

GRAVELEY PACKING LIMITED

**AUDITED ABBREVIATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31ST DECEMBER 1999

Company No. 1902932



GRAVELEY PACKING LIMITED

COMPANY INFORMATION

Directors

A Nieuwkerk
J Robinson
A D McNish
B W McNish
C Moerkerken

Secretary

C Moerkerken

Company Number

1902932

Registered Office

Harman House
1 George Street
Uxbridge
Middlesex
UB8 1QQ

Auditors

Whitmarsh Sterland
The Shrubbery
Church Street
St Neots
Cambs
PE19 2HT

Bankers

Barclays Bank Plc
2 Broad Street
March
Cambs
PE15 8TQ

Rabobank International
London Branch
Thames Court
One Queenhithe
London
EC4V 3RL

GRAVELEY PACKING LIMITED

CONTENTS

	Page
Directors' Report	1 to 2
Auditors' Report	3
Abbreviated Profit and Loss Account	4
Abbreviated Balance Sheet	5
Cash Flow Statement	6
Abbreviated Notes to the Financial Statements	7 to 13

GRAVELEY PACKING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1999

The directors present their report together with the audited financial statements for the year ended 31st December 1999.

Principal Activities and Review of Business

The principal activity of the company continued to be that of specialist contract packing.

The company has continued to develop new business during the year and this has confirmed our requirement for new premises. As a direct result of this our existing premises have been sold and leased back on a short term lease. This occurred after the year end. The new site will be purchased shortly.

The directors consider the affairs of the company to be in good order.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors consider the profit achieved on ordinary activities before taxation to be £491,431.

Dividends

The directors recommend dividends amounting to £275,000 (1998 £273,817).

Parent and Ultimate Parent Undertaking

The directors consider that the parent company is Budelpack UK Holding Limited and the ultimate parent company is Budelpack International B.V.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

			Ordinary Shares	
			31st	1st
			December	January
			1999	1999
A Nieuwkerk	Chairman	(Beneficial interests are disclosed in the accounts of the ultimate parent undertaking)	-	-
J Robinson	Managing Director		-	-
A D McNish			-	-
B W McNish			-	-
C Moerkerken			-	-

The directors have no beneficial interest in the share capital of the holding company, Budelpack UK Holding Limited, other than as disclosed above.

Tax Status

The company is a close company as defined by S414 of the Income and Corporation Taxes Act 1988.

GRAVELEY PACKING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1999

Year 2000 Compliance

The directors have reviewed the company's accounting and general operating systems and are of the opinion that they do not require any significant modifications in relation to the advent of the Year 2000 and associated matters.

The directors have reviewed the implications for the business of the impact of the Year 2000 on its key suppliers and customers and are satisfied that no material problems affecting the business are likely to arise.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these 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;

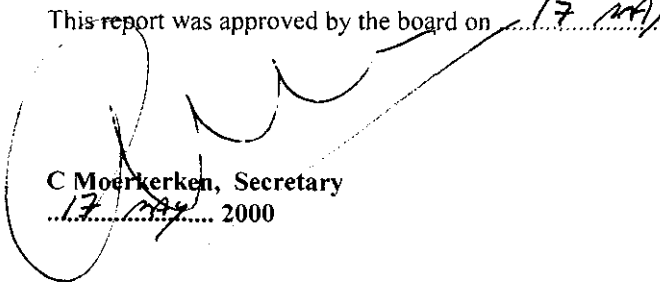
Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to reappoint Whitmarsh Sterland Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 17 May 2000, and signed on its behalf.


C Moerkkerken, Secretary
17 May 2000

AUDITORS' REPORT TO GRAVELEY PACKING LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 4 to 13 together with the financial statements of GRAVELEY PACKING LIMITED for the year ended 31st December 1999 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

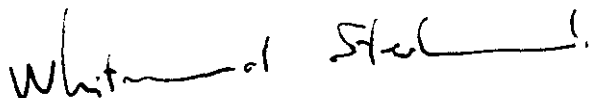
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements 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 procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements have been properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 13 are properly prepared in accordance with that provision.



Whitmarsh Sterland

Chartered Accountants and Registered Auditors

The Shrubbery

Church Street

St Neots

Cambs

PE19 2HT

Date: 19th Aug 2000

GRAVELEY PACKING LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1999

	Notes	1999 £	1998 £
Gross Profit		1,941,005	1,272,381
Administrative expenses		<u>1,437,817</u>	<u>913,374</u>
Operating Profit	3	503,188	359,007
Interest receivable		6,295	6,424
Interest payable and similar charges	4	<u>(18,052)</u>	<u>(12,862)</u>
Profit on Ordinary Activities before Taxation		491,431	352,569
Tax on profit on ordinary activities	6	<u>96,433</u>	<u>78,752</u>
Profit for the Financial Year		394,998	273,817
Dividends	7	<u>275,000</u>	<u>273,817</u>
Retained Profit for the Year		119,998	-
Retained Profit Brought Forward		<u>1,229,770</u>	<u>1,229,770</u>
Retained Profit Carried Forward		<u><u>1,349,768</u></u>	<u><u>1,229,770</u></u>

All amounts relate to continuing activities.

