REGISTERED NUMBER: SC202649 (Scotland)

REPORT OF THE DIRECTORS AND

AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

FOR

SEAROUTE GROUP LIMITED

William Duncan & Co.
Chartered Accountants
Statutory Auditor
4d Auchingramont Road
Hamilton
ML3 6JT

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SEAROUTE GROUP LIMITED (REGISTERED NUMBER: SC202649)

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FOR THE YEAR ENDED 31 MARCH 2012

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SEAROUTE GROUP LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012

DIRECTORS:	Allan Porter Mark Breingan John Sloss
SECRETARY:	John Sloss
REGISTERED OFFICE:	Suite 15 Dunnswood House Dunnswood Road Cumbernauld G67 3EN
REGISTERED NUMBER:	SC202649 (Scotland)
AUDITORS:	William Duncan & Co. Chartered Accountants Statutory Auditor 4d Auchingramont Road Hamilton ML3 6JT
BANKERS:	The Royal Bank of Scotland plc 1 Roadside The Village Cumbernauld G67 2SS
SOLICITORS:	Shepherd and Wedderburn LLP 1 Exchange Crescent Conference Square Edinburgh EH3 8UL

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2012.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of international shipping, chartering and forwarding agents.

REVIEW OF BUSINESS

Our aim is to present a balanced and comprehensive review of the development and performance of the group and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties faced.

As an independent group of shipping and ancillary companies we continue to consolidate our business, of largely sea freight, in the following sectors :

General world wide cargo services, bulk and heavy lift shipping and chartering
and other freight services (Searoute International Limited);
Cargo handling and stevedoring services (Searoute Port Services (Aberdeen) Limited);

We consider that our key financial performance indicators are those that communicate the financial performance of the group as a whole, these being turnover, gross margin and net profit.

The turnover and gross profit of the group by sector was as follows:

	2012 £'000	2011 £'000
Turnover		
General world wide cargo services, bulk services and charters and other freight services	9,491	11,502
Cargo handling services	3,623	3,760
	13,114	15,262
Gross profit		
General world wide cargo services, bulk services and charters and other freight services	1,227	902
Cargo handling services	819	744
	2,046	1,646

General world wide cargo services, bulk services and charters and other freight services sector turnover decreased by 17.5% in the year with an increase in the gross profit % to 12.9% from 7.8%.
Cargo handling services sector turnover decreased by 3.6% in the year and the gross margin % for this division increased to 22.6% from 19.8%.

Overall the group profit before tax of £228,883 has decreased from the profit of £1,096,565 in 2011 and this has resulted in a profit for the financial year after minority interests of £115,409.

As with other businesses of a similar size the group finds business challenging but continues to respond to pressure on rates in a positive way by providing a high level of service to its existing clients. New business opportunities will continue to be explored with a view to finding new revenue streams for the benefit of the shareholders. The continued development of the group takes account of any known risks although future plans may be subject to unforeseen future events outside our control.

DIVIDENDS

Interim dividends per share were paid as follows:

£3	- 12 April 2011
£10	- 10 May 2011
£80	- 26 May 2011
£3	- 12 July 2011
£3	- 13 October 2011
£5	- 21 November 2011
£3	- 6 January 2012
£107	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2012 will be £107,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report.

Allan Porter
Mark Breingan
John Sloss

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

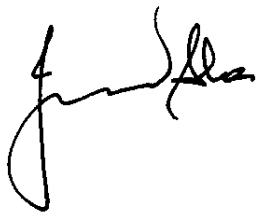
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, William Duncan & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

John Sloss - Secretary



20 December 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEAROUTE GROUP LIMITED

We have audited the financial statements of Searoute Group Limited for the year ended 31 March 2012 on pages six to twenty three. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 Report of the Directors 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 financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2012 and of the group's 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 Report of the Directors 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Andrew Steel (Senior Statutory Auditor)
for and on behalf of William Duncan & Co.
Chartered Accountants
Statutory Auditor
4d Auchingramont Road
Hamilton
ML3 6JT

