

ROC

Company Registration No. 516832 (England and Wales)

**E P PACKAGING LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**



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COMPANIES HOUSE 11/05/02

# **E P PACKAGING LIMITED**

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# **E P PACKAGING LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001**

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The directors present their report and financial statements for the year ended 31 December 2001.

### **Principal activities and review of the business**

The principal activity of the company was that of a manufacturer of plastic packaging for the food, cosmetic and toy industries.

It was reported in the financial statements for year ended 31 December 2000, that with the strengthening of the management team and a degree of restructuring, performance in 2001 was confidently expected to improve. This improved to be the case, indeed our own forecasts were exceeded, and with the investments planned for 2002, further progress can be expected.

### **Results and dividends**

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

### **Directors**

The following directors have held office since 1 January 2001:

R A Thompson  
A W Haiselden  
N C Pretzlik  
K Baldwin  
C W Gawne  
R Franklin

Mr S Mullaney was appointed a director on 1st January 2002.

### **Directors' interests**

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

	Ordinary of 25p each	
	31 December 2001	1 January 2001
A W Haiselden	-	-
N C Pretzlik	-	-
K Baldwin	-	-
C W Gawne	-	-
R A Thompson	-	-
R Franklin	-	-

The directors' interests in the share capital of the holding company are shown in the accounts of that company.

# **E P PACKAGING LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001**

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### **Auditors**

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

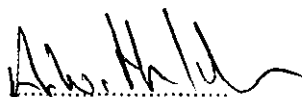
### **Directors' responsibilities**

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.

On behalf of the board



A W Haiselden

**Director**

*1 May 2002*

# **E P PACKAGING LIMITED**

## **AUDITORS' REPORT TO E P PACKAGING LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the company for the year ended 31 December 2001 prepared under section 226 of the Companies Act 1985.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the 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 to be delivered 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 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, and the abbreviated accounts on pages 4 to 15 are properly prepared in accordance with that provision.

*The Carley Partnership*

**The Carley Partnership**

Chartered Accountants  
**Registered Auditor**

*6th May 2002*

St James's House  
8 Overcliffe  
Gravesend  
Kent  
DA11 0HJ

# **E P PACKAGING LIMITED**

## **ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001**

	Notes	2001 £	2000 £
<b>Gross profit</b>		2,105,502	1,527,970
Distribution costs		(1,029,041)	(898,976)
Administrative expenses		(741,462)	(751,426)
<b>Operating profit/(loss)</b>	<b>2</b>	<b>334,999</b>	<b>(122,432)</b>
Amounts written off investments	<b>3</b>	(250)	-
Other interest receivable and similar income		38	54
Interest payable and similar charges	<b>4</b>	(29,113)	(31,947)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>305,674</b>	<b>(154,325)</b>
Tax on profit/(loss) on ordinary activities	<b>5</b>	(91,493)	27,994
<b>Profit/(loss) on ordinary activities after taxation</b>	<b>15</b>	<b>214,181</b>	<b>(126,331)</b>


# E P PACKAGING LIMITED

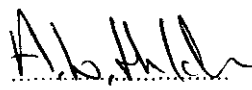
## ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
<b>Fixed assets</b>					
Tangible assets	6	1,324,017		1,366,267	
Investments	7	-		250	
		<u>1,324,017</u>		<u>1,366,517</u>	
<b>Current assets</b>					
Stocks	8	517,423		489,166	
Debtors	9	2,806,820		2,448,576	
Cash at bank and in hand		91,606		20,731	
		<u>3,415,849</u>		<u>2,958,473</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(3,273,783)</u>		<u>(3,042,071)</u>	
<b>Net current assets/(liabilities)</b>		<u>142,066</u>		<u>(83,598)</u>	
<b>Total assets less current liabilities</b>		<u>1,466,083</u>		<u>1,282,919</u>	
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(233,365)</u>		<u>(264,382)</u>	
		<u>1,232,718</u>		<u>1,018,537</u>	
<b>Capital and reserves</b>					
Called up share capital	14	500,000		500,000	
Profit and loss account	15	732,718		518,537	
<b>Shareholders' funds</b>	16	<u>1,232,718</u>		<u>1,018,537</u>	

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

The financial statements were approved by the Board on 1 May 2002.

