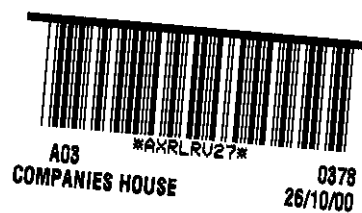


PAL PAK CORRUGATED LIMITED
ABBREVIATED FINANCIAL STATEMENTS

28TH FEBRUARY 2000

Registered number: 3060021

COBHAM MURPHY
REGISTERED AUDITOR
Liverpool



PAL PAK CORRUGATED LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 28th February 2000

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PAL PAK CORRUGATED LIMITED**Auditors' report to
Pal Pak Corrugated Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the financial statements of the company for the year ended 28th February 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

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

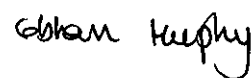
Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.

Liverpool
22nd September 2000



Cobham Murphy

Registered Auditor

PAL PAK CORRUGATED LIMITED

ABBREVIATED BALANCE SHEET

at 28th February 2000

	Note	£	2000 £	£	1999 £
Fixed assets					
Tangible assets	2		52,932		70,575
Current assets					
Stocks		24,176		25,799	
Debtors		206,589		224,828	
			<u>230,765</u>	<u>250,627</u>	
Creditors: amounts falling due within one year			<u>(235,742)</u>	<u>(246,615)</u>	
Net current (liabilities)/assets			(4,977)		4,012
Total assets less current liabilities			<u>47,955</u>		<u>74,587</u>
Creditors: amounts falling due after more than one year	3		<u>(23,651)</u>		<u>(47,342)</u>
			<u>24,304</u>		<u>27,245</u>
Capital and reserves					
Called up share capital	4		27,500		27,500
Profit and loss account			(3,196)		(255)
Total shareholders' funds			<u>24,304</u>		<u>27,245</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 22nd September 2000 and signed on its behalf by:

P. Tobin

P Tobin
Director

PAL PAK CORRUGATED LIMITED**NOTES ON ABBREVIATED FINANCIAL STATEMENTS****28th February 2000****1 Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance

Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset. Grants of a revenue nature are credited to income in the period to which they relate.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

PAL PAK CORRUGATED LIMITED
NOTES ON ABBREVIATED FINANCIAL STATEMENTS

28th February 2000

2 Fixed assets

	Tangible fixed assets £
Cost	
1st March 1999 and 28th February 2000	114,475
Depreciation	
1st March 1999	43,900
Charge for year	17,640
28th February 2000	61,543
Net book amount	
28th February 2000	52,932
1st March 1999	70,575

3 Creditors:

	2000 £	1999 £
Secured creditors		
Small company secured creditors	47,640	63,542

PAL PAK CORRUGATED LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

28th February 2000

4 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary Shares of £1	90,000	90,000	90,000	90,000
Non-equity shares				
Non Voting Ordinary shares of £1	10,000	10,000	10,000	10,000
		100,000		100,000
Allotted called up and fully paid				
Ordinary Shares of £1	25,000	25,000	25,000	25,000
Non-equity shares				
Non Voting Ordinary shares of £1	2,500	2,500	2,500	2,500
		27,500		27,500

The £1 non-voting ordinary shares shall have the same rights as the £1 ordinary shares in the company. However the holders of such non-voting shares shall not have any right to vote at any meeting of the members.

5 Directors' interests and loans

P Tobin and W H Ford, directors, operate current accounts with the company to which all transactions of a private nature are charged. At the 28th February 2000 the balances on these accounts were £2,000 and £2,000 respectively, and are included in other debtors. These were the maximum balances outstanding during the year. The loans were interest free and unsecured. There were no balances on these accounts at 28th February 1999.

6 Related parties

J.A Hughes, who was a director of Palpak Corrugated Limited during the year, is also a director of Pal Pak Limited. During the year the following transactions with Pal Pak Limited occurred:

	2000 £
Sales at arms length basis	9,511
Purchases at arms length basis	58,667
Management charge incurred	7,126

Trade debtors include amounts due from Pal Pak Limited of £837 (1999 £1,029). There were no amounts due to Pal Pak Limited at the year end (1999 £21,438).