CH

REGISTERED NUMBER 04420002

# PLASTIQUE HOLDINGS LIMITED

## REPORT OF THE DIRECTORS AND

## CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2011

SATURDAY

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A06 15/09/2012 #119

COMPANIES HOUSE

Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

PLASTIQUE HOLDINGS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2011

| | |
|---|---|
| **DIRECTORS** | G N Drake<br>S J Percival<br>J Lowe<br>P Rigler |
| **SECRETARY** | J Lowe |
| **REGISTERED OFFICE** | Decimus Park<br>Kingstanding Way<br>Tunbridge Wells<br>Kent<br>TN2 3GP |
| **REGISTERED NUMBER** | 04420002 |
| **AUDITORS** | Wilkins Kennedy LLP<br>Statutory Auditor<br>Chartered Accountants<br>Greytown House<br>221-227 High Street<br>Orpington<br>Kent<br>BR6 0NZ |
| **BANKERS** | HSBC Bank plc<br>100 High Street<br>Tonbridge<br>Kent<br>TN9 1AN |
| **SOLICITORS** | Cripps Harries Hall<br>Wallside House<br>12 Mount Ephraim Road<br>Tunbridge Wells<br>Kent<br>TN1 1EG |

## REPORT OF THE DIRECTORS
## FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2011

### PRINCIPAL ACTIVITY
The principal activity of the group in the year under review was that of the manufacture of thermo-plastic packaging

### REVIEW OF BUSINESS
The key financial highlights are as follows

| | **2011** | 2010 | 2009 |
|---|---|---|---|
| | **£** | £ | £ |
| Turnover | **22,001,677** | 20,991,774 | 17,536,984 |
| Change in turnover | **4 8%** | 19 7% | (18 6%) |
| Gross margin | **6,093,572** | 6,341,395 | 5,962,635 |
| | **27 7%** | 30 2% | 34 0% |
| Operating profit | **1,244,597** | 1,643,983 | 1,511,100 |
| Working capital | **2,976,751** | 3,905,393 | 5,527,963 |

During the current and preceding year, the company did not trade However, the company continues to be the ultimate parent undertaking for two operating companies which have traded during the current and preceding year

Over the last three years the group has continued its policy of achieving organic growth from its existing customers across all locations as well as seeking new opportunities in existing and new market areas Non-organic growth is primarily achieved by increasing market share through the development of new business opportunities or at the expense of other competitors

The manufacture of thermo-plastic packaging is naturally competitive given the extent of alternative suppliers The group's response is to maintain the high level of service for which it is known and introduce innovative packaging designs linked to new differentiated processes that enhance the quality of products the group can offer

### DIVIDENDS
No interim dividends were paid during the year ended 31 December 2011

The directors recommend final dividends per share as follows

| | |
|---|---|
| Ordinary A £1 shares | £29 08 |
| Ordinary B £1 shares | NIL |
| Ordinary D £1 shares | NIL |

The total distribution of dividends for the year ended 31 December 2011 will be £1,192,110

### DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report

G N Drake
S J Percival
J Lowe
P Rigler

## FINANCIAL INSTRUMENTS

The group's principal financial instruments comprise bank balances, intercompany loans, other debtors, other creditors, finance leases and bank loans The main purpose of these instruments is to finance the group's operations

The nature of the financial instruments used by the group is such that their market value does not fluctuate as a result of changes in market prices The group's approach to managing other risks applicable to the financial instruments concerned is as below

The interest rate on bank loans is variable and the directors have managed the interest rate risk by hedging a significant amount of the group's borrowing The bank loans are secured by charges over the group's property and other assets and repayment terms are linked to those secured assets

The interest rate on intercompany loans is fixed and therefore not hedged and the loans are unsecured

The finance leases of the group are secured over the assets acquired under these leases and the repayment terms are linked to the useful life of those assets

