<b>Cash outflow before financing</b>		<u>(1,070,268)</u>	<u>(221,660)</u>
Financing	16	(266,673)	25,395
<b>Decrease in cash in the year</b>		<u><u>(1,336,941)</u></u>	<u><u>(196,265)</u></u>

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 31 MAY 2009

	2009 £	2008 £
Decrease in cash in the year	(1,336,941)	(196,265)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	266,673	(25,395)
<b>Change in net debt resulting from cash flows</b>	<u>(1,070,268)</u>	<u>(221,660)</u>
Other non-cash changes	210,621	(2,049,835)
<b>Movement in net debt in the year</b>	<u>(859,647)</u>	<u>(2,271,495)</u>
Net debt at 1 June 2008	(3,294,791)	(1,023,296)
<b>Net debt at 31 May 2009</b>	<u><u>(4,154,438)</u></u>	<u><u>(3,294,791)</u></u>

The notes on pages 7 to 14 form part of these financial statements

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

---

### 1 Accounting Policies

#### 1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

The directors have prepared detailed budgets and cash flow projections which have been regularly updated in light of the current economic climate. On the basis of these projections the directors believe that the company can continue to operate within its existing banking facilities and therefore the directors deem it appropriate that the financial statements should be prepared on a going concern basis

#### 1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Motor vehicles	-	25%	reducing balance
Furniture, fittings & equipment	-	25%	reducing balance

#### 1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge 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 obligation outstanding in each period.

#### 1.5 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

#### 1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

### 1. Accounting Policies (continued)

#### 1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

### 2 Operating profit

The operating profit is stated after charging/(crediting)

	2009 £	2008 £
Depreciation of tangible fixed assets		
- owned by the company	16,465	10,819
- held under finance leases	395	7,659
Auditors' remuneration	12,000	13,000
Operating lease rentals		
- other operating leases	30,046	41,084
Difference on foreign exchange	(108,790)	-
	<u>          </u>	<u>          </u>

### 3 Staff costs

Staff costs, including directors' remuneration, were as follows

	2009 £	2008 £
Wages and salaries	810,884	1,115,498
Social security costs	103,415	101,628
	<u>          </u>	<u>          </u>
	914,299	1,217,126
	<u>          </u>	<u>          </u>

The average monthly number of employees, including the directors, during the year was as follows

	2009	2008
Directors	2	2
Sales	5	6
Office	17	13
	<u>          </u>	<u>          </u>
	24	21
	<u>          </u>	<u>          </u>

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

### 4. Directors' remuneration

	2009 £	2008 £
Emoluments	177,297	613,963

### 5 Interest payable

	2009 £	2008 £
On bank loans and overdrafts	117,309	130,265
On finance leases and hire purchase contracts	634	3,757
Other interest payable	94,889	139,793
	212,832	273,815

### 6. Taxation

	2009 £	2008 £
<b>Analysis of tax (credit)/charge in the year</b>		
UK corporation tax charge on (loss)/profit for the year	-	81,870
Adjustments in respect of prior periods	(33,996)	-
<b>Tax on (loss)/profit on ordinary activities</b>	(33,996)	81,870

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2008 - higher than) the standard rate of corporation tax in the UK (21%) The differences are explained below

	2009 £	2008 £
(Loss)/profit on ordinary activities before tax	(116,368)	129,048
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2008 - 19%)	(24,437)	24,519
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,624	39,709
Depreciation for year in excess of capital allowances	706	16,306
Loss on disposal of fixed assets	-	1,336
Tax losses utilised	22,107	-
Adjustments to tax charge in respect of prior periods	(33,996)	-
<b>Current tax (credit)/charge for the year (see note above)</b>	(33,996)	81,870

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

### 7 Tangible fixed assets

	Motor vehicles £	Furniture, fittings and equipment £	Total £
<b>Cost</b>			
At 1 June 2008 and 31 May 2009	62,352	53,360	115,712
<b>Depreciation</b>			
At 1 June 2008	32,029	16,243	48,272
Charge for the year	7,581	9,279	16,860
At 31 May 2009	39,610	25,522	65,132
<b>Net book value</b>			
At 31 May 2009	22,742	27,838	50,580
At 31 May 2008	30,323	37,117	67,440

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2009 £	2008 £
Motor vehicles	-	21,397
Furniture, fittings and equipment	1,186	1,581
	<u>1,186</u>	<u>22,978</u>

### 8. Stocks

	2009 £	2008 £
Goods for resale	<u>2,472,691</u>	<u>2,754,294</u>

### 9. Debtors

	2009 £	2008 £
Trade debtors	2,571,562	2,644,159
Amounts owed to related parties	450,733	-
Other debtors	-	10,537
Prepayments and accrued income	214,607	50,102
	<u>3,236,902</u>	<u>2,704,798</u>

