

 ERNST & YOUNG

31 December 2004



Jarden Plastic Solutions Limited

Registered No: 4024851

Directors

I Ashken
S Wood

Secretary

DCL Company Services Limited

Auditors

Ernst & Young LLP
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

Bankers

Barclays Bank plc
61 Old Christchurch Road
Bournemouth
Dorset
BH1 1ER

Registered office

Unit 3
81 Somerford Road
Christchurch
Dorset
BH1 1ER

Directors' report

The directors present their report and financial statements for the year ended 31 December 2004.

Results and dividends

The loss for the year, after taxation, amounted to £68,144. The directors do not recommend the payment of any dividends.

Principal activities and review of the business

The principal activity of the company during the year was the manufacture of plastic fasteners and precision moulded custom components.

On 28 February 2005, the company changed its name from Unimark Plastics Limited to Jarden Plastic Solutions Limited.

The directors were disappointed with the results for the period. Market conditions within plastic moulding remain poor, however the American holding company has made a commitment to fund activities and continue manufacturing in Christchurch.

Plans are now in place to build a class 10,000 clean room to gain moulding work within the medical sector.

Directors

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

I Ashken
M Franklin (resigned 7 June 2005)

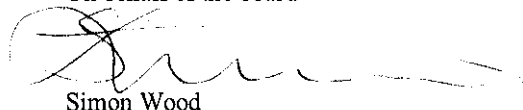
There are no directors' interests requiring disclosure under the Companies Act 1985.

Subsequent to the year end, the following was appointed as a director of the company:
S Wood (appointed 7 June 2005)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to members at the Annual General Meeting.

On behalf of the board



Simon Wood

Director

24 October, 2005

Statement of directors' responsibilities in respect of the financial statements

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; and
- 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.

Independent auditors' report

to the member of Jarden Plastic Solutions Limited

We have audited the company's financial statements for the year ended 31 December 2004 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Statement of Cash Flows and the related notes 1 to 20. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's member, 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 member those matters we are required to state to them in an auditors' 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and 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.

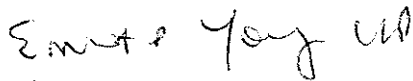
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Independent auditors' report

to the member of Jarden Plastic Solutions Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Southampton

31 October 2005

Profit and loss account

for the year ended 31 December 2004

		Year to 31 Dec 04	Period from 1 Jul 03 to 31 Dec 03 (restated)
	Notes	£	£
Turnover	2	1,650,964	969,785
Cost of sales		1,538,345	990,973
Gross profit/(loss)		112,619	(21,188)
Distribution costs		15,335	10,144
Administrative expenses		152,967	36,187
Operating loss	3	(55,683)	(67,519)
Bank interest receivable	5	806	474
Interest payable and similar charges	6	(13,025)	(3,258)
		(12,219)	(2,784)
Loss on ordinary activities before taxation		(67,902)	(70,303)
Tax on loss on ordinary activities	7	242	—
Loss for the financial year		(68,144)	(70,303)

Statement of total recognised gains and losses

There are no recognised gains or losses other than the loss of £68,144 attributable to the shareholder for the year ended 31 December 2004 (2003 - loss of £70,303).

Balance sheet

at 31 December 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	8	314,886	416,295
Current assets			
Stocks	9	341,109	230,787
Debtors	10	384,449	482,228
Cash at bank		69,785	58,409
		795,343	771,424
Creditors: amounts falling due within one year	11	440,273	426,060
Net current assets		355,070	345,364
Total assets less current liabilities		669,956	761,659
Creditors: amounts falling due after more than one year	12	—	23,559
		669,956	738,100
Capital and reserves			
Called up share capital	16	200,000	200,000
Share premium account	17	1,028,191	1,028,191
Profit and loss account	17	(558,235)	(490,091)
Equity shareholder's funds	17	669,956	738,100


S Wood
Director

27 October, 2005

Statement of cash flows

for the year ended 31 December 2004

		<i>Year to</i> <i>31 Dec 04</i>	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Net cash inflow from operating activities	18(a)	70,110	98,773
Returns on investments and servicing of finance	18(b)	(12,219)	(2,784)
Capital expenditure and financial investment	18(c)	(1,723)	(893)
Financing	18(d)	(44,792)	(57,482)
Increase in cash		<u>11,376</u>	<u>37,614</u>

Reconciliation of net cash flow to movement in net funds

		<i>2004</i> <i>£</i>	<i>2003</i> <i>£</i>
Increase in cash		11,376	37,614
Cash used to repay capital element of hire purchase payments		<u>44,792</u>	<u>57,482</u>
		56,168	95,096
Change in net funds	18(e)	56,168	95,096
Net debt at 1 January	18(e)	<u>(10,307)</u>	<u>(105,403)</u>
Net funds at 31 December	18(e)	<u>45,861</u>	<u>(10,307)</u>

Notes to the financial statements

at 31 December 2004

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Short Leasehold Improvements	-	straight line over 10 years
Plant & Machinery	-	straight line over 4 to 7 years
Motor Vehicles	-	straight line over 4 years

Stocks

Stocks and work in progress are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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, with the following exception:

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 a 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

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

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.