  
R Franklin  
Director

  
A W Haiselden  
Director

# E P PACKAGING LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 £	2000 £
<b>Net cash inflow from operating activities</b>	347,034	412,437
<b>Returns on investments and servicing of finance</b>		
Interest received	38	54
Interest paid	(29,113)	(31,947)
<b>Net cash outflow for returns on investments and servicing of finance</b>	(29,075)	(31,893)
<b>Taxation</b>	-	(771)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(135,125)	(164,658)
Receipts from sales of tangible assets	13,731	-
<b>Net cash outflow for capital expenditure</b>	(121,394)	(164,658)
<b>Net cash inflow before management of liquid resources and financing</b>	196,565	215,115
<b>Financing</b>		
Other new long term loans	-	32,213
Other new short term loans	30,852	8,608
Repayment of other long term loans	(45,364)	(36,849)
Repayment of other short term loans	-	(30,678)
Capital element of finance lease contracts	(111,178)	(121,431)
<b>Net cash outflow from financing</b>	(125,690)	(148,137)
<b>Increase in cash in the year</b>	70,875	66,978



# E P PACKAGING LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

1	Reconciliation of operating profit/(loss) to net cash inflow from operating activities	2001 £	2000 £
	Operating profit/(loss)	334,999	(122,432)
	Depreciation of tangible assets	338,534	377,263
	(Profit)/loss on disposal of tangible assets	(11,911)	230
	(Increase)/decrease in stocks	(28,257)	109,303
	(Increase)/decrease in debtors	(358,244)	7,921
	Increase in creditors within one year	71,913	12,158
	Group relief	-	27,994
	<b>Net cash inflow from operating activities</b>	<b>347,034</b>	<b>412,437</b>

2	Analysis of net debt	1 January 2001 £	Cash flow £	Other non-cash changes £	31 December 2001 £
	Net cash:				
	Cash at bank and in hand	20,731	70,875	-	91,606
	Debt:				
	Finance leases	(325,729)	111,178	(162,979)	(377,530)
	Debts falling due within one year	(14,512)	(30,852)	-	(45,364)
	Debts falling due after one year	(45,364)	45,364	-	-
		<u>(385,605)</u>	<u>125,690</u>	<u>(162,979)</u>	<u>(422,894)</u>
	<b>Net debt</b>	<b><u>(364,874)</u></b>	<b><u>196,565</u></b>	<b><u>(162,979)</u></b>	<b><u>(331,288)</u></b>

3	Reconciliation of net cash flow to movement in net debt	2001 £	2000 £
	Increase in cash in the year	70,875	66,978
	Cash outflow from decrease in debt and lease financing	125,690	148,137
	Change in net debt resulting from cash flows	196,565	215,115
	New finance lease	(162,979)	(38,823)
	<b>Movement in net debt in the year</b>	<b>33,586</b>	<b>176,292</b>
	Opening net debt	(364,874)	(541,166)
	<b>Closing net debt</b>	<b><u>(331,288)</u></b>	<b><u>(364,874)</u></b>

# **E P PACKAGING LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **1.2 Turnover**

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

#### **1.3 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	10 - 50% straight line
Fixtures, fittings & equipment	10 - 50% straight line
Motor vehicles	25% straight line

#### **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 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.

#### **1.5 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.6 Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value.

#### **1.7 Pensions**

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS17.

#### **1.8 Deferred taxation**

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### **1.9 Tooling Costs**

Costs incurred in preparing prototypes are shown in prepayments to the extent that they will be recovered against future sales. They are amortised over two years from point they are used to produce goods.

# **E P PACKAGING LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001**

<b>2</b>	<b>Operating profit/(loss)</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	338,534	377,263
	Operating lease rentals	113,787	105,649
	Auditors' remuneration	8,100	5,600
		<u>          </u>	<u>          </u>
<b>3</b>	<b>Investment income</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Income from fixed asset investments	(250)	-
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	On amounts payable to group companies	5,794	3,401
	On bank loans and overdrafts	1,798	3,707
	Hire purchase interest	21,521	24,839
		<u>          </u>	<u>          </u>
		29,113	31,947
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Taxation</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year taxation</b>		
	U.K. corporation tax	93,012	-
	Adjustment for prior years	(1,519)	-
	Payment in respect of group relief	-	(27,994)
		<u>          </u>	<u>          </u>
		91,493	27,994
		<u>          </u>	<u>          </u>

# E P PACKAGING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

### 6 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2001	2,847,947	348,626	77,553	3,274,126
Additions	248,380	25,723	24,001	298,104
Disposals	(51,704)	-	(18,705)	(70,409)
	<u>3,044,623</u>	<u>374,349</u>	<u>82,849</u>	<u>3,501,821</u>
At 31 December 2001				
<b>Depreciation</b>				
At 1 January 2001	1,667,919	184,975	54,965	1,907,859
On disposals	(51,833)	-	(16,756)	(68,589)
Charge for the year	269,813	49,286	19,435	338,534
	<u>1,885,899</u>	<u>234,261</u>	<u>57,644</u>	<u>2,177,804</u>
At 31 December 2001				
<b>Net book value</b>				
At 31 December 2001	<u>1,158,724</u>	<u>140,088</u>	<u>25,205</u>	<u>1,324,017</u>
At 31 December 2000	<u>1,180,028</u>	<u>163,651</u>	<u>22,588</u>	<u>1,366,267</u>

