

Registration number 3098513

Aintree Cartons Limited
Abbreviated accounts
for the year ended 31 May 2002



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
Abbreviated 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 2002

The directors present their report and the accounts for the year ended 31 May 2002.

Principal activity and review of the business

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

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	
	31/05/02	01/06/01
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

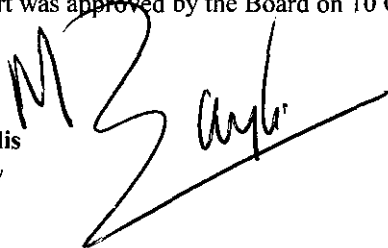
In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Alan Rumph & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

The directors recommend that Alan Rumph & Co. remain in office until further notice.

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 10 October 2002 and signed on its behalf by

M E Baylis
Secretary



**Independent 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 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

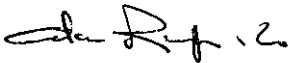
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the 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 2002, and the abbreviated accounts on pages 3 to 12 are properly prepared in accordance with that provision.



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

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

Date : 11 October 2002

Aintree Cartons Limited

**Abbreviated profit and loss account
for the year ended 31 May 2002**

		Continuing operations	
		2002	2001
	Notes	£	£
Gross profit		132,691	81,900
Gross profit		189,691	150,900
Administrative expenses		(79,416)	(77,352)
Operating profit	2	110,275	73,548
Interest payable and similar charges	3	(17,644)	(24,252)
Profit on ordinary activities before taxation		92,631	49,296
Tax on profit on ordinary activities	5	(17,904)	(8,699)
Retained profit for the year		74,727	40,597
Accumulated loss brought forward		(3,156)	(43,753)
Retained profit/(loss) carried forward		71,571	(3,156)

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

**Abbreviated balance sheet
as at 31 May 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6		757,250		767,053
Current assets					
Debtors	7	275,388		251,008	
Cash at bank and in hand		20,179		729	
		<u>295,567</u>		<u>251,737</u>	
Creditors: amounts falling due within one year	8	<u>(85,840)</u>		<u>(92,911)</u>	
Net current assets			<u>209,727</u>		<u>158,826</u>
Total assets less current liabilities			966,977		925,879
Creditors: amounts falling due after more than one year	9		(847,836)		(891,280)
Provisions for liabilities and charges	10		(13,068)		(3,253)
Net assets			<u>106,073</u>		<u>31,346</u>
Capital and reserves					
Called up share capital	12		34,502		34,502
Profit and loss account			71,571		(3,156)
Equity shareholders' funds	13		<u>106,073</u>		<u>31,346</u>

In preparing these abbreviated accounts we have relied on the exemptions for individual financial statements conferred by section Section B of Part 1 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a medium sized company.

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 10 October 2002 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 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		110,275	73,548
Depreciation		48,592	59,328
(Increase) in stocks		-	5,998
(Increase) in debtors		(24,380)	(106,162)
(Decrease) in creditors		(18,271)	(28,010)
Net cash inflow from operating activities		<u>116,216</u>	<u>4,702</u>
Cash flow statement			
Net cash inflow from operating activities		116,216	4,702
Returns on investments and servicing of finance	16	(14,085)	(18,621)
Capital expenditure	16	(13,952)	59,985
		<u>88,179</u>	<u>46,066</u>
Financing	16	(60,002)	(46,382)
Increase in cash in the year		<u>28,177</u>	<u>(316)</u>
Reconciliation of net cash flow to movement in net funds (Note 17)			
Increase in cash in the year		28,177	(316)
Cash outflow from increase in debts and lease financing		60,002	46,382
Change in net funds resulting from cash flows		88,179	46,066
New finance leases and hire purchase contracts		(24,837)	-
Movement in net funds in the year		<u>63,342</u>	<u>46,066</u>
Net debt at 1 June 2001		<u>(943,474)</u>	<u>(989,540)</u>
Net debt at 31 May 2002		<u>(880,132)</u>	<u>(943,474)</u>

Aintree Cartons Limited

Notes to the abbreviated financial statements for the year ended 31 May 2002

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:

Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	10% Straight Line
Fixtures, fittings and equipment	-	25% Reducing Balance
Motor vehicles	-	25% Reducing Balance

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their 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 the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Pensions

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

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

	2002 £	2001 £
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	48,592	40,477
Loss on disposal of tangible fixed assets	-	18,851
Auditors' remuneration	750	750
and after crediting:		
Government grants	-	12,000

Aintree Cartons Limited

**Notes to the abbreviated financial statements
for the year ended 31 May 2002**

..... continued

3. Interest payable and similar charges	2002	2001
	£	£
On bank loans and overdrafts	-	7
On loans repayable between two and five years	5,458	8,342
On loans repayable in five years or more	11,250	15,903
Hire purchase interest	936	-
	<u>17,644</u>	<u>24,252</u>
 4. Employees		
Number of employees		
The average monthly numbers of employees (including the directors) during the year were:	2002	2001
	Number	Number
	<u>6</u>	<u>6</u>
 Employment costs	2002	2001
	£	£
Wages and salaries	126,995	95,571
Social security costs	12,081	9,073
Other pension costs	3,560	1,900
	<u>142,636</u>	<u>106,544</u>
 4.1. Directors' emoluments	2002	2001
	£	£
Remuneration and other emoluments	<u>4,000</u>	<u>4,000</u>
 5. Taxation	2002	2001
	£	£
UK current year taxation		
UK corporation tax	8,089	8,699
Transfer to deferred taxation	9,815	-
	<u>17,904</u>	<u>8,699</u>

