

Registration number: 03010238

Sun Mark Limited

Directors' Report and Financial Statements

for the Year Ended 31 August 2013

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

Directors	Dr R S Ranger MBE Mr H S Ahuja
Company secretary	Mrs Renu Ranger
Registered office	Sun House 428 Long Drive Greenford Middlesex UB6 8UH
Bankers	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
Directors' Report for the Year Ended 31 August 2013

The directors present their report and the financial statements for the year ended 31 August 2013.

Directors of the company

The directors who held office during the year were as follows:

Dr R S Ranger MBE

Mr H S Ahuja (appointed 1 September 2012)

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

The company has had another profitable year with strong sales and profits. The company had a difficult year though in terms of disruption to normal business activity as it was engaged in litigation on a trademark matter which caused little, if any, interruption to normal business activity but took up a considerable amount of management time. The company has also launched a new range of beverages which have been launched with considerable marketing expenditure and an aggressive pricing policy and will continue to pursue a policy of aggressive growth in its own label range over the next 24 months with a view to gaining market share. The company has also found margins eroded by adverse foreign exchange conditions. Despite these challenges the company's liquidity continues to improve and top line sales are also showing a level of growth. The directors are confident of continued growth over the next fiscal year and onwards.

Principal risks and uncertainties

The principal financial risks to the Company are those of liquidity, interest rates, foreign currency and credit. Each of these are managed in accordance with company policies.

Financial instruments

Objectives and policies

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.

Sun Mark Limited
Directors' Report for the Year Ended 31 August 2013

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

The principal risk is in foreign exchange fluctuations which the company partly hedges on a forward budget basis and has found this to be an effective strategy.

In respect of bank balances, the company always ensures adequate funds are in its accounts and does not make use of overdrafts. 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 business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments and has a low level of borrowing compared to the scale of the operation.

The Company does not use derivative financial instruments for speculative purposes.

Political donations

During the year the company made political donations of £71,735. Individual donations to EU political parties were:

	£
West Midland Conservative	15,000
Witham Conservative	5,000
Enfield North Conservative	3,000
Conservative Party on 15th Annual day	12,000
Watford Conservative	5,000
Ealing Southall Conservative	1,150
Conservative Friends of Israel	25,500
Other Donation (£1000 or under)	<u>5,085</u>

Charitable donations

During the year the company made charitable donations of £53,927. Individual donations were:

	£
Disadvantaged Youth	25,000
West Minster Kids Club	7,500
Sarvam Trust	1,500
The World Health Communication Associates (WHCA)	1,000
Concern for Mental Health	1,250
The Punjabi Society	1,300
The Puthohar Association UK	1,000
Combat Stress	5,000
Ronald Mcdonald House Charities (RMHC)	1,000
Lemon Int/ MO FA	1,500

Sun Mark Limited
Directors' Report for the Year Ended 31 August 2013

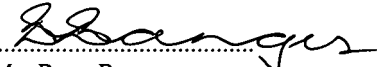
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Guru Nanak Darbar Sikh Temple	1,000
Other Donation uner £1000	<u>6,877</u>

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Approved by the Board on 19 May 2014 and signed on its behalf by:


.....
Mrs Renu Ranger
Company secretary

Sun Mark Limited
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 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; and
- 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.

Independent Auditor's Report to the Members of Sun Mark Limited

We have audited the financial statements of Sun Mark Limited for the year ended 31 August 2013, set out on pages 8 to 24. 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 auditor's 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 auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the directors are 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 and express an opinion on 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 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 matter prescribed by the Companies Act 2006

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

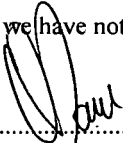
**Independent Auditor's Report to the Members of
Sun Mark Limited**

..... continued

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.


