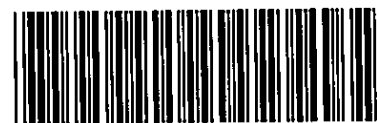


Frontier Plastics Limited

Directors' Report and Abbreviated Financial Statements
for the Year Ended 31 March 2013

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COMPANIES HOUSE

HSJ Audit Limited
Chartered Accountants and Statutory Auditor
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Frontier Plastics Limited
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Frontier Plastics Limited
Company Information

Directors	Nigel Harris Nicholas Davis
Company secretary	Nicholas Davis
Registered office	Newbridge Road Industrial Estate Pontllanfraith Blackwood South Wales NP12 2YN
Solicitors	Meade-King 11-12 Queen Square Bristol BS1 4NT
Bankers	National Westminster Bank Plc High Street Newport South Wales NP20 1GG
Auditors	HSJ Audit Limited Chartered Accountants and Statutory Auditor Severn House Hazell Drive Newport South Wales NP10 8FY

Frontier Plastics Limited

Directors' Report for the Year Ended 31 March 2013

The directors present their report and the abbreviated financial statements for the year ended 31 March 2013

Directors of the company

The directors who held office during the year were as follows

Nigel Harris

Nicholas Davis

Principal activity

The principal activity of the company is the development, manufacture, and sale of injection-moulded plastic products for the medical and healthcare sectors. The principal activity of the sole subsidiary, Frontier Therapeutics Limited, is the design, manufacture, and sale of pressure relief mattresses and cushions for the medical and healthcare sectors.

Business review

Fair review of the business

The company's results are fully disclosed in the attached audited financial statements which, in the opinion of the directors, provide the informed reader with a balanced and comprehensive analysis of the development and performance of the business of the company during the financial year, and of its position at the end of that year. The profit for the year, after taxation, amounted to £12,809,720 (2012 £2,622,306). Particulars of dividends paid and proposed are detailed in the notes to the financial statements.

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties facing the company are those common to the particular manufacturing and selling environments within which the company operates, and that likewise the key performance indicators most appropriate to the company are those common to these sectors, and are readily calculated by an informed reader from the information disclosed within the audited financial statements.

Financial instruments

Objectives and policies

Details of the company's financial risk management objectives and policies are included in the notes to the accounts.

Research and development

The company continues to invest in the development of innovative products and processes with a view to enhancing its performance and position.


Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Frontier Plastics Limited
Directors' Report for the Year Ended 31 March 2013

..... continued

Approved by the Board on 14/11/2013 and signed on its behalf by


Nicholas Davis
Company secretary

Independent Auditor's Report to Frontier Plastics Limited
Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 5 to 21 together with the financial statements of Frontier Plastics Limited for the year ended 31 March 2013 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Mr Robyn Hughes (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Date 19/11/13.

The notes on pages 10 to 21 form an integral part of these financial statements

Frontier Plastics Limited
Abbreviated Profit and Loss Account for the Year Ended 31 March 2013

	Note	2013 £	2012 £
Turnover		<u>18,167,877</u>	<u>16,698,187</u>
Gross profit		5,135,632	4,737,751
Distribution costs		(1,347,736)	(1,230,021)
Administrative expenses		<u>(2,896,067)</u>	<u>(2,806,035)</u>
Operating profit	2	891,829	701,695
Income from shares in group undertakings		12,000,000	2,000,000
Other interest receivable and similar income	6	-	350
Interest payable and similar charges	7	<u>(3)</u>	<u>(84)</u>
Profit on ordinary activities before taxation		12,891,826	2,701,961
Tax on profit on ordinary activities	8	<u>(82,106)</u>	<u>(79,655)</u>
Profit for the financial year	17	<u>12,809,720</u>	<u>2,622,306</u>

Turnover and operating profit derive wholly from continuing operations

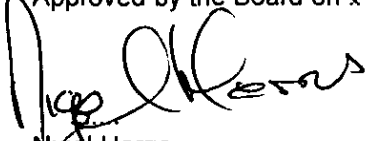
The notes on pages 10 to 21 form an integral part of these financial statements