The group's exposure to exchange rate risk is managed by a balance of natural hedging across the group's assets and liabilities and through a mix of vanilla options and forward contracts protecting the group from any unfavourable exchange rate movements whilst ensuring, for a premium, we can benefit from any favourable exchange rate movements

Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

## STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information

## AUDITORS

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD**

J Lowe - Secretary

Date 23/7/2012

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PLASTIQUE HOLDINGS LIMITED

We have audited the financial statements of Plastique Holdings Limited for the year ended 31 December 2011 on pages five to twenty one The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

**Respective responsibilities of directors and auditors**
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

**Scope of the audit of the financial statements**
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

**Opinion on financial statements**
In our opinion the financial statements
- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Opinion on other matter prescribed by the Companies Act 2006**
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Adam Merrett (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Date 24.7.12

PLASTIQUE HOLDINGS LIMITED (REGISTERED NUMBER: 04420002)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

| | Notes | 2011 £ | 2011 £ | 2010 £ | 2010 £ |
|---|---|---|---|---|---|
| **TURNOVER** | 2 | | **22,001,677** | | 20,991,774 |
| Cost of sales | | | **15,908,105** | | 14,650,379 |
| **GROSS PROFIT** | | | **6,093,572** | | 6,341,395 |
| Distribution costs | | **2,930,292** | | 2,884,781 | |
| Administrative expenses | | **1,919,856** | | 1,812,631 | |
| | | | **4,850,148** | | 4,697,412 |
| | | | **1,243,424** | | 1,643,983 |
| Other operating income | | | **1,173** | | - |
| **OPERATING PROFIT** | 4 | | **1,244,597** | | 1,643,983 |
| Interest receivable and similar income | | | **5,094** | | 7,632 |
| | | | **1,249,691** | | 1,651,615 |
| Interest payable and similar charges | 5 | | **85,025** | | 72,039 |
| **PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION** | | | **1,164,666** | | 1,579,576 |
| Tax on profit on ordinary activities | 6 | | **183,309** | | 357,866 |
| **PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP** | | | **981,357** | | 1,221,710 |

**CONTINUING OPERATIONS**
None of the group's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

PLASTIQUE HOLDINGS LIMITED (REGISTERED NUMBER 04420002)

## CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2011

| | 2011<br>£ | 2010<br>£ |
|---|---|---|
| **PROFIT FOR THE FINANCIAL YEAR** | **981,357** | 1,221,710 |
| Exchange difference on subsidiaries | **(445,404)** | (17,549) |
| **TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR** | **535,953** | 1,204,161 |

The notes form part of these financial statements

PLASTIQUE HOLDINGS LIMITED (REGISTERED NUMBER 04420002)

## CONSOLIDATED BALANCE SHEET
## 31 DECEMBER 2011

| | Notes | 2011 £ | 2011 £ | 2010 £ | 2010 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 9 | | **3,487,117** | | 3,305,406 |
| Investments | 10 | | - | | - |
| | | | **3,487,117** | | 3,305,406 |
| **CURRENT ASSETS** | | | | | |
| Stocks | 11 | **1,161,319** | | 1,045,316 | |
| Debtors | 12 | **7,665,240** | | 7,060,236 | |
| Cash at bank | | **538,001** | | 702,118 | |
| | | **9,364,560** | | 8,807,670 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 13 | **6,387,809** | | 4,902,276 | |
| **NET CURRENT ASSETS** | | | **2,976,751** | | 3,905,394 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **6,463,868** | | 7,210,800 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 14 | | **(1,190,175)** | | (1,231,250) |
| **PROVISIONS FOR LIABILITIES** | 18 | | **(101,179)** | | (150,879) |
| **NET ASSETS** | | | **5,172,514** | | 5,828,671 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 19 | | **100,000** | | 100,000 |
| Other reserves | 20 | | **60,100** | | 60,100 |
| Profit and loss account | 20 | | **5,012,414** | | 5,668,571 |
| **SHAREHOLDERS' FUNDS** | 24 | | **5,172,514** | | 5,828,671 |

