

Company Registration Number 3503260

Northern Paper Board Limited

Abbreviated Accounts

29 February 2012



Armstrong Watson
Chartered Accountants & Statutory Auditors
Currer House
34/36 Otley Street
Skipton
North Yorkshire
BD23 1EW

NORTHERN PAPER BOARD LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 29 FEBRUARY 2012

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NORTHERN PAPER BOARD LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 29 FEBRUARY 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 29 February 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of paper, board and fabric merchants.

Northern Paper Board had been a packaging merchant for 20 years, 7 years ago the company made the move into manufacturing

The company has continued to invest and has grown the business turnover from £5.6 million to £8.3 million in the last three years. The owners had implemented a strategy to enable growth, entering new markets and diversifying the business.

Business Challenge

The business had the capacity to grow substantially. However the company only had a small team and the owners were the ones driving the business forward. The challenges were to -

Build a team that led the sales,
Recruit Staff,
Implement management information systems,
Take a step back and look at a formal plan for growth,
Set a sales strategy to follow the plan

We have been introduced to a successful entrepreneur. We are now working with him looking at our business plan and company objective.

Our attitude has always been a 'can do and will do' attitude. The challenge is that now we add, 'how soon will we do and what do we need to do sooner'.

Results

We have been able to recruit three additional staff who are becoming an integral part of our team. We have broken our current market segments and by doing this have a strategy for growth by market sector. We are putting together our 3 - 5 - 10 year plan and are seeing what we need now to implement that growth. Our attitude is now what do we need to grow, rather than grow then implement the additional staff - investment. Although we are still an integral part of the business, we can see that our strategy will pay dividends both for the company and personally.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £408,805. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Due to the nature of the financial instruments used by the company comprising bank balances, trade creditors, trade debtors and finance lease agreements, there is no exposure to price risk. The liquidity risk on the above areas is managed by the regular monitoring of these areas by the directors.

NORTHERN PAPER BOARD LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 29 FEBRUARY 2012

DIRECTORS

The directors who served the company during the year were as follows

Mr J F Curran

Mr P A Curran

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report 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 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

NORTHERN PAPER BOARD LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 29 FEBRUARY 2012

AUDITOR

Armstrong Watson are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
34/36 Otley Street
Skipton
North Yorkshire
BD23 1EW

Signed on behalf of the directors



MR J F CURRAN

Approved by the directors on 9 NOV 2012

NORTHERN PAPER BOARD LIMITED

INDEPENDENT AUDITOR'S REPORT TO NORTHERN PAPER BOARD LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of Northern Paper Board Limited for the year ended 29 February 2012 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 work, for this report, or for the opinions we have formed

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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 to be delivered 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

SKIPTON

WILLIAMBOOTH
(Senior Statutory Auditor)
For and on behalf of
ARMSTRONG WATSON
Chartered Accountants
& Statutory Auditors

9. Nov 2012

NORTHERN PAPER BOARD LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 29 FEBRUARY 2012

| | Note | 2012 £ | 2011 £ |
|--|----------|------------------|------------------|
| TURNOVER | | 8,294,524 | 7,417,527 |
| Cost of Sales and Other operating income | | 6,827,623 | 6,209,036 |
| Administrative expenses | | 955,991 | 787,383 |
| OPERATING PROFIT | 2 | 510,910 | 421,108 |
| Interest receivable | | 405 | 611 |
| Interest payable and similar charges | 5 | (2,419) | (6,428) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 508,896 | 415,291 |
| Tax on profit on ordinary activities | 6 | 100,091 | 104,037 |
| PROFIT FOR THE FINANCIAL YEAR | | 408,805 | 311,254 |

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 16 form part of these abbreviated accounts

NORTHERN PAPER BOARD LIMITED

Company Registration Number 3503260

ABBREVIATED BALANCE SHEET**29 FEBRUARY 2012**

| | Note | 2012 £ | 2011 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 8 | 753,994 | 541,271 |
| CURRENT ASSETS | | | |
| Stocks | 9 | 594,872 | 418,309 |
| Debtors | 10 | 1,874,472 | 1,941,745 |
| Cash at bank | | 466,163 | 391,836 |
| | | <u>2,935,507</u> | <u>2,751,890</u> |
| CREDITORS: Amounts falling due within one year | 11 | <u>2,002,210</u> | <u>2,003,602</u> |
| NET CURRENT ASSETS | | <u>933,297</u> | <u>748,288</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,687,291</u> | <u>1,289,559</u> |
| CREDITORS: Amounts falling due after more than one year | 12 | 12,747 | 34,025 |
| PROVISIONS FOR LIABILITIES | | | |
| Deferred taxation | 14 | <u>61,175</u> | <u>50,970</u> |
| | | <u>1,613,369</u> | <u>1,204,564</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 18 | 2 | 2 |
| Profit and loss account | 19 | <u>1,613,367</u> | <u>1,204,562</u> |
| SHAREHOLDERS' FUNDS | 20 | <u>1,613,369</u> | <u>1,204,564</u> |