Frontier Plastics Limited
(Registration number: 00869871)
Abbreviated Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Tangible fixed assets	9	1,461,863	1,558,222
Investments	10	3,979,019	3,862,000
		<u>5,440,882</u>	<u>5,420,222</u>
Current assets			
Stocks	11	1,599,742	1,594,789
Debtors	12	6,991,103	4,494,394
Cash at bank and in hand		726,258	1,493,335
		<u>9,317,103</u>	<u>7,582,518</u>
Creditors Amounts falling due within one year	13	(2,919,948)	(1,832,542)
Net current assets		<u>6,397,155</u>	<u>5,749,976</u>
Total assets less current liabilities		11,838,037	11,170,198
Creditors Amounts falling due after more than one year	14	(56,667)	(198,548)
Net assets		<u>11,781,370</u>	<u>10,971,650</u>
Capital and reserves			
Called up share capital	15	225,000	225,000
Share premium account	17	2,302,500	2,302,500
Capital redemption reserve	17	200,000	200,000
Profit and loss account	17	9,053,870	8,244,150
Shareholders' funds	18	<u>11,781,370</u>	<u>10,971,650</u>

The abbreviated accounts have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board on 19/4/2013 and signed on its behalf by


Nigel Harns
Director

The notes on pages 10 to 21 form an integral part of these financial statements

Frontier Plastics Limited
Cash Flow Statement for the Year Ended 31 March 2013

Reconciliation of operating profit to net cash flow from operating activities

	Note	2013 £	2012 £
Operating profit		891,829	701,695
Depreciation, amortisation and impairment charges		418,057	459,949
Profit on disposal of fixed assets		-	(2,873)
Increase in stocks		(4,953)	(233,123)
(Increase)/decrease in debtors		(2,496,709)	847,464
Increase/(decrease) in creditors		1,032,060	(60,439)
Release of government grants		(80,000)	(80,000)
Net cash (outflow)/inflow from operating activities		<u>(239,716)</u>	<u>1,632,673</u>

The notes on pages 10 to 21 form an integral part of these financial statements

Frontier Plastics Limited
Cash Flow Statement for the Year Ended 31 March 2013

..... *continued*

Cash flow statement

	Note	2013 £	2012 £
Net cash (outflow)/inflow from operating activities		<u>(239,716)</u>	<u>1,632,673</u>
Returns on investments and servicing of finance			
Interest received		-	350
Interest paid		(3)	(84)
Dividends received		<u>12,000,000</u>	<u>2,000,000</u>
		<u>11,999,997</u>	<u>2,000,266</u>
Taxation paid		<u>(19,089)</u>	<u>(82,100)</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(321,698)	(307,294)
Sale of tangible fixed assets		-	2,873
Receipts from the repayment of loans to other entities		<u>12,000</u>	<u>-</u>
		<u>(309,698)</u>	<u>(304,421)</u>
Acquisitions and disposals			
Acquisition of investments in subsidiary undertakings		(229,019)	-
Sale of investments in associates and joint ventures		<u>100,000</u>	<u>-</u>
		(129,019)	-
Equity dividends paid		<u>(12,000,000)</u>	<u>(2,000,000)</u>
Net cash (outflow)/inflow before management of liquid resources and financing		(697,525)	1,246,418
Financing			
Repayment of loans and borrowings		<u>(69,552)</u>	<u>(71,426)</u>
(Decrease)/increase in cash	21	<u><u>(767,077)</u></u>	<u><u>1,174,992</u></u>

The notes on pages 10 to 21 form an integral part of these financial statements

Frontier Plastics Limited
Cash Flow Statement for the Year Ended 31 March 2013

..... continued

Reconciliation of net cash flow to movement in net debt

	Note	2013 £	2012 £
(Decrease)/increase in cash		(767,077)	1,174,992
Cash outflow from repayment of loans		<u>69,552</u>	<u>71,426</u>
Change in net debt resulting from cash flows	21	<u>(697,525)</u>	<u>1,246,418</u>
 Movement in net debt	21	 (697,525)	 1,246,418
Net funds at 1 April	21	<u>1,360,027</u>	<u>113,609</u>
Net funds at 31 March	21	<u><u>662,502</u></u>	<u><u>1,360,027</u></u>

The notes on pages 10 to 21 form an integral part of these financial statements

Frontier Plastics Limited
Notes to the Financial Statements for the Year Ended 31 March 2013

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention

Exemption from preparing group accounts

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are publicly available from Companies House

Turnover

Turnover represents the total invoiced value, excluding Value Added Tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities

Income is recognised at the point of despatch of goods sold

Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	Depreciation method and rate
Freehold land and buildings	Land - not depreciated, buildings - 2% straight line
Plant and machinery	33% and 20% straight line
Fixtures, fittings and equipment	33% and 20% straight line
Motor vehicles	20% straight line

Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred

Fixed asset investments

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

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

Stock and work in progress

Finished goods and works-in-progress are valued at the lower of standard cost of production and net realisable value. Standard costs of production are regularly reviewed to ensure that they remain representative of the actual prices prevailing. Net realisable values are computed as estimated selling prices less a fair proportion of marketing, selling, and distribution costs.