The financial statements were approved by the Board of Directors on 23 July 2012 and were signed on its behalf by

G N Drake - Director

J Lowe - Director

The notes form part of these financial statements

PLASTIQUE HOLDINGS LIMITED (REGISTERED NUMBER 04420002)

COMPANY BALANCE SHEET
31 DECEMBER 2011

| | Notes | 2011 £ | 2011 £ | 2010 £ | 2010 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 9 | | - | | - |
| Investments | 10 | | 68,815 | | 68,815 |
| | | | **68,815** | | 68,815 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 12 | **2,478,331** | | 2,294,179 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 13 | **2,387,046** | | 2,202,894 | |
| **NET CURRENT ASSETS** | | | **91,285** | | 91,285 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **160,100** | | 160,100 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 19 | | **100,000** | | 100,000 |
| Other reserves | 20 | | **60,100** | | 60,100 |
| Profit and loss account | 20 | | - | | - |
| **SHAREHOLDERS' FUNDS** | 24 | | **160,100** | | 160,100 |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 23 July 2012 and were signed on its behalf by

G N Drake - Director

J Lowe - Director

The notes form part of these financial statements

PLASTIQUE HOLDINGS LIMITED (REGISTERED NUMBER 04420002)

## CONSOLIDATED CASH FLOW STATEMENT
## FOR THE YEAR ENDED 31 DECEMBER 2011

| | Notes | 2011 £ | 2011 £ | 2010 £ | 2010 £ |
|---|---|---|---|---|---|
| **Net cash inflow from operating activities** | 1 | | **1,548,966** | | 2,656,627 |
| **Returns on investments and servicing of finance** | 2 | | **(74,876)** | | (64,407) |
| **Taxation** | 2 | | **(323,714)** | | (306,924) |
| **Capital expenditure** | 2 | | **(969,993)** | | (1,007,160) |
| **Equity dividends paid** | | | **(1,192,110)** | | (2,729,189) |
| | | | **(1,011,727)** | | (1,451,053) |
| **Financing** | 2 | | **967,583** | | 1,611,600 |
| **(Decrease)/increase in cash in the period** | | | **(44,144)** | | 160,547 |

| | | | | | |
|---|---|---|---|---|---|
| **Reconciliation of net cash flow to movement in net debt** | 3 | | | | |
| (Decrease)/increase in cash in the period | | **(44,144)** | | 160,547 | |
| Cash inflow from increase in debt and lease financing | | **(967,583)** | | (1,611,600) | |
| Change in net debt resulting from cash flows | | | **(1,011,727)** | | (1,451,053) |
| Exchange rate movements | | | **55,495** | | 14,728 |
| **Movement in net debt in the period** | | | **(956,232)** | | (1,436,325) |
| **Net (debt)/funds at 1 January** | | | **728,727** | | 2,165,052 |
| **Net debt at 31 December** | | | **(227,505)** | | 728,727 |

The notes form part of these financial statements

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

### 1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 2011 £ | 2010 £ |
|---|---|---|
| Operating profit | 1,244,597 | 1,643,983 |
| Depreciation charges | 540,846 | 483,858 |
| Loss/(profit) on disposal of fixed assets | 2,956 | (12,400) |
| Exchange equalisation | (256,419) | (36,970) |
| (Increase)/decrease in stocks | (116,003) | 69,017 |
| (Increase)/decrease in debtors | (347,340) | 273,208 |
| Increase in creditors | 480,329 | 235,931 |
| **Net cash inflow from operating activities** | 1,548,966 | 2,656,627 |