Andrew Steel, FCA
William Duncan & Company

20 December 2012

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	31.3.12 £	£	31.3.11 £	£
TURNOVER			13,114,171		15,261,553
Continuing operations		13,114,171		13,253,138	
Discontinued operations		-		2,008,415	
Cost of sales	2		11,067,690		13,615,954
GROSS PROFIT	2		2,046,481		1,645,599
Net operating expenses	2		1,751,744		1,596,626
OPERATING PROFIT	5		294,737		48,973
Continuing operations		294,737		153,361	
Discontinued operations		-		(104,388)	
Profit on sale of subsidiaries			-		1,115,306
			294,737		1,164,279
Interest receivable and similar income			3,137		3,006
			297,874		1,167,285
Interest payable and similar charges	6		68,991		70,720
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			228,883		1,096,565
Tax on profit on ordinary activities	7		63,260		24,059
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			165,623		1,072,506
Minority interest - equity			50,214		67,852
RETAINED PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP			115,409		1,004,654

TOTAL RECOGNISED GAINS AND LOSSES
The group has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 MARCH 2012

	Notes	31.3.12 £	£	31.3.11 £	£
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		261,304		294,972
Investments	12		-		-
			261,304		294,972
CURRENT ASSETS					
Debtors	13	2,871,696		3,404,610	
Cash at bank and in hand		1,179,278		1,232,959	
		4,050,974		4,637,569	
CREDITORS					
Amounts falling due within one year	14	2,604,777		3,236,120	
NET CURRENT ASSETS			1,446,197		1,401,449
TOTAL ASSETS LESS CURRENT LIABILITIES			1,707,501		1,696,421
CREDITORS					
Amounts falling due after more than one year	15		(93,907)		(110,762)
PROVISIONS FOR LIABILITIES	19		(27,364)		(28,052)
MINORITY INTERESTS (including non-equity interests)	20		(199,690)		(179,476)
NET ASSETS			1,386,540		1,378,131
CAPITAL AND RESERVES					
Called up share capital	21		1,000		1,000
Profit and loss account	22		1,385,540		1,377,131
SHAREHOLDERS' FUNDS	26		1,386,540		1,378,131

The financial statements were approved by the Board of Directors on 20 December 2012 and were signed on its behalf by:

Allan Porter - Director

John Sloss - Director

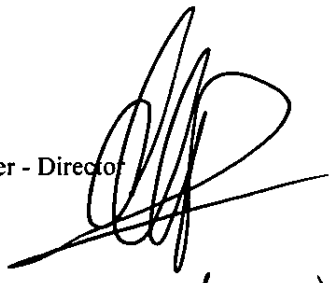
The notes form part of these financial statements

COMPANY BALANCE SHEET
31 MARCH 2012

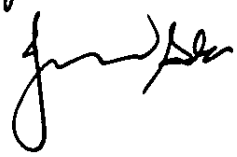
	Notes	31.3.12 £	£	31.3.11 £	£
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		38,527		56,114
Investments	12		1,840		1,840
			40,367		57,954
CURRENT ASSETS					
Debtors	13	1,370,512		1,440,734	
CREDITORS					
Amounts falling due within one year	14	983,055		911,511	
NET CURRENT ASSETS			387,457		529,223
TOTAL ASSETS LESS CURRENT LIABILITIES			427,824		587,177
CREDITORS					
Amounts falling due after more than one year	15		3,499		10,496
NET ASSETS			424,325		576,681
CAPITAL AND RESERVES					
Called up share capital	21		1,000		1,000
Profit and loss account	22		423,325		575,681
SHAREHOLDERS' FUNDS	26		424,325		576,681

The financial statements were approved by the Board of Directors on 20 December 2012 and were signed on its behalf by:

Allan Porter - Director



John Sloss - Director



The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	31.3.12 £	£	31.3.11 £	£
Net cash inflow/(outflow) from operating activities	1		229,947		(37,753)
Returns on investments and servicing of finance	2		(95,854)		(67,714)
Taxation			(14,144)		(3,995)
Capital expenditure	2		(16,039)		(104,334)
Acquisitions and disposals	2		-		1,115,306
Equity dividends paid			(107,000)		(18,500)
			(3,090)		883,010
Financing	2		(50,591)		(13,783)
(Decrease)/increase in cash in the period			(53,681)		869,227
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/increase in cash in the period		(53,681)		869,227	
Cash outflow from decrease in debt and lease financing		40,591		13,783	
Change in net funds resulting from cash flows			(13,090)		883,010
New finance leases			(32,547)		(148,990)
Movement in net funds in the period			(45,637)		734,020
Net funds at 1 April			1,087,563		353,543
Net funds at 31 March			1,041,926		1,087,563