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

	Plant and machinery	Motor vehicles	Total
	£	£	£
<b>Net book values</b>			
At 31 December 2001	<u>602,821</u>	<u>23,876</u>	<u>626,697</u>
At 31 December 2000	<u>411,391</u>	<u>6,875</u>	<u>418,266</u>
<b>Depreciation charge for the year</b>			
31 December 2001	<u>66,881</u>	<u>7,000</u>	<u>73,881</u>
31 December 2000	<u>47,693</u>	<u>3,125</u>	<u>50,818</u>

# E P PACKAGING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

### 7 Fixed asset investments

	Unlisted investments £
Cost	
At 1 January 2001	250
Disposals	(250)
	<hr/>
At 31 December 2001	-
	<hr/>

### 8 Stocks and work in progress

	2001 £	2000 £
Raw materials and consumables	194,404	236,253
Work in progress	26,455	9,028
Finished goods and goods for resale	296,564	243,885
	<hr/>	<hr/>
	517,423	489,166
	<hr/>	<hr/>

### 9 Debtors

	2001 £	2000 £
Trade debtors	2,477,837	2,134,856
Other debtors	4,169	6,768
Prepayments and accrued income	324,814	306,952
	<hr/>	<hr/>
	2,806,820	2,448,576
	<hr/>	<hr/>

Prepayments include £233,877 (2000: £218,377) tooling costs incurred which the directors believe will be recovered in full against future sales.

# E P PACKAGING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

10 Creditors: amounts falling due within one year	2001 £	2000 £
Confidential invoice discounting	1,138,768	1,373,976
Net obligations under hire purchase contracts	144,165	106,711
Trade creditors	1,428,307	1,269,474
Corporation tax	93,012	1,519
Other taxes and social security costs	214,236	153,540
Other creditors	100,792	34,585
Accruals and deferred income	154,503	102,266
	<u>3,273,783</u>	<u>3,042,071</u>
Debt due in one year or less	<u>45,364</u>	<u>14,512</u>

The confidential invoice discounting liability of £1,138,768 (2000 £1,373,976) is secured on the company's trade debtors.

Finance lease and hire purchase liabilities of £377,530 (2000 £325,729) are secured on the respective asset.

# E P PACKAGING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

11 Creditors: amounts falling due after more than one year	2001 £	2000 £
Amounts owed to parent and fellow subsidiary undertakings	-	45,364
Net obligations under finance leases and hire purchase agreements	233,365	219,018
	<u>233,365</u>	<u>264,382</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	45,364	59,876
	<u>45,364</u>	<u>59,876</u>
Included in current liabilities	(45,364)	(14,512)
	<u>-</u>	<u>45,364</u>
<b>Loan maturity analysis</b>		
Between one and two years	-	45,364
	<u>-</u>	<u>45,364</u>
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	144,165	106,711
Repayable between one and five years	233,364	219,018
	<u>377,529</u>	<u>325,729</u>
Included in liabilities falling due within one year	(144,165)	(106,711)
	<u>233,364</u>	<u>219,018</u>

## 12 Provisions for liabilities and charges

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

	2001 £	Not provided 2000 £	2001 £	Provided 2000 £
Accelerated capital allowances	161,231	164,116	-	-
Other timing differences	-	(357)	-	-
Tax losses available	(93,765)	(93,765)	-	-
	<u>67,466</u>	<u>69,994</u>	<u>-</u>	<u>-</u>

# E P PACKAGING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

### 13 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,250 (2000 - £12,569).

14 Share capital	2001 £	2000 £
<b>Authorised</b>		
2,000,000 Ordinary of 25p each	500,000	500,000
<b>Allotted, called up and fully paid</b>		
2,000,000 Ordinary of 25p each	500,000	500,000

### 15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2001	518,537
Retained profit for the year	214,181
Balance at 31 December 2001	732,718

16 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit/(Loss) for the financial year	214,181	(126,331)
Opening shareholders' funds	1,018,537	1,144,868
Closing shareholders' funds	1,232,718	1,018,537

### 17 Financial commitments

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2001 £	2000 £
Expiry date:		
In over five years	113,787	113,787



# E P PACKAGING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

18 Directors' emoluments	2001 £	2000 £
Emoluments for qualifying services	212,300	234,264
Company pension contributions to money purchase schemes	8,450	12,359
	<u>220,750</u>	<u>246,623</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2000 - 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	73,809	99,120
Company pension contributions to money purchase schemes	<u>3,172</u>	<u>4,375</u>

### 19 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Production staff	131	125
Administration staff	13	9
Sales staff	5	5
	<u>149</u>	<u>139</u>

#### Employment costs

	£	£
Wages and salaries	1,948,677	1,900,148
Social security costs	149,399	140,185
Other pension costs	10,150	14,044
	<u>2,108,226</u>	<u>2,054,377</u>