There were no recognised gains or losses for 1999 or 1998 other than those included in the profit and loss account.

GRAVELEY PACKING LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 1999

	Notes	£	1999 £	£	1998 £
Fixed Assets					
Tangible assets	8		1,895,461		1,750,130
Current Assets					
Stocks	9	268,906		145,485	
Debtors	10	660,978		791,524	
Cash at bank and in hand		191,140		-	
			1,121,024	937,009	
Creditors: Amounts Falling Due Within One Year	11	1,528,140		1,344,524	
Net Current Liabilities			(407,116)		(407,515)
Total Assets Less Current Liabilities			1,488,345		1,342,615
Provision for Liabilities and Charges					
Deferred taxation	12		134,777		109,045
			1,353,568		1,233,570
Capital and Reserves					
Share capital	13		3,800		3,800
Profit and loss account			1,349,768		1,229,770
Shareholders' Funds	21		1,353,568		1,233,570

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

These financial statements were approved by the board on 17 May 2000 and signed on its behalf.

A Nieuwkerk
Director

GRAVELEY PACKING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 1999

	Notes	1999 £	1998 £
CASH FLOW STATEMENT			
Net Cash Inflow from Operating Activities	18	1,281,440	617,688
Returns on Investments and Servicing of Finance	19	(11,757)	(6,438)
Taxation		(53,076)	(192,820)
Capital Expenditure and Financial Investment	19	(386,476)	(225,373)
Equity Dividends Paid		(548,817)	-
Cash Inflow Before Use of Liquid Resources and Financing		281,314	193,057
Financing	19	-	(453,097)
Increase in Cash		281,314	(260,040)
Reconciliation of Net Cash Flow to Movement in Net Cash			
Increase in Cash in the Year		281,314	(260,040)
Cash inflow from increase in net debt and lease financing	20	-	453,097
Increase in Net Cash	20	281,314	193,057
Net Debt at 1st January 1999		(390,096)	(583,153)
Net Debt at 31st December 1999	20	(108,782)	(390,096)

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

1 Comparative Figures

The comparative figures are for the period from 1st April 1998 to 31st December 1998.

2 Accounting Policies

Basis of Accounting

The accounts have been prepared in accordance with applicable accounting standards in all material respects and under the historical cost convention.

Turnover

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

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rates generally applicable are:

Freehold land	0%
Freehold buildings	4% pa straight line
Plant and machinery	12.5% pa straight line
Motor vehicles	25% pa straight line
Furniture and equipment	12.5% to 33.33 % pa straight line

Stocks

Raw materials and consumables are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Work in progress has been valued at the lower of cost and net realisable value. Finished goods have been valued at direct production cost plus a proportion of overheads and a profit element.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

Leased Assets

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.

3 Operating Profit

The operating profit is arrived at after charging or crediting:

	1999	1998
	£	£
Depreciation of owned assets	241,145	173,875
Hire of equipment - operating leases	26,472	26,221
Auditors' remuneration	7,000	5,500

4 Interest Payable and Similar Charges

	1999	1998
	£	£
Bank overdrafts and loans	18,052	12,862

5 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	1999	1998
	£	£
Wages and salaries	1,772,382	1,043,963
Social security costs	114,396	59,690
Other pension costs	22,860	9,018
	1,909,638	1,112,671

The average monthly number of employees, including directors, during the year was as follows:

	1999	1998
	Number	Number
Productive - part-time and casual	26	24
Productive - full-time	80	53
Directors	5	5
Office	6	6
	117	88

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

Directors' emoluments

	1999	1998
	£	£
Emoluments	137,000	85,315
Pension contributions	22,860	9,018
	<u>159,860</u>	<u>94,333</u>

6 Taxation

	1999	1998
	£	£
Based on the profit for the year		
UK corporation tax at 30% (1998 31%)	70,701	16,431
Deferred tax charge	25,732	62,321
	<u>96,433</u>	<u>78,752</u>

7 Dividends

	1999	1998
	£	£
Ordinary dividends - paid	275,000	-
Ordinary dividends - proposed	-	273,817
	<u>275,000</u>	<u>273,817</u>