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	31.3.12 £	31.3.11 £
Operating profit	294,737	48,973
Depreciation charges	82,254	27,552
Decrease/(increase) in debtors	545,414	(500,124)
(Decrease)/increase in creditors	(692,458)	385,846
Net cash inflow/(outflow) from operating activities	229,947	(37,753)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.3.12 £	31.3.11 £
Returns on investments and servicing of finance		
Interest received	3,137	3,006
Interest paid	(33,615)	(46,279)
Interest element of hire purchase payments	(35,376)	(24,441)
Dividends paid to minority interests	(30,000)	-
Net cash outflow for returns on investments and servicing of finance	(95,854)	(67,714)
Capital expenditure		
Purchase of tangible fixed assets	(16,039)	(105,334)
Sale of tangible fixed assets	-	1,000
Net cash outflow for capital expenditure	(16,039)	(104,334)
Acquisitions and disposals		
Profit on disposal of subsidiaries	-	1,115,306
Net cash inflow for acquisitions and disposals	-	1,115,306
Financing		
Capital repayments in year	(40,591)	(13,783)
Amount withdrawn by directors	(10,000)	-
Net cash outflow from financing	(50,591)	(13,783)

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.11 £	Cash flow £	Other non-cash changes £	At 31.3.12 £
Net cash:				
Cash at bank and in hand	1,232,959	(53,681)		1,179,278
	1,232,959	(53,681)		1,179,278
Debt:				
Hire purchase	(145,396)	40,591	(32,547)	(137,352)
	(145,396)	40,591	(32,547)	(137,352)
Total	1,087,563	(13,090)	(32,547)	1,041,926

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention.

Turnover
Turnover represents net invoiced international freight forwarding services, excluding value added tax.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in the year ended 31 March 2006, was amortised evenly over its estimated useful life of 5 years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold improvements	- Straight line over the lease term
Plant and machinery	- 25% on reducing balance and 20% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost and 25% on reducing balance

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

continued...

2. ANALYSIS OF OPERATIONS

	31.3.12 Continuing £	31.3.12 Discontinued £	Total £
Cost of sales	11,067,690	-	11,067,690
Gross profit	2,046,481	-	2,046,481
Net operating expenses:			
Administrative expenses	1,751,744	-	1,751,744

	31.3.11 Continuing £	31.3.11 Discontinued £	Total £
Cost of sales	11,680,149	1,935,805	13,615,954
Gross profit	1,572,989	72,610	1,645,599
Net operating expenses:			
Administrative expenses	1,419,628	190,965	1,610,593
Other operating income (see note 3)	-	(13,967)	(13,967)
	1,419,628	176,998	1,596,626

3. OTHER OPERATING INCOME

	31.3.12 £	31.3.11 £
Other income	-	13,967

4. STAFF COSTS

	31.3.12 £	31.3.11 £
Wages and salaries	1,526,781	853,806
Social security costs	162,632	128,101
Other pension costs	14,224	7,158
	1,703,637	989,065

The average monthly number of employees during the year was as follows:

	31.3.12	31.3.11
Management	4	4
Administration	23	23
Stevedoring	66	40
	93	67

continued...

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.12	31.3.11
	£	£
Hire of plant and machinery	41,640	34,996
Depreciation - owned assets	25,831	19,632
Depreciation - assets on hire purchase contracts	56,423	7,920
Auditors' remuneration	13,500	20,550
Foreign exchange differences	(61,182)	(66,966)
Directors' remuneration	232,894	222,212
Directors' pension contributions to money purchase schemes	1,200	1,200

Information regarding the highest paid director is as follows:

	31.3.12	31.3.11
	£	£
Emoluments etc	104,305	98,317

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.12	31.3.11
	£	£
Bank interest and charges	33,444	46,279
Other interest	171	-
Hire purchase interest	8,429	2,379
Leasing	26,947	22,062
	68,991	70,720

7. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.12	31.3.11
	£	£
Current tax:		
UK corporation tax	63,948	-
Deferred tax	(688)	24,059
Tax on profit on ordinary activities	63,260	24,059

continued...