### 2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

| | 2011 £ | 2010 £ |
|---|---|---|
| **Returns on investments and servicing of finance** | | |
| Interest received | 5,094 | 7,632 |
| Interest paid | (52,084) | (47,364) |
| Interest element of hire purchase payments | (27,886) | (24,675) |
| **Net cash outflow for returns on investments and servicing of finance** | (74,876) | (64,407) |
| **Taxation** | | |
| Taxation paid | (325,523) | (307,981) |
| Exchange differences | 1,809 | 1,057 |
| **Net cash outflow for taxation** | (323,714) | (306,924) |
| **Capital expenditure** | | |
| Purchase of tangible fixed assets | (978,742) | (1,023,821) |
| Sale of tangible fixed assets | 8,749 | 16,661 |
| **Net cash outflow for capital expenditure** | (969,993) | (1,007,160) |
| **Financing** | | |
| Intercompany loan (repayments)/advances | (184,152) | 1,637,882 |
| Bank loan repayments | (345,457) | (391,815) |
| Bank loan advances | 403,765 | 948,276 |
| Capital repayments of finance leases | (167,066) | (204,652) |
| New finance leases | 166,165 | 26,285 |
| Factoring | 1,094,328 | (404,376) |
| **Net cash inflow from financing** | 967,583 | 1,611,600 |

The notes form part of these financial statements

3 ANALYSIS OF CHANGES IN NET DEBT

| | At 1 1 11 £ | Cash flow £ | Exchange differences £ | Other non-cash changes £ | At 31 12 11 £ |
|---|---|---|---|---|---|
| Net cash | | | | | |
| Cash at bank | 702,118 | (78,654) | (85,463) | | 538,001 |
| Bank overdraft | (392,149) | 34,510 | (471) | | (358,110) |
| | 309,969 | (44,144) | (85,934) | | 179,891 |
| Debt | | | | | |
| Hire purchase | (254,437) | 167,066 | - | (166,165) | (253,536) |
| Debts falling due within one year | (494,898) | (748,871) | 25,364 | 367,040 | (1,585,445) |
| Debts falling due after one year | 1,168,093 | (219,613) | 116,065 | (367,040) | 1,431,585 |
| | 418,758 | (801,418) | 141,429 | (166,165) | (407,396) |
| Total | 728,727 | (845,562) | 55,495 | (166,165) | (227,505) |

The notes form part of these financial statements

## 1 ACCOUNTING POLICIES

**Accounting convention**
The financial statements have been prepared under the historical cost convention

**Basis of consolidation**
No material uncertainties that may cast significant doubt over the group's ability to continue as a going concern have been identified by the directors

**Turnover**
Turnover is the total amount receivable by the company for goods and services supplied, excluding VAT and trade discounts

**Tangible fixed assets**
Tangible fixed assets are stated at cost less depreciation Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful economic life, as follows

| | |
|---|---|
| Land | - Not depreciated |
| Buildings | - 20 years |
| Plant and machinery | - 5 years |
| Vacuum forming machines | - 10 years |
| Motor vehicles | - 4 years |
| Fixtures and fittings | - 10 years |
| Computer equipment | - 3 years |

**Stocks**
Stocks are stated at the lower of cost and net realisable value based on cost incurred in bringing each product to its present location and condition

| | |
|---|---|
| Raw materials | Purchase cost on first-in, first-out basis |
| Work in progress and finished goods | Cost of direct materials and labour, plus attributable overheads based on normal level of activity |

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

**Deferred tax**
Deferred tax is recognised in full on timing differences between the accounting and taxation treatment of income and expenditure, subject to assessment of the recoverability of deferred tax assets Deferred tax assets are regarded as recoverable to the extent that it is more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted Deferred tax provisions are not discounted

**Foreign currencies**
Foreign currency transactions, which occurred during the year, are translated at the exchange rate ruling on the date of the transactions Foreign currency assets and liabilities are converted in to local currency at the rate of exchange ruling at the balance sheet date Exchange differences are included in trading profit