8 Tangible Fixed Assets

	Freehold Land and Buildings	Plant and Machinery	Motor Vehicles	Furniture and Equipment	Total
Cost	£	£	£	£	£
At 1st January 1999	750,681	1,633,773	10,815	133,681	2,528,950
Additions	9,500	344,599	-	32,377	386,476
At 31st December 1999	760,181	1,978,372	10,815	166,058	2,915,426
Depreciation					
At 1st January 1999	66,842	651,831	7,406	52,741	778,820
Charge for the year	27,614	191,868	909	20,754	241,145
At 31st December 1999	94,456	843,699	8,315	73,495	1,019,965
Net Book Value					
At 31st December 1999	665,725	1,134,673	2,500	92,563	1,895,461
<i>At 31st December 1998</i>	<i>683,839</i>	<i>981,942</i>	<i>3,409</i>	<i>80,940</i>	<i>1,750,130</i>

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

9	Stocks	1999	1998
		£	£
	Raw materials	170,932	135,432
	Work in progress	13,030	3,000
	Finished goods	84,944	7,053
		<u>268,906</u>	<u>145,485</u>
10	Debtors	1999	1998
		£	£
	Trade debtors	608,658	763,136
	Other debtors	800	22,200
	Prepayments and accrued income	51,520	6,188
		<u>660,978</u>	<u>791,524</u>
11	Creditors: Amounts Falling Due Within One Year	1999	1998
		£	£
	Bank loans and overdrafts	299,922	390,096
	Trade creditors	438,856	301,207
	Amounts owed to group undertakings	508,006	233,006
	Corporation tax	34,056	16,431
	Other taxes and social security	163,359	103,039
	Dividends	-	273,817
	Other creditors	48,640	8,178
	Accruals and deferred income	35,301	18,750
		<u>1,528,140</u>	<u>1,344,524</u>

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets.

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

12 Deferred Taxation

The movements in deferred taxation during the current and previous years are as follows:

	1999	1998
	£	£
At 1st January 1999	109,045	46,724
Movement in the year	25,732	62,321
At 31st December 1999	134,777	109,045

Deferred taxation provided and unprovided for in the financial statements is set out below. The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 30% (1998 31%).

	Amount Provided	
	1999	1998
	£	£
Accelerated capital allowances	134,777	109,045

13 Share Capital

Authorised Equity Shares

10,000 ordinary shares of £1 each

	1999	1998
	£	£
	10,000	10,000

Allotted Equity Shares

3,800 allotted, called up and fully paid ordinary shares of £1 each

	3,800	3,800
--	-------	-------

14 Pension Scheme

The company makes contributions to pension schemes for the benefit of certain employees and directors. The assets of the schemes are administered by trustees in funds independent from those of the company.

15 Operating Lease Commitments

At 31st December 1999 the company had annual commitments under non-cancellable operating leases as set out below:

	1999	1998
	£	£
Operating leases which expire:		
Within one year	2,131	3,518
Between two and five years	15,678	17,538
	17,809	21,056

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

16 Ultimate Parent Undertaking

The directors consider the parent company of Graveley Packing Limited to be Budelpack UK Holding Limited, and the ultimate parent company to be Budelpack International B.V., a company incorporated in The Netherlands.

17 Related Parties

No details of inter-company transactions have been disclosed as the company has taken advantage of exemptions contained within Financial Reporting Standard Number 8 in that consolidated group accounts have been prepared and are publicly available.

The company is under the control of A Nieuwkerk.

18 Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	1999	1998
	£	£
Operating profit	503,188	359,007
Depreciation charges	241,145	173,875
Increase in stocks	(123,421)	19,820
Decrease in debtors	130,546	191,907
Increase in other creditors	529,982	(126,921)
	<u>1,281,440</u>	<u>617,688</u>

19 Gross Cash Flows

	1999	1998
	£	£
Returns on Investments and Servicing of Finance		
Interest received	6,295	6,424
Interest paid	(18,052)	(12,862)
Net cash outflow for returns on investments and servicing of finance	<u>(11,757)</u>	<u>(6,438)</u>
Capital Expenditure and Financial Investment		
Payments to acquire tangible fixed assets	<u>(386,476)</u>	<u>(225,373)</u>

20 Analysis of Changes in Net Cash

	1998	Cash flows	1999
	£	£	£
Cash at bank and in hand	-	191,140	191,140
Overdrafts	(390,096)	90,174	(299,922)
	<u>(390,096)</u>	<u>281,314</u>	<u>(108,782)</u>

GRAVELEY PACKING LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

21	Reconciliation of Shareholders' Funds	1999	1998
		£	£
	Profit for the financial year	394,998	<i>273,817</i>
	Dividends	(275,000)	<i>(273,817)</i>
		<hr/>	<hr/>
	Increase in the shareholders' funds	119,998	<i>-</i>
	Opening shareholders' funds	1,233,570	<i>1,233,570</i>
		<hr/>	<hr/>
	Closing shareholders' funds	1,353,568	<i>1,233,570</i>
		<hr/>	<hr/>