7. TAXATION - continued

Factors affecting the tax charge
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.12 £	31.3.11 £
Profit on ordinary activities before tax	228,883	1,096,565
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 21%)	59,510	230,279
Effects of:		
Expenses not deductible for tax purposes	4,661	8,439
Capital allowances in excess of depreciation	-	(22,192)
Depreciation in excess of capital allowances	1,607	-
Utilisation of tax losses	-	17,688
Marginal relief	(1,830)	-
Group gain on disposal of subsidiaries	-	(234,214)
Current tax charge	63,948	-

8. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(45,356) (2011 - £160,676 profit).

9. DIVIDENDS

	31.3.12 £	31.3.11 £
Ordinary shares of £1 each		
Interim	107,000	18,500

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 April 2011 and 31 March 2012	10,000
AMORTISATION	
At 1 April 2011 and 31 March 2012	10,000
NET BOOK VALUE	
At 31 March 2012	-
At 31 March 2011	-

continued...

11. TANGIBLE FIXED ASSETS

Group

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2011	84,040	272,031	158,387	54,774	569,232
Additions	-	2,037	31,719	14,830	48,586
Disposals	(84,040)	(3,500)	(108,484)	-	(196,024)
At 31 March 2012	-	270,568	81,622	69,604	421,794
DEPRECIATION					
At 1 April 2011	84,040	41,312	132,522	16,386	274,260
Charge for year	-	58,058	12,486	11,710	82,254
Eliminated on disposal	(84,040)	(3,500)	(108,484)	-	(196,024)
At 31 March 2012	-	95,870	36,524	28,096	160,490
NET BOOK VALUE					
At 31 March 2012	-	174,698	45,098	41,508	261,304
At 31 March 2011	-	230,719	25,865	38,388	294,972

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2011	184,000	20,812	37,990	242,802
Additions	-	-	14,830	14,830
Transfer to ownership	-	(20,812)	-	(20,812)
At 31 March 2012	184,000	-	52,820	236,820
DEPRECIATION				
At 1 April 2011	-	11,301	4,749	16,050
Charge for year	46,000	-	10,423	56,423
Transfer to ownership	-	(11,301)	-	(11,301)
At 31 March 2012	46,000	-	15,172	61,172
NET BOOK VALUE				
At 31 March 2012	138,000	-	37,648	175,648
At 31 March 2011	184,000	9,511	33,241	226,752

continued...

11. TANGIBLE FIXED ASSETS - continued

Company

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2011	84,040	3,500	82,149	37,990	207,679
Additions	-	-	2,552	-	2,552
Disposals	(84,040)	(3,500)	(39,487)	-	(127,027)
At 31 March 2012	-	-	45,214	37,990	83,204
DEPRECIATION					
At 1 April 2011	84,040	3,500	59,276	4,749	151,565
Charge for year	-	-	10,643	9,496	20,139
Eliminated on disposal	(84,040)	(3,500)	(39,487)	-	(127,027)
At 31 March 2012	-	-	30,432	14,245	44,677
NET BOOK VALUE					
At 31 March 2012	-	-	14,782	23,745	38,527
At 31 March 2011	-	-	22,873	33,241	56,114

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2011	20,812	37,990	58,802
Transfer to ownership	(20,812)	-	(20,812)
At 31 March 2012	-	37,990	37,990
DEPRECIATION			
At 1 April 2011	11,301	4,749	16,050
Charge for year	-	9,496	9,496
Transfer to ownership	(11,301)	-	(11,301)
At 31 March 2012	-	14,245	14,245
NET BOOK VALUE			
At 31 March 2012	-	23,745	23,745
At 31 March 2011	9,511	33,241	42,752

continued...

12. FIXED ASSET INVESTMENTS

Company

	Unlisted investments £
COST	
At 1 April 2011 and 31 March 2012	1,840
NET BOOK VALUE	
At 31 March 2012	1,840
At 31 March 2011	1,840

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Searoute Port Services (Aberdeen) Limited
Nature of business: Provision of port services.

	% holding	31.3.12 £	31.3.11 £
Class of shares:			
Ordinary	75.00		
Aggregate capital and reserves		798,760	717,906
Profit for the year		200,854	271,408

Searoute International Limited
Nature of business: International freight forwarding agents.