**Hire purchase and leasing commitments**
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term

**Pension costs**
The group operates a defined pension contribution scheme The assets of the scheme are held separately from those of the group in an independently administered fund The pension charge represents contributions payable by the group to the scheme



continued

## 2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group

An analysis of turnover by geographical market is given below

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| UK | 5,774,275 | 5,154,421 |
| Europe | 15,853,810 | 15,529,113 |
| Rest of the world | 373,592 | 308,240 |
| | 22,001,677 | 20,991,774 |

## 3 STAFF COSTS

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 3,340,296 | 3,358,946 |
| Social security costs | 351,590 | 348,852 |
| Other pension costs | 79,956 | 83,372 |
| | 3,771,842 | 3,791,170 |

The average monthly number of employees during the year was as follows

| | 2011 | 2010 |
|---|---|---|
| Production | 96 | 90 |
| Administration | 52 | 54 |
| | 148 | 144 |

## 4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| Hire of plant and machinery | 43,054 | 29,505 |
| Other operating leases | 278,411 | 270,882 |
| Depreciation - owned assets | 426,615 | 385,960 |
| Depreciation - assets on hire purchase contracts | 114,232 | 97,899 |
| Loss/(profit) on disposal of fixed assets | 2,956 | (12,400) |
| Auditors' remuneration | 75,865 | 66,691 |
| Pension charge | 79,956 | 83,372 |
| Foreign exchange gain | (119,459) | 114,288 |
| Directors' remuneration | 338,380 | 335,112 |
| Directors' pension contributions to money purchase schemes | 47,490 | 48,263 |

Included in the profit and loss account are foreign exchange gains of £55,298 (2010 £20,090) arising on foreign currency borrowings



continued

## 4 OPERATING PROFIT - continued

Information regarding the highest paid director is as follows

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| Emoluments etc | 159,124 | 161,035 |
| Pension contributions to money purchase schemes | 18,453 | 16,989 |

## 5 INTEREST PAYABLE AND SIMILAR CHARGES

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| Bank interest | 57,139 | 47,364 |
| Hire purchase | 27,886 | 24,675 |
| | 85,025 | 72,039 |

## 6 TAXATION

**Analysis of the tax charge**
The tax charge on the profit on ordinary activities for the year was as follows

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| Current tax | | |
| UK corporation tax | (10,250) | 17,203 |
| Foreign tax | 245,067 | 236,511 |
| Total current tax | 234,817 | 253,714 |
| Deferred tax | (51,508) | 104,152 |
| Tax on profit on ordinary activities | 183,309 | 357,866 |

**Factors affecting the tax charge**
The tax assessed for the year is higher than the standard rate of corporation tax in the UK The difference is explained below

| | 2011 | 2010 |
|---|---|---|
| | £ | £ |
| Profit on ordinary activities before tax | 1,164,666 | 1,579,576 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2010 - 21%) | 232,933 | 331,711 |
| Effects of | | |
| Timing differences on expenses not deductible | 18,949 | (61,384) |
| Capital allowances in excess of depreciation | (3,505) | (19,861) |
| Differences in foreign tax rate | (12,019) | (13,219) |
| Non-taxable income | (13,023) | (2,604) |
| Tax losses carried forward | 11,482 | 19,071 |
| Current tax charge | 234,817 | 253,714 |

## 7 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements The parent company's profit for the financial year was £1,192,110 (2010 - £2,684,101)



continued

8 DIVIDENDS

| | 2011 £ | 2010 £ |
|---|---|---|
| Ordinary A shares of £1 each | | |
| Final | 1,192,110 | 2,684,101 |

