

Cargo Marketing Services Limited

Directors' Report and Abbreviated Accounts

for the Year Ended 31 March 2008

Registration number: 1416708

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Cargo Marketing Services Limited

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Cargo Marketing Services Limited
Officers and Advisers

Directors Mr M R Frearson
 Mrs T L Bennett
 Mr D G Horwell

Secretary Mrs T L Bennett

Registered office Ocean House
 Marston Park
 Tamworth
 Staffordshire
 B78 3HU

Auditors RSM Bentley Jennison
 Chartered Accountants & Registered Auditors
 3 Hollinswood Court
 Stafford Park 1
 Telford
 TF3 3BD

Cargo Marketing Services Limited

Directors' Report for the Year Ended 31 March 2008

The directors present their report and the audited financial statements for the year ended 31 March 2008.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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.

Principal activity

The principal activity of the company is the provision of freight forwarding services.

Business review

Cargo Marketing Service Ltd's main focus is to provide Export and Import service solutions to our client base, which consists of small to medium sized freight forwarders. Our main markets are considered to be North America, the Far East and the Middle East. Our business is partially reliant on global economies being buoyant and our main risks and uncertainties are prevalent on the stability of these economies and the continuation of International trade.

The Directors consider the financial results to be acceptable for 2007/2008.

Two of the performance indicators used by our Company are turnover and gross profit. Turnover decreased again this year by 6.4% over last year, however gross profit levels were exceeded and resulted in an increase in margin. This is mainly due to the streamlining of the number of UK branches from five to three in the first quarter of 2007 which enabled us to go into the 2007/2008 financial year with a clearer and easier to manage strategy.

Sales regions were easier to identify for individual offices and senior managers were able to concentrate on their own areas and departments. More focus was applied to maximise profit through a general improvements in how we are buying from shipping lines by reducing the number of lines we use from twenty plus to half a dozen meaning greater volume to business to those carriers and therefore better discounts. Costs from other major suppliers were reviewed and we also improved our margins by securing business with a higher profit margin.

Due to the increased gross profit levels achieved and the reduced overheads the company's net profit resulted in a higher level than last year by £89,000. All profits retained after tax remained within the company increasing the company's net worth and re-invested for its future stability. The Return on Capital Employed has doubled from last year, this is due to the increase in net profit as with reasons as mentioned above.

Cargo Marketing Services Limited
Directors' Report for the Year Ended 31 March 2008

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Towards the end of 2007 we became 50% owners of King International Shipping Services Ltd, this gave us leverage into new markets -those being Australasia. With all of the above in place and growing stronger, we aim to at least maintain our current operating levels, however, always driving to improve them. Our focus will be on streamlining our systems to improve our internal efficiencies to further increase our profitability in 2008/09.

Results and dividend

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

The directors do not recommend the payment of a dividend.

Land and Buildings

In the opinion of the directors the present market value of the company's properties is in excess of the net book amount but, in the absence of a recent valuation, the excess is not quantified.

Directors

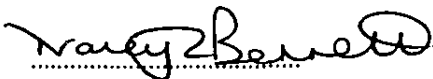
The directors who held office during the year were as follows:

- Mr M R Frearson
- Mrs T L Bennett
- Mr D G Horwell

Auditors

The auditors, RSM Bentley Jennison, are deemed to be re-appointed in accordance with section 386 of the Companies Act 1985.

Approved by the Board and signed on its behalf by:



Mrs T L Bennett
Company Secretary

Date: 5-1-09

**Independent Auditors' Report to
Cargo Marketing Services Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Cargo Marketing Services Limited, set out on pages 5 to 20, together with the financial statements of the company for the year ended 31 March 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 20 are properly prepared in accordance with those provisions.

RSM Bentley Jennison
RSM Bentley Jennison
Chartered Accountants & Registered Auditors

Date: *27 Janug 2009*

3 Hollinswood Court
Stafford Park 1
Telford
TF3 3BD

Cargo Marketing Services Limited
Abbreviated Profit and Loss Account for the Year Ended 31 March 2008

	Note	2008 £	2007 £
Gross profit		3,588,795	3,355,343
Administrative expenses		(3,350,885)	(3,230,563)
Operating profit	2	<u>237,910</u>	<u>124,780</u>
Other interest receivable and similar income		46,643	39,867
Interest payable and similar charges	5	(41,663)	(41,531)
Profit on ordinary activities before taxation		<u>242,890</u>	<u>123,116</u>
Tax on profit on ordinary activities	6	(75,650)	(44,463)
Profit for the financial year	14	<u><u>167,240</u></u>	<u><u>78,653</u></u>

Turnover and operating profit derive wholly from continuing operations.

