

Company Registration No. 3030521 (England and Wales)

CARDBOARD PACKAGING SUPPLIES LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2005

CARTWRIGHTS
Accountants and Business Advisors
Registered Auditor
Regency House
33 Wood Street
Barnet, Herts
EN5 4BE



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COMPANIES HOUSE 21/10/2005

COMPANIES HOUSE 07/10/05

CARDBOARD PACKAGING SUPPLIES LTD

COMPANY INFORMATION

Directors	M Barrett D Barrett
Secretary	M Barrett
Company number	3030521
Registered office	Unit 14 Thornham Grove Stratford London E15 1DN
Auditors	Cartwrights Accountants and Business Advisors Regency House 33 Wood Street Barnet Herts EN5 4BE
Business address	Unit 14 Thornham Grove Stratford London E15 1DN
Bankers	Lloyds TSB Bank plc 19-20 Upper Street Islington London N1 0PJ

CARDBOARD PACKAGING SUPPLIES LTD

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 15

CARDBOARD PACKAGING SUPPLIES LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2005

The directors present their report and financial statements for the year ended 31 May 2005.

Principal activities

The principal activity of the company continued to be the manufacture and supply of cardboard packaging inserts.

Directors

The following directors have held office since 1 June 2004:

M Barrett
D Barrett

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 May 2005	1 June 2004
M Barrett	400	400
D Barrett	400	400

	Ordinary 'A' shares of £ 1 each	
	31 May 2005	1 June 2004
M Barrett	50	50
D Barrett	50	50

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Cartwrights be reappointed as auditors of the company will be put to the Annual General Meeting.

CARDBOARD PACKAGING SUPPLIES LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



M Barrett

Director

17/10/05

CARDBOARD PACKAGING SUPPLIES LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARDBOARD PACKAGING SUPPLIES LTD

We have audited the financial statements of Cardboard Packaging Supplies Ltd on pages 5 to 15 for the year ended 31 May 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditor's report 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 the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

CARDBOARD PACKAGING SUPPLIES LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF CARDBOARD PACKAGING SUPPLIES LTD

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Cartwrights

Date: 17/10/05

Accountants and Business Advisors
Registered Auditor
Regency House
33 Wood Street
Barnet
Herts
EN5 4BE

CARDBOARD PACKAGING SUPPLIES LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2005

	Notes	2005 £	2004 £
Turnover		748,496	730,543
Cost of sales		(419,791)	(465,652)
Gross profit		<u>328,705</u>	<u>264,891</u>
Distribution costs		(4,765)	(9,932)
Administrative expenses		(199,276)	(181,039)
Operating profit	2	<u>124,664</u>	<u>73,920</u>
Other interest receivable and similar income	3	463	278
Interest payable and similar charges	4	(4,060)	(7,787)
Profit on ordinary activities before taxation		<u>121,067</u>	<u>66,411</u>
Tax on profit on ordinary activities	5	(23,249)	(12,772)
Profit on ordinary activities after taxation		<u>97,818</u>	<u>53,639</u>
Dividends		(56,800)	(51,800)
Retained profit for the year	13	<u><u>41,018</u></u>	<u><u>1,839</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

CARDBOARD PACKAGING SUPPLIES LTD

BALANCE SHEET AS AT 31 MAY 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Intangible assets	6		1,666		3,333
Tangible assets	7		143,026		159,360
			<u>144,692</u>		<u>162,693</u>
Current assets					
Stocks		10,480		9,484	
Debtors	8	189,901		184,309	
Cash at bank and in hand		1		7,047	
		<u>200,382</u>		<u>200,840</u>	
Creditors: amounts falling due within one year	9	<u>(267,366)</u>		<u>(295,924)</u>	
Net current liabilities			<u>(66,984)</u>		<u>(95,084)</u>
Total assets less current liabilities			<u>77,708</u>		<u>67,609</u>
Creditors: amounts falling due after more than one year	10		(6,492)		(38,269)
Provisions for liabilities and charges	11		<u>(11,879)</u>		<u>(11,021)</u>
			<u>59,337</u>		<u>18,319</u>
Capital and reserves					
Called up share capital	12		1,100		1,100
Profit and loss account	13		58,237		17,219
Shareholders' funds - equity interests	14		<u>59,337</u>		<u>18,319</u>

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

The financial statements were approved by the Board on 17/10/05



D Barrett
Director

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 3 years.

1.5 Tangible fixed assets and depreciation

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

Plant and machinery	15% reducing balance
Computer equipment	33% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

1.6 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 a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock

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

1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

2	Operating profit	2005	2004
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	1,667	1,667
	Depreciation of tangible assets	25,960	21,746
	Operating lease rentals		
	- Plant and machinery	3,326	9,125
	- Other assets	51,136	46,866
	Auditors' remuneration	3,500	3,500
	Directors' emoluments	9,600	9,600
		<u> </u>	<u> </u>
3	Investment income	2005	2004
		£	£
	Bank interest	463	278
		<u> </u>	<u> </u>
4	Interest payable	2005	2004
		£	£
	Included in interest payable is the following amount:		
	Hire purchase interest	1,724	4,621
		<u> </u>	<u> </u>