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 9 Nov 2012, and are signed on their behalf by


MR J F CURRAN

The notes on pages 9 to 16 form part of these abbreviated accounts

NORTHERN PAPER BOARD LIMITED

CASH FLOW STATEMENT

YEAR ENDED 29 FEBRUARY 2012

| | Note | 2012 £ | £ | 2011 £ | £ |
|--|------|-----------------|----------------------|----------------|-------------------------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | | | 554,974 | | 94,917 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | | | |
| Interest received | | 405 | | 611 | |
| Interest paid | | — | | (5,424) | |
| Interest element of hire purchase | | <u>(2,419)</u> | | <u>(1,004)</u> | |
| NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | (2,014) | | (5,817) |
| TAXATION | | | (93,763) | | (51,973) |
| CAPITAL EXPENDITURE | | | | | |
| Payments to acquire tangible fixed assets | | (364,042) | | (212,745) | |
| Receipts from sale of fixed assets | | <u>—</u> | | <u>18,278</u> | |
| NET CASH OUTFLOW FROM CAPITAL EXPENDITURE | | | (364,042) | | (194,467) |
| EQUITY DIVIDENDS PAID | | | — | | (180,000) |
| CASH INFLOW/(OUTFLOW) BEFORE FINANCING | | | 95,155 | | (337,340) |
| FINANCING | | | | | |
| Net inflow/(outflow) from other short-term creditors | | 450 | | (232,711) | |
| Capital element of hire purchase | | <u>(21,278)</u> | | <u>55,304</u> | |
| NET CASH OUTFLOW FROM FINANCING | | | (20,828) | | (177,407) |
| INCREASE/(DECREASE) IN CASH | | | <u>74,327</u> | | <u>(514,747)</u> |

NORTHERN PAPER BOARD LIMITED

CASH FLOW STATEMENT

YEAR ENDED 29 FEBRUARY 2012

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 2012 £ | 2011 £ |
|---|----------------|---------------|
| Operating profit | 510,910 | 421,108 |
| Depreciation | 151,319 | 135,976 |
| Profit on disposal of fixed assets | — | (18,278) |
| Increase in stocks | (176,563) | (257,906) |
| Decrease/(increase) in debtors | 67,273 | (703,152) |
| Increase in creditors | 2,035 | 517,169 |
| Net cash inflow from operating activities | <u>554,974</u> | <u>94,917</u> |

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

| | 2012 £ | 2011 £ |
|---|----------------|-----------------|
| Increase/(decrease) in cash in the period | 74,327 | (514,747) |
| Net (inflow) from/outflow from other short-term creditors | (450) | 232,711 |
| Cash outflow in respect of hire purchase | <u>21,278</u> | <u>(55,304)</u> |
| | 95,155 | (337,340) |
| Change in net funds | 95,155 | (337,340) |
| Net funds at 1 March 2011 | <u>336,532</u> | <u>673,872</u> |
| Net funds at 29 February 2012 | <u>431,687</u> | <u>336,532</u> |

ANALYSIS OF CHANGES IN NET FUNDS

| | At 1 Mar 2011 £ | Cash flows £ | At 29 Feb 2012 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Net cash | | | |
| Cash in hand and at bank | <u>391,836</u> | <u>74,327</u> | <u>466,163</u> |
| Debt | | | |
| Debt due within 1 year | — | (450) | (450) |
| Hire purchase agreements | <u>(55,304)</u> | <u>21,278</u> | <u>(34,026)</u> |
| | (55,304) | 20,828 | (34,476) |
| Net funds | <u>336,532</u> | <u>95,155</u> | <u>431,687</u> |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Turnover

The turnover shown in the profit and loss account represents amounts due and receivable during the year, exclusive of Value Added Tax

Research and development

Research and development expenditure of £123,935 has been capitalised and written off at a rate of 15%

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

| | |
|---------------------|---------------|
| Plant & Machinery | - 15% on cost |
| Fixtures & Fittings | - 25% on cost |
| Motor Vehicles | - 25% on cost |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