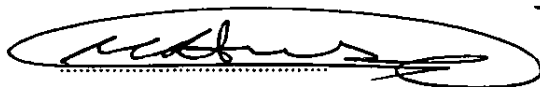
The company has no recognised gains or losses for the year other than the results above.

Cargo Marketing Services Limited
Abbreviated Balance Sheet as at 31 March 2008

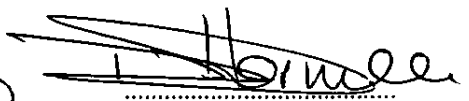
		2008		2007	
	Note	£	£	£	£
Fixed assets					
Tangible assets	7		1,085,197		1,124,806
Investments	8		<u>906,021</u>		<u>459,021</u>
			1,991,218		1,583,827
Current assets					
Debtors	9	3,809,593		3,241,398	
Cash at bank and in hand		<u>851,102</u>		<u>1,132,461</u>	
		4,660,695		4,373,859	
Creditors: Amounts falling due within one year	10	<u>(3,982,418)</u>		<u>(3,346,772)</u>	
Net current assets			<u>678,277</u>		<u>1,027,087</u>
Total assets less current liabilities			2,669,495		2,610,914
Creditors: Amounts falling due after more than one year	11		<u>(430,508)</u>		<u>(539,167)</u>
Net assets			<u>2,238,987</u>		<u>2,071,747</u>
Capital and reserves					
Called up share capital	13		450,925		450,939
Share premium reserve	14		85,991		85,991
Capital redemption reserve	14		75		61
Profit and loss account	14		<u>1,701,996</u>		<u>1,534,756</u>
Equity shareholders' funds	15		<u>2,238,987</u>		<u>2,071,747</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the Board on 5-1-09 and signed on its behalf by:



Mr M R Frearson
Director



Mr D G Horwell
Director

Cargo Marketing Services Limited
Cash Flow Statement for the Year Ended 31 March 2008

		2008		2007	
	Note	£	£	£	£
Net cash flow from operating activities	18		323,589		362,716
Returns on investment and servicing of finance	19		4,980		(1,664)
Taxation	19		(45,000)		(59,027)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(77,476)		(54,764)	
Sale of tangible fixed assets		1,600		14,000	
Purchase of trade investment		<u>(447,000)</u>		<u>(120,000)</u>	
			<u>(522,876)</u>		<u>(160,764)</u>
Cash (outflow)/inflow before management of liquid resources and financing			(239,307)		141,261
Financing					
Repayment of loans and borrowings		(54,209)		(53,186)	
Capital element of hire purchase payments		<u>(48,480)</u>		<u>(45,789)</u>	
			<u>(102,689)</u>		<u>(98,975)</u>
Net cash flow			<u><u>(341,996)</u></u>		<u><u>42,286</u></u>

Reconciliation of net cash flow to movement in net debt

		2008	2007
	Note	£	£
(Decrease)/increase in cash in the year	20	(341,996)	42,286
Cash outflow from decrease in debt and lease financing		<u>102,688</u>	<u>98,976</u>
Change in net debt resulting from cash flows		<u>(239,308)</u>	<u>141,262</u>
New hire purchase agreements		-	(40,196)
Movement in net (debt)/funds in the year		<u>(239,308)</u>	<u>101,066</u>
Net funds at the start of the year	20	<u>185,434</u>	<u>84,368</u>
Net (debt)/funds at the end of the year	20	<u><u>(53,874)</u></u>	<u><u>185,434</u></u>

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

1 Accounting policies

Basis of preparation

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.

Under section 248 of the Companies Act 1985 the group is exempt from the requirement to prepare group accounts by virtue of its size. Therefore the accounts present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents amounts invoiced, 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, less any estimated residual value, over their expected useful economic life as follows:

Freehold buildings	2.5% straight line basis
Motor vehicles	25% straight line basis
Fixtures and equipment	15 - 25% straight line basis

Other fixed asset investments

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

Deferred taxation

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

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. 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.