Raw materials are valued at the lower of standard cost and net realisable value. Standard costs are regularly reviewed to ensure that they remain representative of the actual prices prevailing. Net realisable values represent values-in-use within the production processes.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

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

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

Financial instruments

Investments

All investments are recognised at cost, being the fair value of the consideration given and including acquisition costs associated with the investment

Trade and other debtors

Trade and other debtors are recognised and carried at invoiced amounts less provisions for any doubtful debts. Bad debts are written off.

Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received.

Trade and other creditors

Trade and other creditors are recognised at invoiced cost or otherwise at the historic value of the consideration received.

2 Operating profit

Operating profit is stated after charging

	2013 £	2012 £
Operating leases - other assets	71,277	72,422
Auditors' remuneration - The audit of the company's annual accounts	7,500	7,500
Foreign currency losses	1,197	188,694
Profit on sale of tangible fixed assets	-	(2,873)
Depreciation of owned assets	415,360	457,252
Depreciation of assets held under finance lease and hire purchase contracts	2,697	2,697
Government grants receivable	(80,000)	(80,000)
Research and development	199,594	238,611

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

3 Auditor's remuneration

	2013 £	2012 £
Audit of the financial statements	7,500	7,500
Other fees to auditors		
Other services	5,210	5,285
	<u>12,710</u>	<u>12,785</u>

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2013 No.	2012 No.
Administration and support	26	23
Production	159	148
Sales, marketing and distribution	16	17
	<u>201</u>	<u>188</u>

The aggregate payroll costs were as follows

	2013 £	2012 £
Wages and salaries	4,931,081	4,605,986
Social security costs	514,546	331,989
Staff pensions	131,338	123,483
	<u>5,576,965</u>	<u>5,061,458</u>

5 Directors' remuneration

The directors' remuneration for the year was as follows

	2013 £	2012 £
Remuneration (including benefits in kind)	223,973	261,524
Company contributions paid to money purchase schemes	22,932	23,532
	<u>246,905</u>	<u>285,056</u>

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

During the year the number of directors who were receiving benefits and share incentives was as follows

	2013 No.	2012 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>3</u>
In respect of the highest paid director		
	2013 £	2012 £
Remuneration	122,332	113,485
Company contributions to money purchase pension schemes	12,000	9,600
	<u>134,332</u>	<u>123,085</u>

6 Other interest receivable and similar income

	2013 £	2012 £
Bank interest receivable	<u>-</u>	<u>350</u>

7 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	<u>3</u>	<u>84</u>

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

8 Taxation

Tax on profit on ordinary activities

	2013 £	2012 £
Current tax		
Corporation tax charge	178,637	75,193
Adjustments in respect of previous years	(96,531)	4,462
UK Corporation tax	<u>82,106</u>	<u>79,655</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 24% (2012 - 26%)

The differences are reconciled below

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>12,891,826</u>	<u>2,701,961</u>
Corporation tax at standard rate	3,094,038	702,510
Depreciation in excess of capital allowances	40,161	34,158
Income not assessable for tax purposes	(2,899,200)	(540,800)
Expenditure not deductible for tax purposes	3,516	7,631
Research and development enhanced expenditure	(59,878)	(52,000)
Under / (over) provision in prior year	(96,531)	4,462
Net losses on loan relationships surrendered by parent company	-	(69,230)
Effect of marginal relief	-	(2,990)
Excess management expenses of parent company	-	(4,086)
Total current tax	<u>82,106</u>	<u>79,655</u>

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

9 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2012	578,845	4,969,794	500,091	160,828	6,209,558
Additions	-	290,839	28,459	2,400	321,698
At 31 March 2013	578,845	5,260,633	528,550	163,228	6,531,256
Depreciation					
At 1 April 2012	35,653	4,056,717	468,880	90,086	4,651,336
Charge for the year	8,913	374,724	17,753	16,667	418,057
At 31 March 2013	44,566	4,431,441	486,633	106,753	5,069,393
Net book value					
At 31 March 2013	534,279	829,192	41,917	56,475	1,461,863
At 31 March 2012	543,192	913,077	31,211	70,742	1,558,222

Freehold land

Included within land and buildings is freehold land carried at its historic cost of £133,174 (2011 - £133,174) on which no depreciation has been provided

10 Investments held as fixed assets

	2013 £	2012 £
Shares in group undertakings and participating interests	3,829,019	3,700,000
Loans to group undertakings and participating interests	150,000	162,000
	<u>3,979,019</u>	<u>3,862,000</u>