	% holding	31.3.12 £	31.3.11 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		364,985	264,860
Profit/(loss) for the year		100,125	(43,815)

Aberdeen Cargo Handling Services Limited
Nature of business: Provision of port services

	% holding	30.4.11 £	30.4.10 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1	1

continued...

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.12	31.3.11	31.3.12	31.3.11
	£	£	£	£
Trade debtors	1,219,281	1,933,998	-	105,958
Amounts owed by group undertakings	-	-	333,213	269,328
Amounts owed by related undertakings	919,282	1,073,479	793,351	803,347
Other debtors	221,965	244,943	220,123	235,656
Directors' loans	10,000	-	10,000	-
Tax recoverable	2,500	-	2,500	-
VAT	128,767	27,209	-	-
Prepayments and accrued income	369,901	124,981	11,325	26,445
	2,871,696	3,404,610	1,370,512	1,440,734

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.12	31.3.11	31.3.12	31.3.11
	£	£	£	£
Bank loans and overdrafts (see note 16)	-	-	169,265	398,781
Hire purchase contracts (see note 17)	43,445	34,634	6,996	9,034
Trade creditors	1,215,158	2,186,423	59,551	34,083
Amounts owed to group undertakings	-	-	227,557	-
Amounts owed to related undertakings	457,396	583,154	340,112	352,884
Corporation tax	63,948	11,644	-	5,667
PAYE and NIC	96,793	66,926	96,793	66,926
VAT	-	-	21,392	25,634
Other creditors	32,312	13,996	13,646	8,650
Accruals and deferred income	695,725	339,343	47,743	9,852
	2,604,777	3,236,120	983,055	911,511

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.12	31.3.11	31.3.12	31.3.11
	£	£	£	£
Hire purchase contracts (see note 17)	93,907	110,762	3,499	10,496

16. LOANS

An analysis of the maturity of loans is given below:

	Company	
	31.3.12	31.3.11
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	169,265	398,781

continued...

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	31.3.12	31.3.11
	£	£
Net obligations repayable:		
Within one year	43,445	34,634
Between one and five years	93,907	110,762
	137,352	145,396

Company

	Hire purchase contracts	
	31.3.12	31.3.11
	£	£
Net obligations repayable:		
Within one year	6,996	9,034
Between one and five years	3,499	10,496
	10,495	19,530

The following operating lease payments are committed to be paid within one year:

Group

	Land and buildings		Other operating leases	
	31.3.12	31.3.11	31.3.12	31.3.11
	£	£	£	£
Expiring:				
Within one year	-	50,625	-	3,608
Between one and five years	-	-	17,314	10,454
In more than five years	37,800	-	-	-
	37,800	50,625	17,314	14,062

continued...

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

Company

	Land and buildings		Other operating leases	
	31.3.12	31.3.11	31.3.12	31.3.11
	£	£	£	£
Expiring:				
Within one year	-	50,625	-	3,608
Between one and five years	-	-	9,908	3,048
In more than five years	37,800	-	-	-
	37,800	50,625	9,908	6,656

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.3.12	31.3.11	31.3.12	31.3.11
	£	£	£	£
Bank overdraft	-	-	169,265	398,781
Hire purchase contracts	137,352	145,396	10,495	19,530
	137,352	145,396	179,760	418,311

The Royal Bank of Scotland plc holds an Unlimited Inter Company Guarantee granted by all companies within the Searoute Group and a bond and floating charge over all the assets and undertakings of the group.

19. PROVISIONS FOR LIABILITIES

	Group	
	31.3.12	31.3.11
	£	£
Deferred tax	27,364	28,052

Group

	Deferred tax
	£
Balance at 1 April 2011	28,052
Transfer to profit and loss	(688)
Balance at 31 March 2012	27,364

20. MINORITY INTERESTS

The minority interests represent a holding of 25% of the ordinary shares in Searoute Port Services (Aberdeen) Limited.

continued...

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.12 £	31.3.11 £
1,000	Ordinary	£1	1,000	1,000

22. RESERVES

Group

	Profit and loss account £
At 1 April 2011	1,377,131
Profit for the year	115,409
Dividends	(107,000)
At 31 March 2012	1,385,540

Company

	Profit and loss account £
At 1 April 2011	575,681
Deficit for the year	(45,356)
Dividends	(107,000)
At 31 March 2012	423,325

23. CONTINGENT LIABILITIES

The company is party to the borrowing facility of the Searoute Group which allows for the offset of individual company accounts.