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets acquired under instalment finance agreements are treated as tangible fixed assets and depreciation is provided accordingly. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

Operating leases

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

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging/(crediting):

	2008 £	2007 £
Hire of plant and machinery (Operating Leases)	30,745	20,791
The audit of the company's annual accounts	8,900	8,400
Foreign currency losses/(gains)	3,128	(7,249)
Profit on sale of tangible fixed assets	(1,200)	(6,427)
Depreciation of owned tangible fixed assets	<u>116,685</u>	<u>105,384</u>

3 Particulars of employees

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

	2008 No.	2007 No.
Sales	7	6
Administration	7	7
Operations	<u>46</u>	<u>51</u>
	<u>60</u>	<u>64</u>

The aggregate payroll costs of these persons were as follows:

	2008 £	2007 £
Wages and salaries	1,853,092	1,880,632
Social security	210,239	207,549
Other pension costs	121,925	109,116
	<u>2,185,256</u>	<u>2,197,297</u>

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

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4 Directors' emoluments

The directors' emoluments for the year are as follows:

	2008	2007
	£	£
Directors' emoluments (including benefits in kind)	299,180	282,325
Directors' pension contributions	74,000	61,090
	<u>373,180</u>	<u>343,415</u>

During the year the number of directors who were accruing benefits under company pension schemes was as follows:

	2008	2007
	No.	No.
Money purchase	<u>2</u>	<u>2</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £207,742 (2007 - £192,786), and company pension contributions of £37,000 (2007 - £30,048) were made to a money purchase scheme on their behalf.

5 Interest payable and similar charges

	2008	2007
	£	£
Bank loan interest payable	36,698	37,053
Hire purchase interest	4,965	4,478
	<u>41,663</u>	<u>41,531</u>

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

6 Taxation

Analysis of current period tax charge

	2008 £	2007 £
Current tax		
Corporation tax charge	75,650	45,000
(Over)/under provision in previous year	-	(325)
UK Corporation tax	<u>75,650</u>	<u>44,675</u>
Deferred tax		
Origination and reversal of timing differences	-	(212)
Total tax on profit on ordinary activities	<u>75,650</u>	<u>44,463</u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is higher than (2007 - higher than) the standard rate of corporation tax in the UK of 30.00% (2007 - 30.00%).

The differences are reconciled below:

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>242,890</u>	<u>123,116</u>
Standard rate corporation tax charge	72,867	36,935
Expenses not deductible for tax purposes (including goods)	97	16,139
Depreciation in excess of capital allowances	8,765	480
Marginal relief	(5,719)	(8,879)
Profit on sale of assets	(360)	-
Total current tax for the year	<u>75,650</u>	<u>44,675</u>

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

7 Tangible fixed assets

	Freehold Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
As at 1 April 2007	928,795	626,711	172,778	1,728,284
Additions	-	77,476	-	77,476
Disposals	-	(1,751)	(7,796)	(9,547)
As at 31 March 2008	<u>928,795</u>	<u>702,436</u>	<u>164,982</u>	<u>1,796,213</u>
Depreciation				
As at 1 April 2007	49,554	504,637	49,287	603,478
Eliminated on disposals	-	(1,351)	(7,796)	(9,147)
Charge for the year	<u>17,366</u>	<u>57,731</u>	<u>41,588</u>	<u>116,685</u>
As at 31 March 2008	<u>66,920</u>	<u>561,017</u>	<u>83,079</u>	<u>711,016</u>
Net book value				
As at 31 March 2008	<u>861,875</u>	<u>141,419</u>	<u>81,903</u>	<u>1,085,197</u>
As at 31 March 2007	<u>879,241</u>	<u>122,074</u>	<u>123,491</u>	<u>1,124,806</u>

Freehold land and buildings

The gross book value of freehold land and buildings includes £728,795 (2007 - £728,795) of depreciable assets.

Land and buildings

The net book value of land and buildings includes:

	2008 £	2007 £
Freehold	<u>861,875</u>	<u>879,241</u>

Hire purchase agreements

Included within the total net book value of tangible fixed assets is £81,904 (2007 - £123,460) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £41,556 (2007 - £32,678).