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Joints ventures and associates £	Total £
Cost			
At 1 April 2012	3,600,000	100,000	3,700,000
Additions	229,019	-	229,019
Disposals	-	(100,000)	(100,000)
At 31 March 2013	3,829,019	-	3,829,019
Net book value			
At 31 March 2013	3,829,019	-	3,829,019

Loans to group undertakings and participating interests

	Joints ventures and associates £	Total £
At 1 April 2012	162,000	162,000
Repaid	(12,000)	(12,000)
At 31 March 2013	150,000	150,000

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Frontier Therapeutics Limited	Ordinary shares	100%	Medical Products
Frontier Multigate Limited	Ordinary shares	100%	Dormant

The profit for the financial period of Frontier Therapeutics Limited was £4,220,931 and the aggregate amount of capital and reserves at the end of the period was £1,205,125

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

The loss for the financial period of Frontier Multigate Limited was £14,735 and the aggregate amount of capital and reserves at the end of the period was £238,181

11 Stocks

	2013 £	2012 £
Raw materials	862,224	853,831
Work in progress	64,585	121,697
Finished goods	672,933	619,261
	<u>1,599,742</u>	<u>1,594,789</u>

12 Debtors

	2013 £	2012 £
Trade debtors	3,711,036	3,139,015
Amounts owed by group undertakings	2,782,000	1,075,000
Other debtors	30,006	48,084
Prepayments and accrued income	468,061	232,295
	<u>6,991,103</u>	<u>4,494,394</u>

13 Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	1,816,157	912,593
Other loans	63,756	71,427
Amounts owed to group undertakings	40,290	-
Corporation tax	138,210	75,193
Other taxes and social security	286,042	223,273
Directors' current accounts	1,291	1,291
Accruals and deferred income	574,202	548,765
	<u>2,919,948</u>	<u>1,832,542</u>

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company

	2013 £	2012 £
Other loans	<u>63,756</u>	<u>71,427</u>

The other loans are repayable by instalments, free of interest, and secured on the plant thus financed

14 Creditors' Amounts falling due after more than one year

	2013 £	2012 £
Other loans	-	61,881
Accruals and deferred income	<u>56,667</u>	<u>136,667</u>
	<u>56,667</u>	<u>198,548</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company

	2013 £	2012 £
Other loans	<u>-</u>	<u>61,881</u>

The other loans are repayable by instalments, free of interest, secured on the plant thus financed

15 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
Ordinary A shares of £0.50 each	50,000	25,000	50,000	25,000
Ordinary B shares of £0.50 each	400,000	200,000	400,000	200,000
	<u>450,000</u>	<u>225,000</u>	<u>450,000</u>	<u>225,000</u>

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

16 Dividends

	2013 £	2012 £
Dividends paid		
Current year interim dividend paid	<u>12,000,000</u>	<u>2,000,000</u>

17 Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2012	2,302,500	200,000	8,244,150	10,746,650
Profit for the year	-	-	12,809,720	12,809,720
Dividends	-	-	(12,000,000)	(12,000,000)
At 31 March 2013	<u>2,302,500</u>	<u>200,000</u>	<u>9,053,870</u>	<u>11,556,370</u>

18 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit attributable to the members of the company	12,809,720	2,622,306
Dividends	<u>(12,000,000)</u>	<u>(2,000,000)</u>
Net addition to shareholders' funds	809,720	622,306
Shareholders' funds at 1 April	<u>10,971,650</u>	<u>10,349,344</u>
Shareholders' funds at 31 March	<u>11,781,370</u>	<u>10,971,650</u>

19 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £131,338 (2012 - £123,483).

Frontier Plastics Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

20 Commitments

Operating lease commitments

As at 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2013 £	2012 £
Other		
Within one year	16,876	26,076
Within two and five years	59,069	49,511
	<u>75,945</u>	<u>75,587</u>

21 Analysis of net debt

	At 1 April 2012 £	Cash flow £	At 31 March 2013 £
Cash at bank and in hand	1,493,335	(767,077)	726,258
Debt due within one year	(71,427)	7,671	(63,756)
Debt due after more than one year	(61,881)	61,881	-
Net funds	<u>1,360,027</u>	<u>(697,525)</u>	<u>662,502</u>

22 Control

The company is controlled by Frontier Medical Products Limited, a company incorporated within the United Kingdom. Frontier Plastics Limited is a wholly owned subsidiary of Frontier Medical Products Limited. The ultimate controlling party is Nigel Harris, director and controlling shareholder of Frontier Medical Products Limited.

Frontier Plastics Limited is consolidated within the group financial statements of Frontier Medical Products Limited. Copies of these group financial statements are publicly available from Companies House.