Registration number 1564607

Derby Polythene Limited

Director's report and financial statements

for the year ended 31st March 2006

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Derby Polythene Limited

Company information

Director	C. R. Wathey
Secretary	Mrs P. J. Wathey
Company number	*1564607*
Registered office	6 Nottingham Road Long Eaton Nottingham NG10 1HP NG10 1HP
Accountants	*Phipp & Co. (Accountants) Limited* 6 Nottingham Road Long Eaton Nottingham NG10 1HP
Business address	Unit 1 Spiral Tube Works Off Osmanton Park road Derby DE24 8BT
Bankers	Royal Bank of Scotland p.l.c., Cornmarket Derby

Derby Polythene Limited

Contents

	Page
Director's report	1
Profit and loss account	2
Balance sheet	3 - 4
Notes to the financial statements	5 - 9

Derby Polythene Limited

Director's report
for the year ended 31st March 2006

The director presents his report and the financial statements for the year ended 31st March 2006.

Principal activity
The principal activity of the company, which is unchanged since last year, is the manufacture of polythene products.

Director and his interest
The director who served during the year and his interest in the company are as stated below:

	Class of share	31/03/06	01/04/05
C. R. Wathey	Ordinary shares	-	-

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 11 Jan 2007
and signed on its behalf by

Mrs P. J. Wathey
Secretary

Derby Polythene Limited

Profit and loss account
for the year ended 31st March 2006

	Notes	2006 £	2005 £
Turnover	2	318,598	323,357
Cost of sales		(197,363)	(204,458)
Gross profit		121,235	118,899
Distribution costs		(5,858)	(4,879)
Administrative expenses		(26,573)	(31,730)
Operating profit	3	88,804	82,290
Other interest receivable and similar income		1,933	3,040
Profit on ordinary activities before taxation		90,737	85,330
Tax on profit on ordinary activities	5	(17,230)	(15,759)
Profit on ordinary activities after taxation		73,507	69,571

The notes on pages 5 to 9 form an integral part of these financial statements.

Derby Polythene Limited

Balance sheet
as at 31st March 2006

	Notes	2006 £	2006 £	2005 £	2005 £
Fixed assets					
Tangible assets	7		40,037		52,225
Current assets					
Stocks	8	5,997		9,315	
Debtors	9	75,080		140,613	
Cash at bank and in hand		48,271		20,053	
		129,348		169,981	
Creditors: amounts falling due within one year	10	(42,846)		(38,824)	
Net current assets			86,502		131,157
Total assets less current liabilities			126,539		183,382
Provisions for liabilities	11		(1,210)		(1,560)
Net assets			125,329		181,822
Capital and reserves					
Called up share capital	12		1,000		1,000
Revaluation reserve	13		10,475		10,475
Profit and loss account	13		113,854		170,347
Shareholders' funds			125,329		181,822

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 5 to 9 form an integral part of these financial statements.

Balance sheet (continued)

Director's statements required by Section 249B(4) for the year ended 31st March 2006

In approving these financial statements as director of the company I hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that members have not required the company to obtain an audit of its accounts for the year in question under Section 249B(2) of the Companies Act 1985.

(c) that I acknowledge my responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board on 11 Jan 07
and signed on its behalf by

C. R. Wathey
Director

Notes to the financial statements for the year ended 31st March 2006

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2. Changes in accounting policy

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standard:

The Financial Reporting Standard for Smaller Entities (effective January 2005). This affects the policy for disclosure of dividends paid during the year. Dividends are paid from equity reserves, rather than being charged through the profit and loss account. The results for the previous year are also amended to show the dividends as paid from reserves.

1.3. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	15% p.a. on reducing balance
Fixtures, fittings and equipment	-	15% p.a. on reducing balance
Motor vehicles	-	25% p.a. on reducing balance

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

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3. Operating profit

	2006 £	2005 £
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	12,188	16,048
Loss on disposal of tangible fixed assets	-	1,751

and after crediting:

4. Director's emoluments

	2006 £	2005 £
Remuneration and other benefits	4,896	4,720

5. Tax on profit on ordinary activities

Analysis of charge in period	2006 £	2005 £
Current tax		
UK corporation tax	17,580	16,671
Total current tax charge	17,580	16,671
Deferred tax		
Timing differences, origination and reversal	(350)	(912)
Total deferred tax	(350)	(912)
Tax on profit on ordinary activities	17,230	15,759

6. Dividends

Dividends paid and proposed on equity shares

	2006 £	2005 £
Paid during the year:		
Equity dividends on Ordinary shares	130,000	60,000
	130,000	60,000

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7. Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost/revaluation				
At 1st April 2005	37,739	13,792	71,580	123,111
At 31st March 2006	37,739	13,792	71,580	123,111
Depreciation				
At 1st April 2005	31,253	11,598	28,035	70,886
Charge for the year	973	329	10,886	12,188
At 31st March 2006	32,226	11,927	38,921	83,074
Net book values				
At 31st March 2006	5,513	1,865	32,659	40,037
At 31st March 2005	6,486	2,194	43,545	52,225

8. Stocks

	2006	2005
	£	£
Stocks	5,997	9,315

Stock comprises of raw materials.

9. Debtors

	2006	2005
	£	£
Trade debtors	74,084	89,906
Amounts owed by holding company	-	48,345
Prepayments and accrued income	996	2,362
	75,080	140,613

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10. Creditors: amounts falling due within one year	2006 £	2005 £
Trade creditors	5,928	6,409
Amounts owed to holding company	1,655	-
Corporation tax	17,580	16,671
Other taxes and social security costs	16,033	14,104
Accruals and deferred income	1,650	1,640
	42,846	38,824

11. Provisions for liabilities

	Deferred taxation (Note) £	Total £
At 1st April 2005	1,560	1,560
Movements in the year	350	350
At 31st March 2006	1,210	1,210

12. Share capital	2006 £	2005 £
Authorised		
1,000 Ordinary shares of 1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 Ordinary shares of 1 each	1,000	1,000
Equity Shares		
1,000 Ordinary shares of 1 each	1,000	1,000

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13. Reserves

	Revaluation reserve £	Profit and loss account £	Total £
At 1st April 2005	10,475	170,347	180,822
Profit for the year		73,507	73,507
Equity Dividends		(130,000)	(130,000)
At 31st March 2006	10,475	113,854	124,329

14. Contingent liabilities

Unlimited cross guarantees exist between the company and its' parent company together with three other companies, Goldstar Services Ltd., Central Polythene Ltd. and Derby Flexographic Printers Ltd., in respect of all bank borrowings at 31st March 2006. The total bank borrowings at that date were below agreed lending limits.

15. Related party transactions

The company maked purchases at normal commercial rates form the holding company, Donington Plastics ltd., and Derby Flexographic Printers Ltd, a company in which the director also has an interest. In the year ended 31st March 2005 these amounted to £50,000 from the former and £4,508 from the latter. The amount owed to these companies at 31st March 2006 were £1,655 and £974 respectively.

16. Ultimate parent undertaking

The director regards the ultimate holding company to be Donington Plastics Limited, a company incorporated in the United Kingdom. The company is exempt under Section 228 of the Companies Act 1985 from preparing group accounts.