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

8 Fixed asset investments

	Group shares £	Unlisted investments £	Total £
Cost			
As at 1 April 2007	304,021	155,000	459,021
Additions	-	447,000	447,000
As at 31 March 2008	<u>304,021</u>	<u>602,000</u>	<u>906,021</u>
Net book value			
As at 31 March 2008	<u>304,021</u>	<u>602,000</u>	<u>906,021</u>
As at 31 March 2007	<u>304,021</u>	<u>155,000</u>	<u>459,021</u>

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

	Country of incorporation	Principal activity	Class	%	Year end
Subsidiary undertakings					
Cargo Marketing (London) Limited	England and Wales	Dormant company	Ordinary	100	31 March 2008
Cargotrans Limited	England and Wales	Dormant company	Ordinary	100	31 March 2008
Cargo Marketing Services LLC	USA	Freight brokerers	Ordinary	100	31 March 2008
North Star Cargo Services Limited	England and Wales	Dormant company	Ordinary	100	31 March 2008

	Capital & reserves £	Profit/(loss) for the year £
Subsidiary undertakings		
Cargo Marketing (London) Limited	900	-
Cargotrans Limited	100	-
Cargo Marketing Services LLC	(114,217)	40,532
North Star Cargo Services Limited	219,450	-

All of the above companies were incorporated in England and Wales, except for Cargo Marketing Services LLC, which was incorporated in the USA. All of the companies are 100% owned by Cargo Marketing Services Limited.

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

Acquisitions

On 20 December 2007, Cargo Marketing Services Limited acquired a 50% joint venture in King International Shipping Services Limited, a company limited by shares and incorporated in England and Wales.

The principal activity of King International Shipping Services Limited is that of groupage consolidation for international cargo movements.

At the balance sheet date the net assets of King International Shipping Services Limited were £521,499 and the loss for the financial year after taxation was £8,851.

The above information was extracted from King International Shipping Services Limited's unaudited financial statements for the year ended 31 March 2008.

9 Debtors

	2008	2007
	£	£
Trade debtors	3,515,688	3,018,562
Other debtors	151,462	114,634
Deferred tax	4,752	4,752
Director current accounts	29,078	13,132
Prepayments and accrued income	108,613	90,318
	<u>3,809,593</u>	<u>3,241,398</u>

Deferred tax

Deferred tax is provided for at 30% (2007 - 30%).

The deferred tax balance consists of depreciation in excess of capital allowances.

10 Creditors: Amounts falling due within one year

	2008	2007
	£	£
Bank loans and overdrafts	470,154	409,517
Obligations under finance leases and hire purchase contracts	37,014	48,480
Trade creditors	2,582,450	2,435,769
Amounts owed to group undertakings	220,688	148,433
Corporation tax	75,650	45,000
Social security and other taxes	78,662	65,630
Other creditors	249,971	4,643
Accruals and deferred income	267,829	189,300
	<u>3,982,418</u>	<u>3,346,772</u>

The bank borrowing is secured by a fixed charge over the freehold property known as Marston Park, Tamworth.

The bank loan is repaid monthly by instalments and will be settled in full in June 2013. This loan has an interest rate of 2.4% over the Barclays base rate.

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

11 Creditors: Amounts falling due after more than one year

	2008 £	2007 £
Bank loans and overdrafts	387,621	441,830
Obligations under finance leases and hire purchase contracts	10,187	47,201
Accruals and deferred income	32,700	50,136
	<u>430,508</u>	<u>539,167</u>

12 Maturity of borrowings

Amounts repayable:

	Bank loans & overdrafts £	Obligations under finance leases and HP contracts £	Total £
As at 31 March 2008			
In one year or less on demand	470,154	37,014	507,168
Between one and two years	55,864	10,187	66,051
Between two and five years	197,592	-	197,592
After more than five years by instalments	134,165	-	134,165
	<u>857,775</u>	<u>47,201</u>	<u>904,976</u>
As at 31 March 2007			
In one year or less on demand	409,517	48,480	457,997
Between one and two years	55,864	37,014	92,878
Between two and five years	197,592	10,187	207,779
After more than five years by instalments	188,374	-	188,374
	<u>851,347</u>	<u>95,681</u>	<u>947,028</u>

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

13 Share capital

	2008 £	2007 £
Authorised		
Equity		
450,900 Ordinary shares of £1 each	450,900	450,900
10,000 A Ordinary shares of 1 pence each	100	100
	<u>451,000</u>	<u>451,000</u>
Allotted, called up and fully paid		
Equity		
450,900 Ordinary shares of £1 each	450,900	450,900
2,500 (2007 - 3,900) A Ordinary shares of 1 pence each	25	39
	<u>450,925</u>	<u>450,939</u>

