

Aintree Cartons Limited
Abbreviated Accounts
for the year ended 31 May 2000

Alan Rumph & Co.
Chartered Accountants
Jubilee House, Altcar Road
Formby



Aintree Cartons Limited

Contents

	Page
Directors' Report	1
Auditors' Report	2
Abbreviated Profit and Loss Account	3
Balance Sheet	4
Cash Flow Statement	5
Notes to the Financial Statements	6 - 12

Aintree Cartons Limited

Directors' Report for the year ended 31 May 2000

The directors present their report and the accounts for the year ended 31 May 2000.

Principal Activity and Review of the Business

The principal activity of the company is carton manufacture and general trading.

The directors consider that the results for the year are satisfactory. Adequate finance has been obtained to take advantage of business opportunities and the directors consider the state of affairs to be satisfactory.

Results And Dividends

The results for the year are set out on page 3.

The directors do not recommend payment of a final dividend.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31 May 2000	1 June 1999 or date of appointment
M. E. Baylis	-	-
C.M. Baylis	-	-

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the 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 the 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

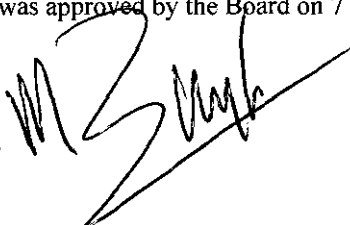
Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Alan Rumph & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

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

This report was approved by the Board on 7 November 2000 and signed on its behalf by

M E Baylis
Secretary



**Auditors' Report to Aintree Cartons Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 3 to 12 together with the financial statements of Aintree Cartons Limited for the year ended 31 May 2000, 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 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 Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 accounts and that the abbreviated accounts 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 full financial statements.

Opinion

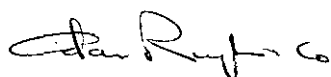
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 May 2000, and the abbreviated accounts on pages 3 to 12 are properly prepared in accordance with that provision.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company and of the profit or loss of the company for that year. In preparing these the 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 based on the 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**Alan Rumph & Co.
Chartered Accountants and
Registered Auditor**

8 November 2000

**Jubilee House
Altcar Road
Formby
Merseyside
L37 8DL**

Aintree Cartons Limited

**Abbreviated Profit and Loss Account
for the year ended 31 May 2000**

		Continuing operations	
		2000	1999
	Notes	£	£
Gross profit		93,725	87,347
Administrative expenses		(54,811)	(41,188)
Operating profit	2	<u>38,914</u>	<u>46,159</u>
Interest receivable and similar income	3	3	-
Interest payable and similar charges	4	<u>(19,652)</u>	<u>-</u>
Profit on ordinary activities before taxation		19,265	46,159
Tax on profit on ordinary activities	7	<u>6,858</u>	<u>-</u>
Retained profit for the year		26,123	46,159
Accumulated (loss) brought forward		<u>(69,875)</u>	<u>(116,035)</u>
Accumulated (loss) carried forward		<u><u>(43,752)</u></u>	<u><u>(69,876)</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 12 form an integral part of these financial statements.

Aintree Cartons Limited

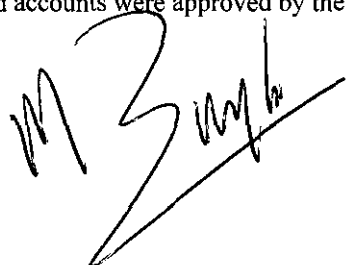
**Balance Sheet
as at 31 May 2000**

		2000		1999	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	8		886,367		685,014
Current Assets					
Stocks	9	5,998		7,425	
Debtors	10	144,846		103,008	
Cash at bank and in hand		1,043		15,862	
		<u>151,887</u>		<u>126,295</u>	
Creditors: amounts falling due within one year	11	<u>(124,144)</u>		<u>(119,617)</u>	
Net Current Assets			<u>27,743</u>		<u>6,678</u>
Total Assets Less Current Liabilities			914,110		691,692
Creditors: amounts falling due after more than one year	12		(920,080)		(727,066)
Provision for Liabilities and Charges	13		<u>(3,281)</u>		<u>-</u>
Deficiency of Assets			<u>(9,251)</u>		<u>(35,374)</u>
Capital and Reserves					
Called up share capital	14		34,502		34,502
Profit and loss account			<u>(43,753)</u>		<u>(69,876)</u>
Equity Shareholders' Funds	15		<u>(9,251)</u>		<u>(35,374)</u>

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

The abbreviated accounts were approved by the Board on 7 November 2000 and signed on its behalf by

M. E. Baylis
Director



The notes on pages 6 to 12 form an integral part of these financial statements.