24. TRANSACTIONS WITH DIRECTORS

The following loan to a director subsisted during the year ended 31 March 2012:

Mark Breingan	£
Balance outstanding at start of year	-
Balance outstanding at end of year	10,000
Maximum balance outstanding during year	10,000

The above balance was interest free, unsecured and had no fixed repayment terms.

continued...

25. RELATED PARTY DISCLOSURES

During the year, total dividends of £107,000 were paid to the directors.

Allan Porter and Mark Breingan own the whole issued share capital of Searoute Breakbulk Services Limited. This company owns the whole issued share capital of Guitars Direct Limited, Scotfreight Limited, Searoute Projects Limited, Searoute Breakbulk Services North Limited and Searoute Breakbulk Services Central Limited. Amounts due to the group from these related undertakings as at the year end totalled £919,282 (2011 : £1,073,479) and amounts due by the group to the related undertakings at 31 March 2012 totalled £457,396 (2011 : £583,154).

26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	31.3.12	31.3.11
	£	£
Profit for the financial year	115,409	1,004,654
Dividends	(107,000)	(18,500)
Net addition to shareholders' funds	8,409	986,154
Opening shareholders' funds	1,378,131	391,977
Closing shareholders' funds	1,386,540	1,378,131

Company

	31.3.12	31.3.11
	£	£
(Loss)/profit for the financial year	(45,356)	160,676
Dividends	(107,000)	(18,500)
Net (reduction)/addition to shareholders' funds	(152,356)	142,176
Opening shareholders' funds	576,681	434,505
Closing shareholders' funds	424,325	576,681

27. CONTROL

The directors' beneficial interest represents 100% of the company's issued share capital. The directors therefore control the company and the group.

CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	31.3.12		31.3.11	
	£	£	£	£
Turnover				
Sales	10,573,466		12,007,401	
Import sales	2,463,950		3,169,175	
Warehouse sales	76,755		84,977	
		13,114,171		15,261,553
Cost of sales				
Freight and ancillaries	10,294,053		13,574,755	
Direct costs	23,349		8,959	
Warehouse wages	750,288		32,240	
		11,067,690		13,615,954
GROSS PROFIT		2,046,481		1,645,599
Other income				
Other income	-		13,967	
Interest received	3,137		3,006	
		3,137		16,973
		2,049,618		1,662,572
Expenditure				
Directors' remuneration	204,967		196,023	
Directors' pension contributions	1,200		1,200	
Wages and salaries	571,526		625,543	
National insurance	162,632		128,101	
Pensions	13,024		5,958	
Rent and rates	154,163		169,281	
Insurance	110,427		44,774	
Heat and light	13,092		7,580	
Dilapidations and relocation	70,448		-	
Hire of equipment	41,640		34,996	
Telephone	27,248		23,785	
Post, stationery and adverts	39,140		37,416	
Travel expenses	25,751		16,329	
Motor and travel expenses	114,052		86,346	
Computer costs	28,732		24,429	
Repairs and renewals	14,610		14,881	
Training	4,602		2,304	
Cleaning	13,574		-	
General expenses	27,652		31,435	
Legal and professional fees	30,354		46,541	
Auditors' remuneration	13,500		20,550	
Foreign exchange (gain) / loss	(61,182)		(66,966)	
Entertainment	17,894		40,188	
Bad debts	30,444		92,347	
		1,669,490		1,583,041
Carried forward		380,128		79,531

CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	31.3.12		31.3.11	
	£	£	£	£
Brought forward		380,128		79,531
Finance costs				
Bank interest and charges	33,444		46,279	
Other interest	171		-	
Hire purchase interest	8,429		2,379	
Leasing	26,947		22,062	
		68,991		70,720
		311,137		8,811
Depreciation				
Plant and machinery	58,058		8,833	
Fixtures and fittings	12,486		12,818	
Motor vehicles	11,710		5,901	
		82,254		27,552
		228,883		(18,741)
Exceptional items				
Profit on sale of subsidiaries		-		1,115,306
NET PROFIT		228,883		1,096,565