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

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 currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

| | 2012 £ | 2011 £ |
|---|--------------|--------------|
| Amortisation of deferred research and development expenditure | 2,434 | – |
| Depreciation of owned fixed assets | 129,789 | 128,148 |
| Depreciation of assets held under hire purchase agreements | 21,530 | 7,828 |
| Profit on disposal of fixed assets | – | (18,278) |
| Auditor's remuneration | | |
| - as auditor | <u>7,000</u> | <u>3,000</u> |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to.

| | 2012 | 2011 |
|--------------------------------|------------------|------------------|
| | No | No |
| Number of production staff | 10 | 10 |
| Number of administrative staff | 6 | 6 |
| | <u>16</u> | <u>16</u> |

The aggregate payroll costs of the above were

| | 2012 | 2011 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Wages and salaries | 295,332 | 301,822 |
| Social security costs | 29,796 | 30,633 |
| Other pension costs | 4,865 | 842 |
| | <u>329,993</u> | <u>333,297</u> |

4. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

| | 2012 | 2011 |
|-------------------------|----------------------|----------------------|
| | £ | £ |
| Remuneration receivable | <u>80,563</u> | <u>73,090</u> |

5. INTEREST PAYABLE AND SIMILAR CHARGES

| | 2012 | 2011 |
|-------------------------------|---------------------|---------------------|
| | £ | £ |
| Finance charges | 2,419 | 1,004 |
| Other similar charges payable | — | 5,424 |
| | <u>2,419</u> | <u>6,428</u> |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

| | 2012 £ | 2011 £ |
|--|----------------|----------------|
| Current tax | | |
| In respect of the year | | |
| UK Corporation tax based on the results for the year at 26% (2011 - 28%) | 89,886 | 93,763 |
| Over/under provision in prior year | - | (1) |
| Total current tax | <u>89,886</u> | <u>93,762</u> |
| Deferred tax | | |
| Origination and reversal of timing differences (note 14) | | |
| Capital allowances | 10,205 | 10,275 |
| Tax on profit on ordinary activities | <u>100,091</u> | <u>104,037</u> |

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26% (2011 - 28%)

| | 2012 £ | 2011 £ |
|---|----------------|----------------|
| Profit on ordinary activities before taxation | <u>508,896</u> | <u>415,291</u> |
| Profit on ordinary activities by rate of tax | 132,313 | 116,282 |
| Expenses not deductible for tax purposes | 1,842 | 1,418 |
| Capital allowances for period in excess of depreciation | (6,821) | (11,982) |
| Tax chargeable at higher rates adjustment | 619 | - |
| Marginal relief | (5,844) | (6,838) |
| Tax on capitalised revenue expenditure | (32,223) | - |
| profit on disposal of assets | - | (5,118) |
| Total current tax (note 6(a)) | <u>89,886</u> | <u>93,762</u> |

7. DIVIDENDS

Equity dividends

| | 2012 £ | 2011 £ |
|-------------------------------------|-----------|----------------|
| Paid | | |
| Equity dividends on ordinary shares | <u>-</u> | <u>180,000</u> |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

8. TANGIBLE FIXED ASSETS

| | Plant & Machinery £ | Fixtures & Fittings £ | Motor Vehicles £ | Total £ |
|----------------------------|--|--|---------------------------------|-------------------------|
| COST | | | | |
| At 1 March 2011 | 933,253 | 65,369 | 102,816 | 1,101,438 |
| Additions | <u>336,911</u> | <u>27,131</u> | <u>–</u> | <u>364,042</u> |
| At 29 February 2012 | <u>1,270,164</u> | <u>92,500</u> | <u>102,816</u> | <u>1,465,480</u> |
| DEPRECIATION | | | | |
| At 1 March 2011 | 484,432 | 58,483 | 17,252 | 560,167 |
| Charge for the year | <u>122,411</u> | <u>4,954</u> | <u>23,954</u> | <u>151,319</u> |
| At 29 February 2012 | <u>606,843</u> | <u>63,437</u> | <u>41,206</u> | <u>711,486</u> |
| NET BOOK VALUE | | | | |
| At 29 February 2012 | <u>663,321</u> | <u>29,063</u> | <u>61,610</u> | <u>753,994</u> |
| At 28 February 2011 | <u>448,821</u> | <u>6,886</u> | <u>85,564</u> | <u>541,271</u> |

Hire purchase agreements

Included within the net book value of £753,994 is £56,763 (2011 - £78,293) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £21,530 (2011 - £7,828).