.....
V Paul, FCA (Senior Statutory Auditor)
For and on behalf of Paul & Co, Statutory Auditor

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

19 May 2014

Sun Mark Limited
Profit and Loss Account for the Year Ended 31 August 2013

	Note	2013 £	2012 £
Turnover	2	143,280,701	142,339,717
Cost of sales		<u>(133,203,317)</u>	<u>(127,855,607)</u>
Gross profit		10,077,384	14,484,110
Distribution costs		(963,172)	(673,084)
Administrative expenses		(4,069,353)	(4,122,691)
Other operating income		<u>385,940</u>	<u>78,877</u>
Operating profit	3	5,430,799	9,767,212
Income from shares in group undertakings		239,044	-
Other interest receivable and similar income	7	102,827	69,663
Interest payable and similar charges	8	<u>(148,170)</u>	<u>(74,310)</u>
Profit on ordinary activities before taxation		5,624,500	9,762,565
Tax on profit on ordinary activities	9	<u>(1,631,881)</u>	<u>(2,491,956)</u>
Profit for the financial year	20	<u><u>3,992,619</u></u>	<u><u>7,270,609</u></u>

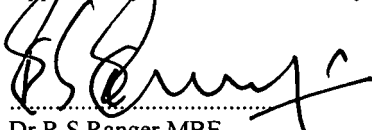
Turnover and operating profit derive wholly from continuing operations.

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

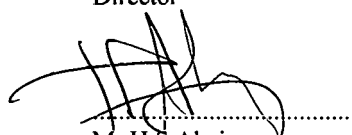
Sun Mark Limited
(Registration number: 03010238)
Balance Sheet at 31 August 2013

	Note	2013 £	2012 £
Fixed assets			
Intangible fixed assets	10	362,941	-
Tangible fixed assets	11	11,795,947	6,872,416
Investments	12	59,783	1,447,978
		<u>12,218,671</u>	<u>8,320,394</u>
Current assets			
Stocks	13	4,866,368	5,046,430
Debtors	14	27,256,660	26,251,536
Cash at bank and in hand		5,031,177	4,862,673
		<u>37,154,205</u>	<u>36,160,639</u>
Creditors: Amounts falling due within one year	15	<u>(19,642,376)</u>	<u>(20,239,772)</u>
Net current assets		<u>17,511,829</u>	<u>15,920,867</u>
Total assets less current liabilities		29,730,500	24,241,261
Creditors: Amounts falling due after more than one year	16	(6,281,025)	(3,311,907)
Provisions for liabilities	17	<u>(10,310)</u>	<u>(3,808)</u>
Net assets		<u>23,439,165</u>	<u>20,925,546</u>
Capital and reserves			
Called up share capital	18	170,000	170,000
Revaluation reserve	20	600,000	600,000
Profit and loss account	20	<u>22,669,165</u>	<u>20,155,546</u>
Shareholders' funds	21	<u>23,439,165</u>	<u>20,925,546</u>

Approved by the Board on 19 May 2014 and signed on its behalf by:



 Dr R S Ranger MBE
 Director



 Mr H S Ahuja
 Director

The notes on pages 13 to 24 form an integral part of these financial statements.

Sun Mark Limited
Cash Flow Statement for the Year Ended 31 August 2013

Reconciliation of operating profit to net cash flow from operating activities

	2013 £	2012 £
Operating profit	5,430,799	9,767,212
Depreciation, amortisation and impairment charges	314,290	196,279
(Profit)/loss on disposal of fixed assets	(95,928)	1,536
Decrease in stocks	180,062	362,011
Increase in debtors	(1,005,124)	(7,268,376)
(Decrease)/increase in creditors	(197,184)	2,727,358
(Profit)/loss on disposal of fixed asset investments	(148,774)	-
Net cash inflow from operating activities	<u>4,478,141</u>	<u>5,786,020</u>

The notes on pages 13 to 24 form an integral part of these financial statements.

Sun Mark Limited
Cash Flow Statement for the Year Ended 31 August 2013

..... *continued*

Cash flow statement

	2013	2012
	£	£
Net cash inflow from operating activities	<u>4,478,141</u>	<u>5,786,020</u>
Returns on investments and servicing of finance		
Interest received	102,827	69,663
Interest paid	(148,170)	(74,310)
Dividends received	<u>239,044</u>	<u>-</u>
	<u>193,701</u>	<u>(4,647)</u>
Taxation paid	<u>(2,056,045)</u>	<u>(2,358,690)</u>
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(404,807)	-
Sale of intangible fixed assets	3,000	-
Purchase of tangible fixed assets	(6,151,200)	(967,351)
Sale of tangible fixed assets	1,048,173	247,685
Sale of investments	<u>133,152</u>	<u>-</u>
	<u>(5,371,682)</u>	<u>(719,666)</u>
Acquisitions and disposals		
Acquisition of investments in subsidiary undertakings	-	(25,500)
Disposal of investments in subsidiary undertakings	<u>1,403,817</u>	<u>-</u>
	<u>1,403,817</u>	<u>(25,500)</u>
Equity dividends paid	<u>(1,649,000)</u>	<u>(212,500)</u>
Net cash (outflow)/inflow before management of liquid resources and financing	<u>(3,001,068)</u>	<u>2,465,017</u>
Financing		
Repayment of loans and borrowings	<u>3,169,572</u>	<u>336,267</u>
Increase in cash	<u><u>168,504</u></u>	<u><u>2,801,284</u></u>

The notes on pages 13 to 24 form an integral part of these financial statements.