Notes to the financial statements

at 31 December 2004

1. Accounting policies (continued)

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

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

Restatement of prior year accounts

The comparative balances for the accounts for the year ended 31 December 2004 have been restated. This is to reclassify certain expenses totalling £311,000 from administration expenses to cost of sales.

2. Turnover

The company's turnover is derived from one class of business.

An analysis of turnover by geographical market is given below:

	<i>Year to</i> <i>31 Dec 04</i> £	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i> £
United Kingdom	1,623,042	955,884
Rest of Europe	25,080	13,546
United States of America	2,842	355
	<u>1,650,964</u>	<u>969,785</u>

Notes to the financial statements

at 31 December 2004

3. Operating loss

This is stated after charging/(crediting):

	<i>Year to</i> <i>31 Dec 04</i> £	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i> £
Auditors' remuneration - audit services	17,000	5,000
- non-audit services	3,870	1,250
Depreciation of owned fixed assets	83,538	66,116
Depreciation of assets held under hire purchase contracts	20,982	29,525
	<u>104,520</u>	<u>95,641</u>
Profit on disposal of fixed assets	(1,388)	-
Operating lease rentals - land and buildings	139,136	69,568
- plant and machinery	379	189
Net profit on foreign currency translation	<u>(12,098)</u>	<u>-</u>

No director's remuneration has been paid by the company during the year.

4. Staff costs

	<i>Year to</i> <i>31 Dec 04</i> £	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i> £
Wages and salaries	699,218	379,208
Social security costs	60,012	38,531
	<u>759,230</u>	<u>417,739</u>

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

	<i>Year to</i> <i>31 Dec 04</i> No.	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i> No.
Total staff	<u>36</u>	<u>45</u>

5. Interest receivable

	<i>Year to</i> <i>31 Dec 04</i> £	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i> £
Bank interest receivable	<u>806</u>	<u>474</u>

Notes to the financial statements

at 31 December 2004

6. Interest payable and similar charges

	Year to 31 Dec 04 £	Period from 1 Jul 03 to 31 Dec 03 £
Bank interest payable	1,883	—
Finance charges payable under hire purchase contracts	6,654	3,258
Interest on other loans	4,488	—
	<u>13,025</u>	<u>3,258</u>

7. Taxation on ordinary activities

(a) Tax on loss on ordinary activities
The tax charge/(credit) is made up as follows:

	Year to 31 Dec 04 £	Period from 1 Jul 03 to 31 Dec 03 £
<i>Current tax:</i>		
UK corporation tax	242	—
Total current tax (note 7(b))	<u>242</u>	<u>—</u>

There is no charge for taxation in the period.

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2003 - 30%). The differences are reconciled below:

	Year to 31 Dec 04 £	Period from 1 Jul 03 to 31 Dec 03 £
Loss on ordinary activities before taxation	<u>(67,902)</u>	<u>(70,303)</u>
Loss on ordinary activities multiplied by the rate of UK corporation tax of 30% (2002: 30%)	(20,371)	(21,091)
Capital allowances in advance of depreciation	28,562	12,258
Utilisation of brought forward tax losses	(3,995)	4,867
Other short term timing differences	(9,994)	3,844
Disallowable expenses and non-taxable income	6,040	122
Total current tax (note 7(a))	<u>242</u>	<u>—</u>

Notes to the financial statements

at 31 December 2004

7. Taxation on ordinary activities (continued)

(c) Deferred tax

The deferred taxation asset not recognised in the financial statements is as follows:

	Year to 31 Dec 04 £	Period from 1 Jul 03 to 31 Dec 03 £
Capital allowances in advance of depreciation	72,790	(9,458)
Tax losses available	57,232	108,188
Other timing differences	4,938	15,743
	<u>134,960</u>	<u>114,473</u>

8. Tangible fixed assets

	Short Leasehold Improvements £	Plant & Machinery £	Motor Vehicles £	Total £
Cost:				
At 1 January 2004	283,981	1,303,443	27,144	1,614,568
Additions	—	25,774	—	25,774
Disposals	—	(22,130)	(8,680)	(30,810)
At 31 December 2004	<u>283,981</u>	<u>1,307,087</u>	<u>18,464</u>	<u>1,609,532</u>
Depreciation:				
At 1 January 2004	132,198	1,045,754	20,321	1,198,273
Provided during the year	19,268	83,707	1,545	104,520
Disposals	—	(4,745)	(3,402)	(8,147)
At 31 December 2004	<u>151,466</u>	<u>1,124,716</u>	<u>18,464</u>	<u>1,294,646</u>
Net book value:				
At 31 December 2004	<u>132,515</u>	<u>182,371</u>	<u>—</u>	<u>314,886</u>
At 1 January 2004	<u>151,783</u>	<u>257,689</u>	<u>6,823</u>	<u>416,295</u>

The net book value of assets above includes an amount of £207,230 (30 June 2003 - £236,754) in respect of assets held under hire purchase contracts.