14 Reserves

	Share premium reserve £	Capital redemption reserve £	Profit and loss account £	Total £
Balance at 1 April 2007	85,991	61	1,534,756	1,620,808
Other reserves movement	-	14	-	14
Transfer from profit and loss account for the year	-	-	167,240	167,240
Balance at 31 March 2008	<u>85,991</u>	<u>75</u>	<u>1,701,996</u>	<u>1,788,062</u>

15 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit attributable to members of the company	167,240	78,653
Other recognised gains for the year	14	6
Reduction in share capital	(14)	(6)
Net addition to shareholders' funds	<u>167,240</u>	<u>78,653</u>
Opening equity shareholders' funds	2,071,747	1,993,094
Closing equity shareholders' funds	<u>2,238,987</u>	<u>2,071,747</u>

Cargo Marketing Services Limited
Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... *continued*

16 Operating lease commitments

As at 31 March 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2008	2007
	£	£
Within one year	28,500	51,732
Within two and five years	28,500	57,000
	<u>57,000</u>	<u>108,732</u>

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £121,925 (2007 - £109,116).

Contributions totalling £4,775 (2007 - £4,643) were payable to the scheme at the end of the period and are included in creditors.

18 Reconciliation of operating profit to operating cash flows

	2008	2007
	£	£
Operating profit	237,910	124,780
Depreciation, amortisation and impairment charges	116,685	105,384
Profit on disposal of fixed assets	(1,200)	(6,427)
(Increase)/decrease in debtors	(568,195)	669,990
Increase/(decrease) in creditors	538,389	(531,011)
Net cash inflow from operating activities	323,589	362,716

19 Analysis of cash flows

	2008	2007
	£	£
Returns on investment and servicing of finance		
HP interest paid	(4,965)	(4,478)
Other interest paid	(36,698)	(37,053)
Interest received	46,643	39,867
	4,980	(1,664)
Taxation		
Taxation paid	(45,000)	(59,027)

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

20 Analysis of net (debt)/funds

	At start of period £	Cash flow £	Other non-cash changes £	At end of period £
Cash at bank and in hand	1,132,461	(281,359)	-	851,102
Bank overdraft	(358,653)	(60,637)	-	(419,290)
Cash and bank net debt	<u>773,808</u>	<u>(341,996)</u>	-	<u>431,812</u>
Debt due within one year	(50,864)	50,864	(50,864)	(50,864)
Debt due after one year	(441,830)	3,345	50,864	(387,621)
Finance leases	<u>(95,680)</u>	<u>48,479</u>	-	<u>(47,201)</u>
Change in debt	<u>(588,374)</u>	<u>102,688</u>	-	<u>(485,686)</u>
Net (debt)/funds	<u>185,434</u>	<u>(239,308)</u>	-	<u>(53,874)</u>

21 Contingent Liability

The company is involved in ongoing negotiations which may result in a liability crystallising on the company. The likelihood and quantum is uncertain but it is estimated that the liability would be in the region of £100,000.

Cargo Marketing Services Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

..... continued

22 Related parties

Controlling entity

The company is controlled by the directors who own 99.97% of the called up share capital with the director D G Horwell owning 94.42% of the issued share capital.

Related party transactions

Transactions during the year ended 31 March 2008 with related party undertakings were as follows:

Sales - sales of services

	2008 £	2007 £
Cargo Marketing Services LLC	<u>124,806</u>	<u>202,047</u>

Purchases - purchase of services

	2008 £	2007 £
Cargo Marketing Services LLC	<u>110,753</u>	<u>538,634</u>

All transactions were on normal commercial terms in the ordinary course of business.

Consultancy fees

	2008 £	2007 £
D G Horwell	<u>240,952</u>	<u>138,594</u>

The services for the director, D G Horwell, are provided by Cargo International Marketing Services Limited.

At 31 March 2008 the amounts due to group undertakings were as follows:

	2008 £	2007 £
Amounts due to group undertakings	<u>220,688</u>	<u>148,433</u>

Directors' loan accounts

The following balances owed by the directors were outstanding at the year end:

	Maximum Balance £	2008 £	2007 £
D G Horwell	6,936	560	1,581
M R Frearson	18,399	16,833	11,551
T Bennett	15,600	11,685	-
	<u>40,935</u>	<u>29,078</u>	<u>13,132</u>