Sun Mark Limited
Cash Flow Statement for the Year Ended 31 August 2013

..... *continued*

Reconciliation of net cash flow to movement in net debt

	Note	2013 £	2012 £
Increase in cash		168,504	2,801,284
Cash outflow from repayment of loans		<u>(3,169,572)</u>	<u>(336,267)</u>
Change in net debt resulting from cash flows	22	<u>(3,001,068)</u>	<u>2,465,017</u>
Movement in net debt	22	(3,001,068)	2,465,017
Net funds/(debt) at 1 September	22	<u>1,360,423</u>	<u>(1,104,594)</u>
Net (debt)/funds at 31 August	22	<u><u>(1,640,645)</u></u>	<u><u>1,360,423</u></u>

The notes on pages 13 to 24 form an integral part of these financial statements.

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

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.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Trade Marks	10% Straight line

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:

Asset class	Depreciation method and rate
Land and Building	2% Straight line
Plant and Machinery	25% Reducing balance
Fixtures and fittings	25% Reducing balance
Motor vehicles	25% Reducing balance
Office Equipment	25% Reducing balance

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 tax

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 currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

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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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Turnover

During the year 88.44% of the company's turnover related to exports (2012 - 90.35%).

An analysis of turnover by geographical location is given below:

	2013 £	2012 £
Sales - UK	16,568,661	13,737,048
Sales - Rest of world	126,712,040	128,602,669
	143,280,701	142,339,717

An analysis of turnover by class of business is given below:

	2013 £	2012 £
Sales	143,278,962	142,339,717
Sales commission	1,739	-
	143,280,701	142,339,717

3 Operating profit

Operating profit is stated after charging:

	2013 £	2012 £
Foreign currency losses/(gains)	172,255	(24,436)
(Profit)/loss on sale of tangible fixed assets	(94,467)	1,536
Profit on sale of intangible fixed assets	(1,461)	-
Depreciation of owned assets	273,963	196,279
Profit on disposal of investments	(148,774)	-
Amortisation	40,327	-
Auditor's remuneration	18,944	15,600
	172,255	(24,436)

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

4 Auditor's remuneration

	2013	2012
	£	£
Audit of the financial statements	16,000	10,000
Other fees to auditors		
Other services	<u>2,944</u>	<u>5,600</u>
	<u><u>18,944</u></u>	<u><u>15,600</u></u>

5 Particulars of employees

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

	2013	2012
	No.	No.
Administration and support	41	37
Sales, marketing and distribution	<u>28</u>	<u>18</u>
	<u><u>69</u></u>	<u><u>55</u></u>

The aggregate payroll costs were as follows:

	2013	2012
	£	£
Wages and salaries	1,828,330	1,432,643
Social security costs	<u>185,164</u>	<u>146,176</u>
	<u><u>2,013,494</u></u>	<u><u>1,578,819</u></u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013	2012
	£	£
Remuneration	<u>120,000</u>	<u>56,667</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

7 Other interest receivable and similar income

	2013	2012
	£	£
Bank interest receivable	<u>102,827</u>	<u>69,663</u>

8 Interest payable and similar charges

	2013	2012
	£	£
Interest on bank borrowings	<u>148,170</u>	<u>74,310</u>
	<u>148,170</u>	<u>74,310</u>

9 Taxation

Tax on profit on ordinary activities

	2013	2012
	£	£
Current tax		
Corporation tax charge	1,334,639	2,516,195
Adjustments in respect of previous years	<u>290,740</u>	<u>-</u>
UK Corporation tax	1,625,379	2,516,195
Deferred tax		
Origination and reversal of timing differences	<u>6,502</u>	<u>(24,239)</u>
Total tax on profit on ordinary activities	<u>1,631,881</u>	<u>2,491,956</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 23.58% (2012 - 25.16%).