9 TANGIBLE FIXED ASSETS

Group

| | Freehold property £ | Plant and machinery £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|---|---|---|---|---|---|
| **COST** | | | | | |
| At 1 January 2011 | 1,227,394 | 5,102,901 | 523,358 | 100,429 | 6,954,082 |
| Additions | 57,458 | 644,572 | 185,340 | 91,372 | 978,742 |
| Disposals | - | (173,119) | - | (19,871) | (192,990) |
| Exchange differences | (162,999) | (164,914) | (10,100) | (3,562) | (341,575) |
| At 31 December 2011 | 1,121,853 | 5,409,440 | 698,598 | 168,368 | 7,398,259 |
| **DEPRECIATION** | | | | | |
| At 1 January 2011 | 183,031 | 3,124,061 | 314,568 | 27,015 | 3,648,675 |
| Charge for year | 44,257 | 406,146 | 63,741 | 26,703 | 540,847 |
| Eliminated on disposal | - | (173,119) | - | (8,166) | (181,285) |
| Exchange differences | (27,843) | (63,810) | (5,295) | (147) | (97,095) |
| At 31 December 2011 | 199,445 | 3,293,278 | 373,014 | 45,405 | 3,911,142 |
| **NET BOOK VALUE** | | | | | |
| At 31 December 2011 | 922,408 | 2,116,162 | 325,584 | 122,963 | 3,487,117 |
| At 31 December 2010 | 1,044,363 | 1,978,840 | 208,790 | 73,414 | 3,305,407 |

Included in cost of land and buildings is freehold land of £352,935 (2010 - £352,935) which is not depreciated

Included in fixed assets are amounts relating to assets acquired under hire purchase and finance lease contract as follows

| | Plant and machinery £ | Motor vehicles £ | Totals £ |
|---|---|---|---|
| **NET BOOK VALUE** | | | |
| At 31 December 2011 | 349,977 | 81,053 | 431,030 |
| At 31 December 2009 | 834,713 | 65,768 | 900,481 |
| **DEPRECIATION** | | | |
| Charge for year | 91,904 | 22,328 | 114,232 |



continued

## 10 FIXED ASSET INVESTMENTS

**Company**

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 January 2011 and 31 December 2011 | **68,815** |
| **NET BOOK VALUE** | |
| At 31 December 2011 | **68,815** |
| At 31 December 2010 | 68,815 |

The group or the company's investments at the balance sheet date in the share capital of companies include the following

**Subsidiaries**

**Plastique Limited**
Nature of business Manufacturer of plastic packaging

| Class of shares | % holding |
|---|---|
| Ordinary | 100 00 |

**Plastique Sp z o o**
Country of incorporation Poland
Nature of business Manufacturer of plastic packaging

| Class of shares | % holding |
|---|---|
| Ordinary | 100 00 |

**Plastique Visual Display Limited**
Nature of business Dormant

| Class of shares | % holding |
|---|---|
| Ordinary | 100 00 |

The results of all subsidiary companies are included in the consolidated financial statements

## 11 STOCKS

| | Group | |
|---|---|---|
| | **2011** | 2010 |
| | **£** | £ |
| Raw materials | **589,699** | 468,543 |
| Finished goods | **571,620** | 576,773 |
| | **1,161,319** | 1,045,316 |



continued

## 12 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| | £ | £ | £ | £ |
| Trade debtors | 4,809,283 | 4,384,269 | - | - |
| Amounts owed by group undertakings | 2,478,331 | 2,294,179 | 2,478,331 | 2,294,179 |
| Other debtors | 88,987 | 102,745 | - | - |
| Prepayments and accrued income | 288,639 | 279,043 | - | - |
| | 7,665,240 | 7,060,236 | 2,478,331 | 2,294,179 |

## 13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| | £ | £ | £ | £ |
| Bank loans and overdrafts (see note 15) | 740,915 | 773,680 | - | - |
| Hire purchase contracts (see note 16) | 110,107 | 149,273 | - | - |
| Trade creditors | 3,875,186 | 3,381,333 | - | - |
| Amounts owed to group undertakings | - | - | 2,387,046 | 2,202,894 |
| Tax | - | 17,194 | - | - |
| Social security and other taxes | 327,668 | 293,945 | - | - |
| Other creditors | 1,205,600 | 186,497 | - | - |
| Accruals and deferred income | 128,333 | 100,354 | - | - |
| | 6,387,809 | 4,902,276 | 2,387,046 | 2,202,894 |