9. Stocks

	2004 £	2003 £
Raw materials	102,745	73,917
Finished goods	238,364	156,870
	<u>341,109</u>	<u>230,787</u>

Notes to the financial statements

at 31 December 2004

10. Debtors

	2004 £	2003 £
Trade debtors	303,773	438,718
Other debtors	30,754	—
Prepayments and accrued income	49,922	43,510
	<u>384,449</u>	<u>482,228</u>

11. Creditors: amounts falling due within one year

	2004 £	2003 £
Obligations under hire purchase contracts (note 13)	23,924	45,157
Trade creditors	141,135	207,841
Amounts owed to group undertakings	179,106	94,257
Corporation tax	242	—
Other taxation and social security	40,228	45,816
Other creditors	16,439	8,433
Accruals and deferred income	39,199	24,556
	<u>440,273</u>	<u>426,060</u>

12. Creditors: amounts falling due after more than one year

	2004 £	2003 £
Obligations under hire purchase contracts (note 13)	—	23,559

13. Obligations under hire purchase contracts

The maturity of these amounts is as follows:

	2004 £	2003 £
Amounts payable:		
Within one year	24,760	48,234
In one to two years	—	24,369
	<u>24,760</u>	<u>72,603</u>
Less: finance charges allocated to future periods	(836)	(3,887)
	<u>23,924</u>	<u>68,716</u>
Hire purchase contracts are analysed as follows:		
Current obligations (note 11)	23,924	45,157
Non-current obligations (note 12)	—	23,559
	<u>23,924</u>	<u>68,716</u>

Notes to the financial statements

at 31 December 2004

14. Commitments under operating leases

At 31 December 2004 the company had annual commitments under non-cancellable operating leases as set out below:

	2004		2003	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	£	£	£	£
Operating leases which expire:				
In two to five years	139,136	—	139,136	378

15. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

16. Share capital

		2004		Authorised 2003
		£		£
Ordinary shares of £0.10 each		2,000,000		2,000,000
		Allotted, called up and fully paid 2004		2003
No.		£	No.	£
Ordinary shares of £0.10 each	2,000,000	200,000	2,000,000	200,000

17. Reconciliation of shareholder's funds and movement on reserves

	<i>Share capital</i>	<i>Share premium account</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	£	£	£	£
At 1 July 2003	200,000	1,028,191	(419,788)	808,403
Loss for the period	—	—	(70,303)	(70,303)
At 31 December 2003	200,000	1,028,191	(490,091)	738,100
Loss for the year	—	—	(68,144)	(68,144)
At 31 December 2004	200,000	1,028,191	(558,235)	669,956

Notes to the financial statements

at 31 December 2004

18. Notes to the statement of cash flows

(a) Reconciliation of operating loss to net cash outflow from operating activities

	<i>Year to</i> <i>31 Dec 04</i>	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i>
	£	£
Operating loss	(55,683)	(67,519)
Depreciation	104,520	95,641
Profit on disposal of fixed assets	(1,388)	—
Increase in stocks	(110,322)	(33,514)
Decrease in debtors	97,779	118,286
Increase/(decrease) in creditors	35,204	(14,121)
Net cash inflow from operating activities	<u>70,110</u>	<u>98,773</u>

(b) Returns on investments and servicing of finance

	<i>Year to</i> <i>31 Dec 04</i>	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i>
	£	£
Interest received	806	474
Interest paid	(6,371)	—
Interest element of hire purchase rentals payments	(6,654)	(3,258)
	<u>(12,219)</u>	<u>(2,784)</u>

(c) Capital expenditure

	<i>Year to</i> <i>31 Dec 04</i>	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i>
	£	£
Payments to acquire tangible fixed assets	(25,774)	(4,636)
Receipts from sales of tangible fixed assets	24,051	3,743
	<u>(1,723)</u>	<u>(893)</u>

(d) Financing

	<i>Year to</i> <i>31 Dec 04</i>	<i>Period from</i> <i>1 Jul 03 to</i> <i>31 Dec 03</i>
	£	£
Repayment of capital element of hire purchase contracts	<u>(44,792)</u>	<u>(57,482)</u>

Notes to the financial statements

at 31 December 2004

18. Notes to the statement of cash flows (continued)

(e) Analysis of changes in net funds

	<i>At 1 January 2004 £</i>	<i>Cash flows £</i>	<i>At 31 December 2004 £</i>
Cash at bank and in hand	58,409	11,376	69,785
Hire purchase contracts	(68,716)	44,792	(23,924)
	<u>(10,307)</u>	<u>56,168</u>	<u>45,861</u>

19. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £286,239 (2003 - £nil).

20. Ultimate parent company

On 3 July 2003, the company was acquired by Alltrista Plastics Corporation, a company incorporated in the United States of America. From this date, the ultimate parent company is Jarden Corporation.

The largest group in which the results of the company are consolidated is that headed by Jarden Corporation, incorporated in the United States of America. The smallest group in which they are consolidated is that headed by Alltrista Plastics Corporation. The consolidated accounts of Jarden Corporation are available to the public and may be obtained from:

1303 South Batesville Road
Greer,
South Carolina,
29650 USA.