9. STOCKS

| | 2012 £ | 2011 £ |
|-------|-----------------------|-----------------------|
| Stock | <u>594,872</u> | <u>418,309</u> |

10. DEBTORS

| | 2012 £ | 2011 £ |
|--------------------------------|-------------------------|-------------------------|
| Trade debtors | 1,865,916 | 1,931,995 |
| Prepayments and accrued income | <u>8,556</u> | <u>9,750</u> |
| | <u>1,874,472</u> | <u>1,941,745</u> |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

11. CREDITORS: Amounts falling due within one year

| | 2012 | 2011 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 1,280,689 | 1,171,556 |
| Corporation tax | 89,886 | 93,763 |
| PAYE and social security | 6,793 | 6,428 |
| VAT | 135,765 | 66,791 |
| Hire purchase agreements | 21,279 | 21,279 |
| Other creditors | 450 | — |
| Directors current accounts | 453,440 | 635,174 |
| Accruals and deferred income | 13,908 | 8,611 |
| | <u>2,002,210</u> | <u>2,003,602</u> |

The following liabilities disclosed under creditors falling due within one year are secured by the company

| | 2012 | 2011 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Hire purchase agreements | <u>21,249</u> | <u>21,279</u> |

12. CREDITORS: Amounts falling due after more than one year

| | 2012 | 2011 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Hire purchase agreements | <u>12,747</u> | <u>34,025</u> |

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

| | 2012 | 2011 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Hire purchase agreements | <u>12,747</u> | <u>34,025</u> |

13. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

| | 2012 | 2011 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Amounts payable within 1 year | 21,279 | 21,279 |
| Amounts payable between 1 and 2 years | <u>12,747</u> | <u>34,025</u> |
| | <u>34,026</u> | <u>55,304</u> |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

14. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

| | 2012 | 2011 |
|--|---------------|---------------|
| | £ | £ |
| Provision brought forward | 50,970 | 40,695 |
| Profit and loss account movement arising during the year | 10,205 | 10,275 |
| Provision carried forward | <u>61,175</u> | <u>50,970</u> |

The provision for deferred taxation consists of the tax effect of timing differences in respect of

| | 2012 | 2011 |
|---|---------------|---------------|
| | £ | £ |
| Excess of taxation allowances over depreciation on fixed assets | 61,175 | 50,970 |
| | <u>61,175</u> | <u>50,970</u> |

15. COMMITMENTS UNDER OPERATING LEASES

At 29 February 2012 the company had annual commitments under non-cancellable operating leases as set out below

| | Land and buildings | |
|-------------------------------|---------------------------|----------------|
| | 2012 | 2011 |
| | £ | £ |
| Operating leases which expire | | |
| Within 2 to 5 years | <u>140,000</u> | <u>140,000</u> |

16. TRANSACTIONS WITH THE DIRECTORS

Included in creditors due within one year directors loan accounts amounting to £453,440 (2011 £635,174) Of this £222,967 (2011 £306,172) related to P A Curran and £230,473 (2011 £329,002) to J F Curran The loan accounts are interest free and repayable on demand.

17. RELATED PARTY TRANSACTIONS

The company was under the control of J F Curran and P A Curran throughout the current and previous year During the year the company was charged £144,741 (2011 £8,973) by N P B Limited who in turn paid the Northern Paper Board Limited Pension Fund rent of £140,000 This company was under the control of J F Curran and P A Curran

Dividends paid to the directors during the year were as follows,

| | |
|------------|---------------------|
| J F Curran | £Nil (2011 £90,000) |
| P A Curran | £Nil (2011 £90,000) |

NORTHERN PAPER BOARD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2012

18. SHARE CAPITAL

Allotted, called up and fully paid:

| | 2012 | | 2011 | |
|------------------------------|----------|----------|----------|----------|
| | No | £ | No | £ |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> | <u>2</u> | <u>2</u> |

19. PROFIT AND LOSS ACCOUNT

| | 2012 | 2011 |
|-------------------------------|------------------|------------------|
| | £ | £ |
| Balance brought forward | 1,204,562 | 1,073,308 |
| Profit for the financial year | 408,805 | 311,254 |
| Equity dividends | — | (180,000) |
| Balance carried forward | <u>1,613,367</u> | <u>1,204,562</u> |

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2012 | 2011 |
|-------------------------------------|------------------|------------------|
| | £ | £ |
| Profit for the financial year | 408,805 | 311,254 |
| Equity dividends | — | (180,000) |
| Net addition to shareholders' funds | 408,805 | 131,254 |
| Opening shareholders' funds | <u>1,204,564</u> | <u>1,073,310</u> |
| Closing shareholders' funds | <u>1,613,369</u> | <u>1,204,564</u> |