The differences are reconciled below:

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>5,624,500</u>	<u>9,762,565</u>
Corporation tax at standard rate	1,326,257	2,456,261
Capital allowance in excess of Depreciation	35,493	18,296
Rate Difference	189	681
Profit on Sale of fixed assets and Investment	(57,701)	-
Expenses not deductible for tax	30,401	40,956
Under provision for previous year	<u>290,739</u>	<u>-</u>
Total current tax	<u>1,625,379</u>	<u>2,516,194</u>

10 Intangible fixed assets

	Patents	Total
	£	£
Cost		
Additions	404,807	404,807
Disposals	<u>(1,539)</u>	<u>(1,539)</u>
At 31 August 2013	<u>403,268</u>	<u>403,268</u>
Amortisation		
Charge for the year	<u>40,327</u>	<u>40,327</u>
At 31 August 2013	<u>40,327</u>	<u>40,327</u>
Net book value		
At 31 August 2013	<u>362,941</u>	<u>362,941</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

11 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost or valuation						
At 1 September 2012	7,264,017	226,719	240,130	4,324	266,992	8,002,182
Additions	6,016,125	69,506	34,517	-	31,052	6,151,200
Disposals	(1,056,564)	-	-	-	-	(1,056,564)
At 31 August 2013	<u>12,223,578</u>	<u>296,225</u>	<u>274,647</u>	<u>4,324</u>	<u>298,044</u>	<u>13,096,818</u>
Depreciation						
At 1 September 2012	658,807	169,923	144,388	2,958	153,690	1,129,766
Charge for the year	173,392	31,576	32,564	342	36,089	273,963
Eliminated on disposals	(102,858)	-	-	-	-	(102,858)
At 31 August 2013	<u>729,341</u>	<u>201,499</u>	<u>176,952</u>	<u>3,300</u>	<u>189,779</u>	<u>1,300,871</u>
Net book value						
At 31 August 2013	<u>11,494,237</u>	<u>94,726</u>	<u>97,695</u>	<u>1,024</u>	<u>108,265</u>	<u>11,795,947</u>
At 31 August 2012	<u>6,605,210</u>	<u>56,796</u>	<u>95,742</u>	<u>1,366</u>	<u>113,302</u>	<u>6,872,416</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

12 Investments held as fixed assets

	2013	2012
	£	£
Shares in group undertakings and participating interests	<u>59,783</u>	<u>1,447,978</u>
Shares in group undertakings and participating interests		
	Subsidiary	Total
	undertakings	£
	£	£
Cost		
At 1 September 2012	1,447,978	1,447,978
Disposals	<u>(1,388,195)</u>	<u>(1,388,195)</u>
At 31 August 2013	<u>59,783</u>	<u>59,783</u>
Net book value		
At 31 August 2013	<u>59,783</u>	<u>59,783</u>
At 31 August 2012	<u>1,447,978</u>	<u>1,447,978</u>