Aintree Cartons Limited

**Notes to the abbreviated financial statements
for the year ended 31 May 2002**

..... continued

6. Tangible fixed assets	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 June 2001	604,682	279,026	5,961	-	889,669
Additions	-	9,750	-	29,039	38,789
At 31 May 2002	604,682	288,776	5,961	29,039	928,458
Depreciation					
At 1 June 2001	31,501	86,596	4,519	-	122,616
Charge for the year	12,093	28,878	361	7,260	48,592
At 31 May 2002	43,594	115,474	4,880	7,260	171,208
Net book values					
At 31 May 2002	561,088	173,302	1,081	21,779	757,250
At 31 May 2001	573,181	192,430	1,442	-	767,053

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2002		2001	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	21,779	7,260	-	-

7. Debtors	2002 £	2001 £
Trade debtors	20,933	17,672
Amount owed by connected companies	254,455	233,336
	<u>275,388</u>	<u>251,008</u>

Aintree Cartons Limited

**Notes to the abbreviated financial statements
for the year ended 31 May 2002**

..... continued

8. Creditors: amounts falling due within one year	2002 £	2001 £
Bank loan	52,921	52,921
Net obligations under finance leases and hire purchase contracts	8,279	-
Trade creditors	4,436	13,525
Corporation tax	8,089	8,727
Other taxes and social security costs	8,290	7,054
Other creditors	16	54
Accruals and deferred income	3,809	10,630
	<u>85,840</u>	<u>92,911</u>

The bank loans of £74,958.73 and £170,886.16 are secured by a First Legal Mortgage dated 08/02/1999 over land on the south west side of Stopgate Lane, Aintree, Merseyside L9 6DX. The loans are repayable by monthly instalments with expiry dates of 23/12/2004 and 20/04/2009 respectively.

Aintree Cartons Limited

**Notes to the abbreviated financial statements
for the year ended 31 May 2002**

..... continued

9. Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loan (secured on leasehold property)	192,924	244,647
Loan from parent company	635,500	635,500
Directors Loans	11,133	11,133
Net obligations under finance leases and hire purchase contracts	8,279	-
	<u>847,836</u>	<u>891,280</u>
Loans		
Repayable in one year or less, or on demand (Note 8)	52,921	52,921
Repayable between one and two years	52,921	52,920
Repayable between two and five years	91,309	118,412
Repayable in five years or more	695,327	719,948
	<u>892,478</u>	<u>944,201</u>
Repayable in five years or more:		
Bank loan (secured on leasehold property)	48,694	73,315
Loan from parent company	635,500	635,500
Directors Loans	11,133	11,133
	<u>695,327</u>	<u>719,948</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	8,279	-
Repayable between one and five years	8,279	-
	<u>16,558</u>	<u>-</u>
10 Provisions for liabilities and charges		
	Deferred taxation (Note 11) £	Total £
At 1 June 2001	3,253	3,253
Movements in the year	9,815	9,815
At 31 May 2002	<u>13,068</u>	<u>13,068</u>

Aintree Cartons Limited

**Notes to the abbreviated financial statements
for the year ended 31 May 2002**

..... continued

11. Deferred taxation

Deferred tax is analysed over the following timing differences:

	Not provided		Provided	
	2002	2001	2002	2001
	£	£	£	£
Accelerated capital allowances	-	-	13,068	11,169
Tax losses available	-	-	-	(7,916)
	<u>-</u>	<u>-</u>	<u>13,068</u>	<u>3,253</u>

Movements on the provision for deferred taxation are:

	2002	2001
	£	£
At 1 June 2001	3,253	3,281
Transferred from profit and loss account	9,815	(28)
At 31 May 2002	<u>13,068</u>	<u>3,253</u>

Deferred Taxation is provided as follows

12. Share capital	2002	2001
	£	£
Authorised equity		
1,000,000 Ordinary shares of £1 each	<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>
13. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the year	74,727	40,597
Opening shareholders' funds	31,346	(9,251)
Closing shareholders' funds	<u>106,073</u>	<u>31,346</u>

Aintree Cartons Limited

Notes to the abbreviated financial statements for the year ended 31 May 2002

..... continued

14. Related party transactions

M.E.Baylis (a director with a controlling interest in Future Heights Limited, the company's parent company) has a controlling interest in A B M Interthene Limited. During the year Aintree Cartons Limited invoiced A B M Interthene Limited £4,500 in respect of management services and at 31 May 2001 was owed £5,287.50.

15. Ultimate parent undertaking

Future Heights Limited

16. Gross cash flows

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest paid	(14,085)	(18,621)
Capital expenditure		
Payments to acquire tangible assets	(13,952)	(5,721)
Receipts from sales of tangible assets	-	65,706
	<u>(13,952)</u>	<u>59,985</u>
Financing		
Repayment of long term bank loan	(51,723)	(45,382)
Repayment of other long term loans	-	(1,000)
Capital element of finance leases and hire purchase contracts	(8,279)	-
	<u>(60,002)</u>	<u>(46,382)</u>

17. Analysis of changes in net funds

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	729	19,450		20,179
Debt due within one year	(52,921)	51,723	(51,723)	(52,921)
Debt due after one year	(891,280)	-	51,723	(839,557)
Finance leases and hire purchase contracts	-	8,279	(24,837)	(16,558)
	<u>(944,201)</u>	<u>60,002</u>	<u>(24,837)</u>	<u>(909,036)</u>
Net funds	<u>(943,472)</u>	<u>79,452</u>	<u>(24,837)</u>	<u>(888,857)</u>