Aintree Cartons Limited

**Cash Flow Statement
for the year ended 31 May 2000**

	Notes	2000 £	1999 £
Reconciliation of operating profit to net cash outflow from operating activities			
Operating profit		38,914	46,159
Depreciation		39,358	35,037
Decrease in stocks		1,427	(6,576)
(Increase) in debtors		(41,838)	(90,693)
(Decrease) in creditors		(59,348)	112,955
Net cash outflow from operating activities		<u>(21,487)</u>	<u>96,882</u>
CASH FLOW STATEMENT			
Net cash outflow from operating activities		(21,487)	96,882
Returns on investments and servicing of finance	18	(13,142)	-
Capital expenditure	18	(240,711)	(160,569)
		<u>(275,340)</u>	<u>(63,687)</u>
Financing	18	263,516	79,433
Decrease in cash in the year		<u>(11,824)</u>	<u>15,746</u>
Reconciliation of net cash flow to movement in net debt (Note 19)			
Decrease in cash in the year		(11,824)	15,746
Cash inflow from decrease in debts and lease financing		(263,516)	(79,433)
Change in net debt resulting from cash flows		(275,340)	(63,687)
New finance leases		-	1,354
Movement in net debt in the year		<u>(275,340)</u>	<u>(62,333)</u>
Net debt at 1 June 1999		<u>(711,204)</u>	<u>(648,871)</u>
Net debt at 31 May 2000		<u>(986,544)</u>	<u>(711,204)</u>

Aintree Cartons Limited

Notes to the Abbreviated Financial Statements for the year ended 31 May 2000

1. Accounting Policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention.

1.2. Turnover

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

1.3. Tangible fixed assets and depreciation

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

Long leasehold property	-	Straight line over fifty years
Plant and machinery	-	10% Straight Line
Fixtures, fittings and equipment	-	25% Reducing Balance
Motor vehicles	-	25% Reducing Balance

1.4. Stock

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

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

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 directors consider that a liability to taxation is unlikely to materialise.

2. Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Depreciation of tangible assets	39,148	35,037
Loss on disposal of tangible fixed assets	210	-
Auditors' remuneration	750	750
and after crediting:		
Government grants	20,000	-

3. Interest receivable and similar income

	2000 £	1999 £
Bank interest	3	-

Aintree Cartons Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2000**

..... continued

4. Interest payable and similar charges

2000	1999
£	£

On bank loans and overdrafts

19,652	-
<u>19,652</u>	<u>-</u>

5. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

2000	1999
Number	Number

2	1
<u>2</u>	<u>1</u>

Employment costs

2000	1999
£	£

Wages and salaries

24,728	20,247
--------	--------

Social security costs

2,933	2,201
-------	-------

Other pension costs

1,200	1,100
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28,861	23,548
<u>28,861</u>	<u>23,548</u>

5.1. Directors' emoluments

2000	1999
£	£

Remuneration and other emoluments

-	4,000
<u>-</u>	<u>4,000</u>

6. Pension costs

The full details of the pension scheme are shown here in this paragraph. Pension costs amounted to £1,200 (1999 - £1,100)