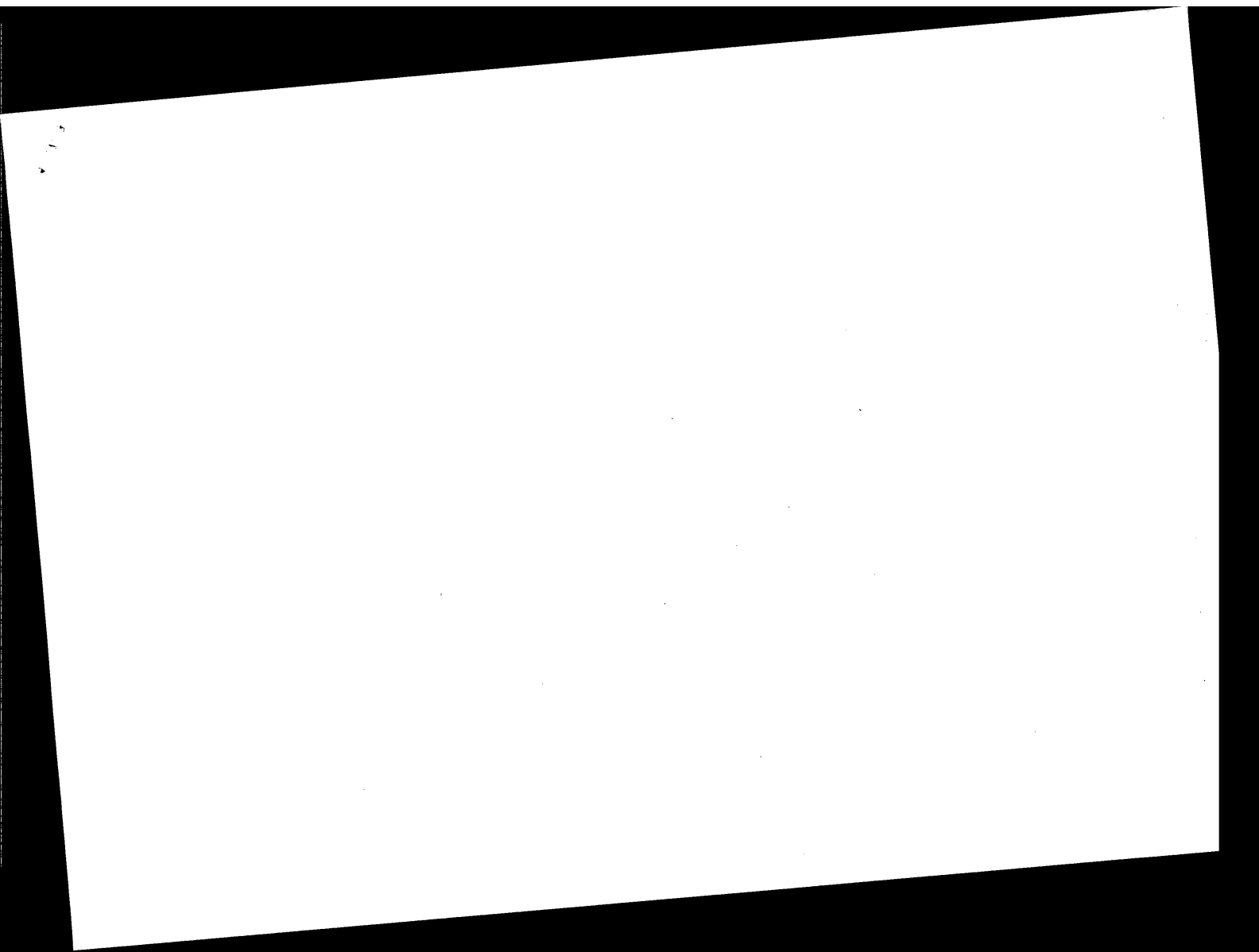
Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Friendship Films Ltd	Ordinary	100%	Dormant Company

13 Stocks

	2013	2012
	£	£
Stocks	<u>4,866,368</u>	<u>5,046,430</u>



Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... continued

14 Debtors

	2013 £	2012 £
Trade debtors	24,691,082	23,384,685
Other debtors	2,529,485	2,834,693
Prepayments and accrued income	<u>36,093</u>	<u>32,158</u>
	<u>27,256,660</u>	<u>26,251,536</u>

15 Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	11,735,291	11,177,427
Bank loans and overdrafts	390,797	190,343
Corporation tax	1,317,383	1,748,049
Other taxes and social security	50,347	44,461
Other creditors	586,404	180,501
Directors' current accounts	9,658	-
Accruals and deferred income	<u>5,552,496</u>	<u>6,898,991</u>
	<u>19,642,376</u>	<u>20,239,772</u>

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

	2013 £	2012 £
Bank Loan	<u>390,798</u>	<u>190,343</u>
Bank Loans are secured against freehold properties.		

16 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Bank loans and overdrafts	<u>6,281,025</u>	<u>3,311,907</u>

Sun Mark Limited
Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

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

	2013 £	2012 £
Bank Loan	<u>6,281,025</u>	<u>3,311,907</u>
Bank Loans are secured against freehold properties.		

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

	2013 £	2012 £
After more than five years by instalments	<u>4,717,836</u>	<u>2,550,535</u>

17 Provisions

	Deferred tax £	Total £
At 1 September 2012	3,808	3,808
Charged to the profit and loss account	<u>6,502</u>	<u>6,502</u>
At 31 August 2013	<u>10,310</u>	<u>10,310</u>

Analysis of deferred tax

	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>10,310</u>	<u>3,808</u>

18 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
Ordinary shares of £1 each	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

19 Dividends

	2013	2012
	£	£
Dividends paid		
Current year interim dividend paid	1,479,000	212,500
Dividends proposed and recognised in the accounts		
Ordinary dividend proposed	-	170,000
	<u>(1,479,000)</u>	<u>(382,500)</u>