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

### 10 Creditors. Amounts falling due within one year

	2009 £	2008 £
Bank loans and overdraft	3,414,758	1,241,300
Net obligations under finance leases and hire purchase contracts	661	3,120
Trade creditors	357,108	592,849
Corporation tax	52,720	86,716
Social security and other taxes	141,655	236,559
Other creditors	1,841,652	2,049,837
Accruals and deferred income	317,115	706,728
	<u>6,125,669</u>	<u>4,917,109</u>

The bank loans and overdraft are secured by a fixed and floating charge over all assets of the business, a life policy in respect of one of the directors and a charge over contract monies

Included under other creditors is £1,841,652 (2008 £2,049,837) relating to the invoice financing facility on which security is held. The security is a charge over the company's trade debtors

### 11 Creditors. Amounts falling due after more than one year

	2009 £	2008 £
Net obligations under finance leases and hire purchase contracts	-	702
Directors' loan account	351,206	140,586
	<u>351,206</u>	<u>141,288</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2009 £	2008 £
Between one and five years	-	702

### 12. Share capital

	2009 £	2008 £
<b>Authorised, allotted, called up and fully paid</b>		
50 Ordinary 'A' shares shares of £1 each	50	50
50 Ordinary 'B' shares shares of £1 each	50	50
	<u>100</u>	<u>100</u>

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

### 12. Share capital (continued)

Ordinary 'A' shares and Ordinary 'B' shares hold the same voting rights and rank pari passu

### 13. Reserves

	Profit and loss account £
At 1 June 2008	468,203
Loss for the year	(82,372)
	<hr/>
At 31 May 2009	385,831
	<hr/>

### 14. Reconciliation of movement in shareholders' funds

	2009 £	2008 £
Opening shareholders' funds	468,303	421,125
(Loss)/profit for the year	(82,372)	47,178
	<hr/>	<hr/>
Closing shareholders' funds	385,931	468,303
	<hr/>	<hr/>

### 15. Net cash flow from operations

	2009 £	2008 £
Operating profit	93,808	402,499
Depreciation of tangible fixed assets	16,860	18,478
Loss on disposal of tangible fixed assets	-	4,608
Decrease/(increase) in stocks	281,603	(1,110,790)
(Increase) in debtors	(532,103)	(767,724)
(Decrease)/increase in creditors	(720,260)	1,532,955
	<hr/>	<hr/>
Net cash (outflow)/inflow from operations	(860,092)	80,026
	<hr/>	<hr/>

# OVERSEAS TRADING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

### 16. Analysis of cash flows for headings netted in cash flow statement

	2009 £	2008 £
<b>Returns on investments and servicing of finance</b>		
Interest received	2,656	364
Interest paid	(212,198)	(270,058)
Hire purchase interest	(634)	(3,757)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(210,176)</b>	<b>(273,451)</b>
	<b>2009 £</b>	<b>2008 £</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	-	(43,081)
Sale of tangible fixed assets	-	10,000
<b>Net cash outflow from capital expenditure</b>	<b>-</b>	<b>(33,081)</b>
	<b>2009 £</b>	<b>2008 £</b>
<b>Financing</b>		
New secured loans	25,000	45,159
Repayment of loans	(499,132)	-
Repayment of finance leases	(3,161)	(19,764)
Loans from directors	210,620	-
<b>Net cash (outflow)/inflow from financing</b>	<b>(266,673)</b>	<b>25,395</b>

### 17. Analysis of changes in net debt

	1 June 2008 £	Cash flow £	Other non-cash changes £	31 May 2009 £
Cash at bank and in hand	168	1,102,465	-	1,102,633
Bank overdraft	(143,039)	(2,647,591)	-	(2,790,630)
Proceeds of factored debts	(2,049,837)	208,185	-	(1,841,652)
	<b>(2,192,708)</b>	<b>(1,336,941)</b>	<b>-</b>	<b>(3,529,649)</b>
<b>Debt.</b>				
Finance leases	(3,822)	3,161	-	(661)
Debts due within one year	(1,098,261)	263,512	210,621	(624,128)
<b>Net debt</b>	<b>(3,294,791)</b>	<b>(1,070,268)</b>	<b>210,621</b>	<b>(4,154,438)</b>



## OVERSEAS TRADING LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2009

---

#### 18. Operating lease commitments

At 31 May 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2009	2008	2009	2008
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	26,460	28,993	2,740	2,765
Between 2 and 5 years	-	-	8,220	-
	<u>26,460</u>	<u>28,993</u>	<u>10,960</u>	<u>2,765</u>

#### 19. Controlling party

The ultimate controlling parties are the directors of the company