## 14 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group | |
|---|---|---|
| | 2011 | 2010 |
| | £ | £ |
| Bank loans (see note 15) | 1,046,746 | 1,126,086 |
| Hire purchase contracts (see note 16) | 143,429 | 105,164 |
| | 1,190,175 | 1,231,250 |



continued

## 15 LOANS

An analysis of the maturity of loans is given below

| | Group | |
|---|---|---|
| | 2011 | 2010 |
| | £ | £ |
| Amounts falling due within one year or on demand | | |
| Bank overdrafts | **358,110** | 392,149 |
| Bank loans | **382,805** | 381,531 |
| | **740,915** | 773,680 |
| Amounts falling due between one and two years | | |
| Bank loans between one and two years | **367,875** | 251,632 |
| Amounts falling due between two and five years | | |
| Bank loans between two and five years | **455,754** | 564,662 |
| Amounts falling due in more than five years | | |
| Repayable by instalments | | |
| Bank loans after five years | **223,117** | 309,792 |

## 16 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

**Group**

| | Hire purchase contracts | |
|---|---|---|
| | 2011 | 2010 |
| | £ | £ |
| Net obligations repayable | | |
| Within one year | **110,107** | 149,273 |
| Between one and five years | **143,429** | 105,164 |
| | **253,536** | 254,437 |

The following operating lease payments are committed to be paid within one year

**Group**

| | Land and buildings | | Other operating leases | |
|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 |
| | £ | £ | £ | £ |
| Expiring | | | | |
| Within one year | **-** | - | **5,170** | 19,497 |
| Between one and five years | **182,752** | 163,000 | **28,380** | 17,050 |
| In more than five years | **-** | - | **884** | 18,144 |
| | **182,752** | 163,000 | **34,434** | 54,691 |



continued

## 17 SECURED DEBTS

The following secured debts are included within creditors

| | Group | |
|---|---|---|
| | **2011** | 2010 |
| | **£** | £ |
| Bank overdrafts | **358,110** | 392,149 |
| Bank loans | **1,429,551** | 1,507,617 |
| | **1,787,661** | 1,899,766 |

The bank overdraft and loan facility are secured by a company unlimited multilateral guarantee, dated 25 August 2009 given by Plastique Limited, Plastique Holdings Limited and Plastique Group Limited, by a debenture, including a fixed charge over all present freehold and leasehold property, first fixed charge over book and other debts, both present and future and a first floating charge over all assets and undertakings, both present and future, dated 11 August 2009, by a mortgage over certain plant and machinery, dated 7 December 2010 and by a charge over contract monies dated 25 August 2009

Interest on the existing commercial loan is charged at 1 4% over base rate and repayments are due quarterly Interest on the commercial loan drawn down during the year is fixed at 2 45% above LIBOR and repayments and due quarterly

The loan facility of Plastique Sp z o o is secured on the commercial property of the company and by inter-company guarantees given by other group companies

Interest on the commercial loan is charged at 1 4% over the base rate and repayments are due quarterly

## 18 PROVISIONS FOR LIABILITIES

| | Group | |
|---|---|---|
| | **2011** | 2010 |
| | **£** | £ |
| Deferred tax | **101,179** | 150,879 |

**Group**

| | **Deferred tax** |
|---|---|
| | **£** |
| Balance at 1 January 2011 | **150,879** |
| Accelerated capital allowances | **(39,391)** |
| Foreign exchange differences | **1,808** |
| Temporary deductible expenses | **(12,117)** |
| Balance at 31 December 2011 | **101,179** |