20 Reserves

	Revaluation reserve	Profit and loss account	Total
	£	£	£
At 1 September 2012	600,000	20,155,546	20,755,546
Profit for the year	-	3,992,619	3,992,619
Dividends	-	(1,479,000)	(1,479,000)
At 31 August 2013	<u>600,000</u>	<u>22,669,165</u>	<u>23,269,165</u>

21 Reconciliation of movement in shareholders' funds

	2013	2012
	£	£
Profit attributable to the members of the company	3,992,619	7,270,609
Dividends	(1,479,000)	(382,500)
Net addition to shareholders' funds	2,513,619	6,888,109
Shareholders' funds at 1 September	20,925,546	14,037,437
Shareholders' funds at 31 August	<u>23,439,165</u>	<u>20,925,546</u>

22 Analysis of net debt

	At 1 September 2012	Cash flow	At 31 August 2013
	£	£	£
Cash at bank and in hand	4,862,673	168,504	5,031,177

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

Debt due within one year	(190,343)	(200,454)	(390,797)
Debt due after more than one year	(3,311,907)	(2,969,118)	(6,281,025)
Net debt	1,360,423	(3,001,068)	(1,640,645)

23 Related party transactions

Other related party transactions

During the year the company made the following related party transactions:

Sea Air and Land Forwarding Ltd (Group Company)

The Company traded with its related company Sea Air & Land Forwarding Limited in providing goods and services worth £6,277,286 (2012: £8,069,707) during the year. As at the balance sheet date trade creditors includes £527,011 (2012: £566,365) payable to Sea Air & Land Forwarding Limited.

The company paid storage charges worth £360,000 (2012: £360,000) to Sea Air & Land Forwarding Ltd during the year.

During the year company paid an interim Dividend of £1,479,000 (2012: £212,500), of which £nil (2012: £12,500) was paid to Sea Air & Land Forwarding Ltd. Company also proposed a final dividend of £nil (2012: £170,000) of which £nil (2012: £10,000) is payable to Sea Air and Land. Sea Air & Land Forwarding Ltd waived its right to the dividend paid during the year. At the balance sheet date the amount due to Sea Air and Land Forwarding Ltd was £527,011 (2012 - £566,365).

Friendship Films Ltd (100% Subsidiary Company)

The company advanced a loan to a subsidiary undertaking of £193,895 (2012 : £183,598). The loan is repayable on demand and is interest free. At the balance sheet date the amount due from Friendship Films Ltd was £193,895 (2012 - £183,598).

Dr R Ranger (Director)

Company paid an interim dividend of £1,479,000 (2012: £212,500) of which £1,479,000 (2012: £100,000) was paid to Dr R Ranger.

Company also proposed a final dividend of £nil (2012:£170,000) of which £nil (2012:£80,000) is payable to Dr R Ranger.

During the year the company's 500 shares in its dormant subsidiary, S and J Investments (Delivery Office Southall) Ltd, were sold to Dr R Ranger for £500. Also during the year, the company's 37,990 shares in NV Konnings, were sold to Dr R Ranger for £1,700,000 (£1,469,343). At the balance sheet date the amount due to Dr R Ranger was £nil (2012 - £nil).

S and J Investments (Delivery Office Southall) Ltd (Dormant subsidiary sold during the year to Dr R Ranger)

The company advanced a loan to what was then its subsidiary undertaking. The loan is repayable on demand and is interest free. At the balance sheet date the amount due from S and J Investments (Delivery Office Southall) Ltd was £799,456 (2012 - £799,500).

Sun Mark Limited

Notes to the Financial Statements for the Year Ended 31 August 2013

..... *continued*

Mrs Renu Ranger

(Share holder and Company Secretary)

During the year 300 shares in Sun Mark (Gulf) JLT were sold to Mrs Renu Ranger for £67,127.27 at a value independently ascertained by KPMG and acceptable to both Sun Mark Ltd and Mrs Renu Ranger.

During the year an office space owned by the company was also sold to Mrs Renu Ranger at the fair market value of £98,173.86.

Mrs Renu Ranger waived her right to the dividend paid during the year. At the balance sheet date the amount due to Mrs Renu Ranger was £nil (2012 - £nil).

24 Control

The company is controlled by Dr R Ranger who along with his wife and through an associated company owns 100% of the called up share capital.