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

5 Taxation	2005 £	2004 £
Domestic current year tax		
U.K. corporation tax	22,423	10,323
Adjustment for prior years	(32)	(23)
	<hr/>	<hr/>
Current tax charge	22,391	10,300
 Deferred tax		
Origination and reversal of timing differences	858	2,472
	<hr/>	<hr/>
	23,249	12,772
	<hr/>	<hr/>
 Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	121,067	66,411
	<hr/>	<hr/>
 Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	23,003	12,618
	<hr/>	<hr/>
Effects of:		
Non deductible expenses	284	537
Depreciation and amortisation add back	4,844	4,448
Capital allowances	(5,708)	(7,280)
Adjustments to previous periods	(32)	(23)
	<hr/>	<hr/>
	(612)	(2,318)
	<hr/>	<hr/>
Current tax charge	22,391	10,300
	<hr/>	<hr/>

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

6 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 June 2004 & at 31 May 2005	5,000
	<hr/>
Amortisation	
At 1 June 2004	1,667
Charge for the year	1,667
	<hr/>
At 31 May 2005	3,334
	<hr/>
Net book value	
At 31 May 2005	1,666
	<hr/> <hr/>
At 31 May 2004	3,333
	<hr/> <hr/>

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

7 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 June 2004	385,619
Additions	9,627
	<hr/>
At 31 May 2005	395,246
	<hr/>
Depreciation	
At 1 June 2004	226,259
Charge for the year	25,961
	<hr/>
At 31 May 2005	252,220
	<hr/>
Net book value	
At 31 May 2005	143,026
	<hr/> <hr/>
At 31 May 2004	159,360
	<hr/> <hr/>

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

	Plant and machinery	Motor vehicles	Total
	£	£	£
Net book values			
At 31 May 2005	30,380	4,797	35,177
	<hr/>	<hr/>	<hr/>
At 31 May 2004	35,741	6,396	42,137
	<hr/>	<hr/>	<hr/>
Depreciation charge for the year			
At 31 May 2005	5,361	1,599	6,960
	<hr/>	<hr/>	<hr/>
At 31 May 2004	6,307	426	6,733
	<hr/>	<hr/>	<hr/>

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

8 Debtors	2005	2004
	£	£
Trade debtors	169,338	163,347
Other debtors	20,563	20,962
	<u>189,901</u>	<u>184,309</u>
	<u><u>189,901</u></u>	<u><u>184,309</u></u>
9 Creditors: amounts falling due within one year	2005	2004
	£	£
Bank loans and overdrafts	23,983	18,000
Net obligations under hire purchase contracts	9,580	11,678
Trade creditors	150,250	224,663
Taxation and social security	45,990	32,020
Other creditors	37,563	9,563
	<u>267,366</u>	<u>295,924</u>
	<u><u>267,366</u></u>	<u><u>295,924</u></u>
Debt due in one year or less	<u><u>23,983</u></u>	<u><u>18,000</u></u>

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

10 Creditors: amounts falling due after more than one year	2005 £	2004 £
Bank loans	4,500	22,500
Net obligations under hire purchase contracts	1,992	15,769
	<u>6,492</u>	<u>38,269</u>
Analysis of loans		
Wholly repayable within five years	22,500	40,500
Included in current liabilities	(18,000)	(18,000)
	<u>4,500</u>	<u>22,500</u>
Loan maturity analysis		
In more than one year but not more than two years	4,500	18,000
In more than two years but not more than five years	-	4,500
	<u>4,500</u>	<u>22,500</u>
Net obligations under hire purchase contracts		
Repayable within one year	9,580	11,678
Repayable between one and five years	1,992	15,769
	<u>11,572</u>	<u>27,447</u>
Included in liabilities falling due within one year	(9,580)	(11,678)
	<u>1,992</u>	<u>15,769</u>

A debenture created 6 September 2000 exists between the company and Lloyds TSB Bank plc. The debenture covers any monies owed by the company to the bank (including the long term bank loan) and is secured over the assets of the company.

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

11 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 June 2004	11,021
Profit and loss account	858
	<hr/>
Balance at 31 May 2005	11,879
	<hr/> <hr/>

The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	11,879	11,021
	<hr/> <hr/>	<hr/> <hr/>

12 Share capital

	2005 £	2004 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
1,000 Ordinary 'A' shares of £1 each	1,000	1,000
	<hr/>	<hr/>
	2,000	2,000
	<hr/> <hr/>	<hr/> <hr/>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
100 Ordinary 'A' shares of £1 each	100	100
	<hr/>	<hr/>
	1,100	1,100
	<hr/> <hr/>	<hr/> <hr/>

The ordinary 'A' shares do not hold any voting rights.

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 June 2004	17,219
Retained profit for the year	41,018
	<hr/>
Balance at 31 May 2005	58,237
	<hr/> <hr/>

CARDBOARD PACKAGING SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2005

14 Reconciliation of movements in shareholders' funds	2005 £	2004 £
Profit for the financial year	97,818	53,639
Dividends	(56,800)	(51,800)
Net addition to shareholders' funds	41,018	1,839
Opening shareholders' funds	18,319	16,480
Closing shareholders' funds	59,337	18,319

15 Financial commitments

At 31 May 2005 the company was committed to making the following payments under non-cancellable operating leases in the year 31 May 2006:

	Land and buildings	
	2005 £	2004 £
Operating leases which expire: In over five years	33,500	33,500

16 Transactions with directors

At the year end the company owed £179 (2004:£179) to M Barnett, director of the company.

17 Related party transactions

During the year the company purchased goods with a total value of £nil (2004 - £45,403) from Corcase Limited on normal commercial terms. G Barrett, the father of M Barrett and D Barrett, is a director and shareholder of Corcase Limited.

At the balance sheet date, Cardboard Packaging Supplies Limited owed Corcase Limited £29,309 (2004 - £94,469).