## 19 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

| Number | Class | Nominal value | **2011** | 2010 |
|---|---|---|---|---|
| | | | **£** | £ |
| 41,000 | Ordinary A | £1 | **41,000** | 41,000 |
| 10,000 | Ordinary B | £1 | **10,000** | 10,000 |
| 49,000 | Ordinary D | £1 | **49,000** | 49,000 |
| | | | **100,000** | 100,000 |



continued

## 20 RESERVES

**Group**

| | Profit and loss account £ | Other reserves £ | Totals £ |
|---|---|---|---|
| At 1 January 2011 | 5,668,571 | 60,100 | 5,728,671 |
| Profit for the year | 981,357 | | 981,357 |
| Dividends | (1,192,110) | | (1,192,110) |
| Exchange equalisation on consolidation | (445,404) | - | (445,404) |
| At 31 December 2011 | 5,012,414 | 60,100 | 5,072,514 |

**Company**

| | Profit and loss account £ | Other reserves £ | Totals £ |
|---|---|---|---|
| At 1 January 2011 | - | 60,100 | 60,100 |
| Profit for the year | 1,192,110 | | 1,192,110 |
| Dividends | (1,192,110) | | (1,192,110) |
| At 31 December 2011 | - | 60,100 | 60,100 |

## 21 OTHER FINANCIAL COMMITMENTS

The group has a money purchase pension scheme for its present directors and employees Premiums to this scheme charged during the year and the amount owing at the end of the year were as follows

| | 2011 £ | 2010 £ |
|---|---|---|
| Premiums charged to the scheme in the year | 79,956 | 83,372 |
| Amount due to pension scheme at the year end | - | - |



continued

## 22 RELATED PARTY DISCLOSURES

During the year the company paid insurance, rent, service charges and management charges to Percival Drake Limited, a company owned and controlled by Mr G N Drake and Mr S J Percival, directors The transactions were in the ordinary course of the business and at arms length and amount to

| | 2011 £ | 2010 £ |
|---|---|---|
| Insurance | 4,250 | 4,316 |
| Rent | 170 471 | 163,000 |
| Service charge | 2,535 | 2,673 |
| Management charge | 26,528 | 72,820 |
| | 203,784 | 242,809 |

At the year end, there were no amounts due to or from the group to Percival Drake Limited

During the year, £24,970 (2010 £61,496) of the management charge from Percival Drake Limited was recharged to a fellow subsidiary company, Plastique Sp z o o for services provided to that company

At the balance sheet date, the company was owed £2,478,331 (2010 £2,294,179) by Plastique Group Limited, a shareholder in the company The balance is interest free and has no fixed terms of repayment

The company has taken advantage of the disclosure exemptions available to it under FRS8 in relation to transactions with subsidiary companies

## 23 ULTIMATE CONTROLLING PARTY

The company is a subsidiary undertaking of Plastique Group Limited which is under the joint control of Mr J Lowe and Mr P Rigler, directors The directors consider there to be no ultimate controlling party

## 24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

**Group**

| | 2011 £ | 2010 £ |
|---|---|---|
| Profit for the financial year | 981,357 | 1,221,710 |
| Dividends | (1,192,110) | (2,684,101) |
| | (210,753) | (1,462,391) |
| Other recognised gains and losses relating to the year (net) | (445,404) | (17,549) |
| **Net reduction of shareholders' funds** | (656,157) | (1,479,940) |
| Opening shareholders' funds | 5,828,671 | 7,308,611 |
| **Closing shareholders' funds** | 5,172,514 | 5,828,671 |

**Company**

| | 2011 £ | 2010 £ |
|---|---|---|
| Profit for the financial year | 1,192,110 | 2,684,101 |
| Dividends | (1,192,110) | (2,684,101) |
| **Net addition to shareholders' funds** | - | - |
| Opening shareholders' funds | 160,100 | 160,100 |
| **Closing shareholders' funds** | 160,100 | 160,100 |