Aintree Cartons Limited

Notes to the Abbreviated Financial Statements for the year ended 31 May 2000

..... continued

7. Taxation				2000	1999
				£	£
UK current year taxation					
UK Corporation Tax				3,281	-
Receipt in respect of group relief				(13,134)	-
				<u>(9,853)</u>	<u>-</u>
Prior years					
UK Corporation Tax				2,995	-
				<u>(6,858)</u>	<u>-</u>
8. Tangible fixed assets					
	Long leasehold property	Plant and machinery	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 June 1999	524,983	249,078	6,198	12,855	793,114
Additions	79,700	160,651	359	-	240,710
Disposals	-	-	(596)	-	(596)
At 31 May 2000	<u>604,683</u>	<u>409,729</u>	<u>5,961</u>	<u>12,855</u>	<u>1,033,228</u>
Depreciation					
At 1 June 1999	7,315	90,172	3,783	6,830	108,100
On disposals	-	-	(387)	-	(387)
Charge for the year	12,093	24,908	641	1,506	39,148
At 31 May 2000	<u>19,408</u>	<u>115,080</u>	<u>4,037</u>	<u>8,336</u>	<u>146,861</u>
Net book values					
At 31 May 2000	<u>585,275</u>	<u>294,649</u>	<u>1,924</u>	<u>4,519</u>	<u>886,367</u>
At 31 May 1999	<u>517,668</u>	<u>158,906</u>	<u>2,415</u>	<u>6,025</u>	<u>685,014</u>
9. Stocks				2000	1999
				£	£
Finished goods and goods for resale				<u>5,998</u>	<u>7,425</u>

Aintree Cartons Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2000**

..... continued

10. Debtors

	2000	1999
	£	£
Trade debtors	2,639	4,681
Amount owed by connected companies	139,885	74,800
Other debtors	-	16,727
Prepayments and accrued income	2,322	6,800
	<u>144,846</u>	<u>103,008</u>

11. Creditors: amounts falling due within one year

	2000	1999
	£	£
Bank loan	70,502	-
Trade creditors	30,496	118,156
Other taxes and social security costs	2,522	661
Other creditors	14,117	-
Accruals and deferred income	6,507	800
	<u>124,144</u>	<u>119,617</u>

12. Creditors: amounts falling due after more than one year

	2000	1999
	£	£
Bank loan (secured on leasehold property)	272,447	79,433
Loan from parent company	635,500	635,500
Directors Loans	12,133	12,133
	<u>920,080</u>	<u>727,066</u>

Loans

Repayable in one year or less, or on demand (Note 11)	70,502	-
Repayable between one and two years	70,503	37,078
Repayable between two and five years	171,199	42,355
Repayable in five years or more	678,378	647,633
	<u>990,582</u>	<u>727,066</u>

Bank loan (secured on leasehold property)	30,745	-
Loan from parent company	635,500	635,500
Directors Loans	12,133	12,133

Aintree Cartons Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2000**

..... continued

13. Provisions for liabilities and charges

Deferred tax is analysed over the following timing differences:

	Provided	
	2000	1999
	£	£
Accelerated capital allowances	11,655	-
Tax losses available	(8,374)	-
	<u>3,281</u>	<u>-</u>

Movements on the provision for deferred taxation are:

	2000	1999
	£	£
At 1 June 1999	-	-
Transferred from profit and loss account	<u>3,281</u>	<u>-</u>
At 31 May 2000	<u>3,281</u>	<u>-</u>

14. Share capital

Authorised equity

1,000,000 Ordinary shares of £1 each

2000	1999
£	£
<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid equity

34,502 Ordinary shares of £1 each

<u>34,502</u>	<u>34,502</u>
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15. Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
Profit for the year	26,123	46,159
Opening shareholders' funds	<u>(35,374)</u>	<u>(81,533)</u>
	<u>(9,251)</u>	<u>(35,374)</u>

Aintree Cartons Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2000**

..... continued

16. Capital commitments

	2000	1999
	£	£
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>-</u>	<u>90,785</u>

17. Ultimate parent undertaking

Future Heights Limited

18. Gross Cash Flows

	2000	1999
	£	£
Returns on investments and servicing of finance		
Interest received	3	-
Interest paid	(13,145)	-
	<u>(13,142)</u>	<u>-</u>
Capital expenditure		
Payments to acquire tangible assets	(240,710)	(160,569)
Receipts from sales of tangible assets	(1)	-
	<u>(240,711)</u>	<u>(160,569)</u>
Financing		
New long term bank loan	301,377	79,433
Repayment of long term bank loan	(37,861)	-
	<u>263,516</u>	<u>79,433</u>

Aintree Cartons Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2000**

..... continued

19. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	15,862	(14,819)		1,043
Debt due within one year	-	37,861	(108,363)	(70,502)
Debt due after one year	(727,066)	(301,377)	108,363	(920,080)
	(727,066)	(263,516)	-	(990,582)
Net funds	<u>(711,204)</u>	<u>(278,335)</u>	<u>-</u>	<u>(989,539)</u>