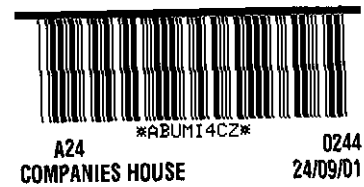


Cardboard Packaging Supplies Limited

Abbreviated Statutory Accounts

31st May 2001



Company Number 3030521

(England & Wales)

Auditors Report to the Directors of
Cardboard Packaging Supplies Limited
under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 6, together with the financial statements of Cardboard Packaging Supplies Limited for the year ended 31 May 2001, prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 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 in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.



Shenker & Co
Chartered Accountants & Registered Auditors
Suite 114 Premier House
112 Station Road
Edgware
Middx
HA8 7BJ

30th August 2001

Cardboard Packaging Supplies Limited

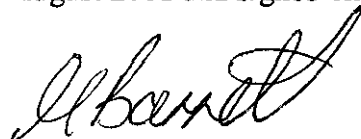
Balance Sheet

As at 31st May 2001

	<u>Notes</u>	£	<u>2001</u>	£	£	<u>2000</u>	£
Fixed Assets							
Tangible Assets	2		159,575			178,415	
Current Assets							
Stocks			5,923			4,710	
Debtors			217,125			166,906	
Cash at Bank and in Hand			30,894			569	
			-----			-----	
			253,942			172,185	
Creditors: Amounts falling due within one year	3		(248,062)			(298,478)	
			-----			-----	
Net Current (Assets)/Liabilities			5,880			(126,293)	
			-----			-----	
Total Assets less Current Liabilities			165,455			52,122	
Creditors: Amounts falling due after more than one year							
	3		(99,250)			(39,416)	
Provisions for Liabilities and Charges							
Deferred Taxation			(11,243)			(-)	
			-----			-----	
Net Assets			54,962			12,706	
			=====			=====	
Capital and Reserves							
Called Up Share Capital	4		1,100			1,100	
Profit and Loss Account			53,862			11,606	
			-----			-----	
Shareholders Funds			£54,962			£12,706	
			=====			=====	

The abbreviated accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the Board on 29 August 2001 and signed on its behalf.

M Barrett
Director



The notes on pages 4 to 6 form part of these financial statements.

Cardboard Packaging Supplies Limited
Notes to the Abbreviated Accounts
31st May 2001

1. **Accounting Policies**

a) **Basis of Accounting**

The financial statements have been prepared under the historical cost convention and includes the results of the company's operations which are described in the Directors' Report and all of which are continuing.

b) **Turnover**

Turnover comprises the invoiced value of goods supplied by the company, net of Value Added Tax and trade discounts. The turnover is all attributable to the company's principal activity and all goods and services have been provided to the United Kingdom market.

c) **Depreciation**

Depreciation has been provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected life.

The rates used are as follows:

Motor Vehicles	:	25% per annum on a reducing balance basis
Plant and Machinery	:	15% per annum on a reducing balance basis
Fixtures and Fittings	:	15% per annum on a reducing balance basis
Computer Equipment	:	On a straight line basis over three years

d) **Cash Flow Statements**

The Company has taken advantage of the exemptions provided under Financial Reporting Standard No. 1 and has not prepared a statement of cash flow.

e) **Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

f) **Hire Purchase**

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their estimated useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Cardboard Packaging Supplies Limited
Notes to the Abbreviated Accounts (Continued)
31st May 2001

g) **Deferred Taxation**

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

h) **Operating Leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to profit and loss as incurred.

2. **Fixed Assets**

	<u>Tangible Fixed Assets</u> £
<u>Cost</u>	
At 1 st June 2000	307,741
Additions in Year	11,653
Disposals in Year	-

At 31 st May 2001	319,394
	=====
<u>Depreciation</u>	
At 1 st June 2000	68,238
Charge for the Year	23,487
Eliminated on Disposals	-

At 31 st May 2001	91,725
	=====
<u>Net Book Value</u>	
At 31 st May 2001	£133,091
	=====
At 31 st May 2000	£155,517
	=====

Included in the net book values are plant and machinery amounting to £94,768 (2000: £71,492) and motor vehicles amounting to £5,623(2000:£13,277) held under hire purchase contracts.

Cardboard Packaging Supplies Limited
Notes to the Abbreviated Accounts (Continued)
31st May 2001

3. <u>Creditors:</u>	<u>2001</u>	<u>2000</u>
	£	£
Creditors include the following amount of Secured liabilities		
Due within one year	30,167	23,229
Due after more than one year	99,250	39,416
	-----	-----
	£129,417	£62,645
	=====	=====

The bank loan is secured by a fixed and floating charge over the company's assets. The bank loan outstanding at the year end is £90,000 (2000:£Nil) payable in monthly instalments commencing September 2001, plus interest at a rate of 2.5% over Bank Base Rate as follows:

Within one year	13,500	10,303
Between one and two years	18,000	-
Between two and five years	54,000	-
After more than five years	4,500	-
	-----	-----
	£90,000	£10,303
	=====	=====

The Hire Purchase Contracts are secured on the assets concerned.

4. <u>Share Capital</u>	<u>2001</u>	<u>2000</u>
<u>Authorised</u>		
1,000 Ordinary Shares of £1 each	1,000	1,000
1,000 'A' Ordinary Shares of £1 each	1,000	1,000
	-----	-----
	£2,000	£2,000
	=====	=====
<u>Allotted, Called Up and Fully Paid</u>		
1,000 Ordinary Shares of £1 each	1,000	1,000
100 'A' Ordinary Shares of £1 each	100	100
	-----	-----
	£1,100	£1,100
	=====	=====

The 'A' ordinary shares carry no votes at meetings.

5. **Transaction with Directors**

At the year end there were amounts outstanding as Directors Loans to M Barrett of £1,338 (2000: £14,188) and D Barrett of £3,147 (2000: £1,957).