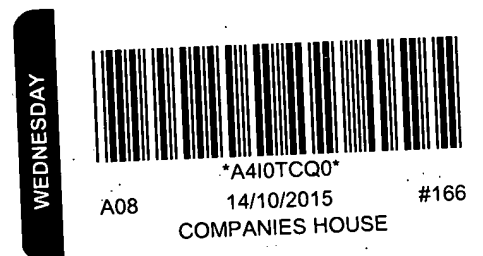


International Packaging Solutions Limited
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
for the period ended
31 January 2015



Company Registration Number 04184598

International Packaging Solutions Limited

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International Packaging Solutions Limited

COMPANY INFORMATION

DIRECTORS

M Emond
J Brennan
C A Emond

COMPANY NUMBER

04184598

REGISTERED OFFICE

Riverside House
Iconfield Park
Freshfields Road
Parkeston
Harwich
Essex
CO12 4EN

AUDITORS

Baker Tilly UK Audit LLP
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

BANKERS

National Westminster Bank Plc
100 The Crescent
Colchester Business Park
Colchester
Essex
CO4 4YQ

SOLICITORS

Ellisons
Headgate Court
Headgate Street
Colchester
Essex
CO1 1NP

International Packaging Solutions Limited

STRATEGIC REPORT

For the period ended 31 January 2015

The directors present the Strategic Report and consolidated financial statements for the period ended 31 January 2015.

REVIEW OF THE BUSINESS

The group is engaged in designing, manufacturing, refurbishing and installing vacuum powder filling machines for the food, beverage and pharmaceuticals industries. The group also provides spare parts, maintenance and project management services.

The results for the year ended 31 January 2015 showed further consolidation of the group's position in the market as demonstrated with sales increased by 37.5% on last year.

The directors consider the results for the year and the financial position at 31 January 2015 to be satisfactory. The directors believe that the group remains in a strong position in the sector's international market place.

FINANCIAL RISK

The group is exposed to a variety of financial risks and business risks.

In line with similar companies operating in an international marketplace, the group is exposed to the risk of foreign exchange movements. To mitigate these risks we:

- Where possible, negotiate contracts and payments in Sterling;
- Ensure appropriate foreign exchange movement/variation clauses are included in new machine contracts;
- Maintain foreign currency bank accounts to pay overseas suppliers; and
- Put in place forward contracts for large currency deposits to fix the position and eliminate the risk of movement between the contract date and the receipt date.

In addition, the group faces a cash flow risk in the day to day running of the business. To mitigate these risks we:

- Prepare cash flow forecasts on a regular basis to identify pinch points;
- Hold sufficient cash reserves to cover 3 months expenditure;
- Maintain an effective credit control process; and
- Agree, and adhere to, reasonable payment terms with suppliers.

The directors have not delegated the responsibility of maintaining financial risk management to a sub-committee of the Board. The policies set by the Board are implemented by the group's finance department.

The group's principal financial assets are cash and trade debtors. The principal credit risk arises therefore from its trade debtors. The group maintains policies and procedures to manage credit risk.

BUSINESS RISKS

Business risks include market, economic, climatic and other events and regulatory risk which are monitored and managed by the Board.

The group seeks to maintain its market presence and balance through its broad brand portfolio, worldwide reputation and diverse customer base.

HEALTH AND SAFETY

The group recognises the importance of the health and safety of all those employed and operates policies to ensure that risks associated with accidents and health are properly managed and controlled.

HUMAN RESOURCES

The group's employees are its most important resource. It is essential to the future success of the business that a skilled and motivated workforce is retained.

International Packaging Solutions Limited

STRATEGIC REPORT (CONTINUED)

For the period ended 31 January 2015

RESEARCH AND DEVELOPMENT

The directors continue to place a high priority on the development of cutting-edge technology and as such have committed high levels of investment to research and development.

The group has supplied major blue chip manufacturers of baby milk formula throughout the world and feedback gathered from this real-world experience is continuously applied to the improvement and development of its products. The next phase of the group's product development is already underway with an international patent secured for its latest powder filling application for soft packs.

FUTURE DEVELOPMENTS

The group continues to develop its overseas representation. The support of a new agent based in New Zealand has increased opportunities for new projects in Australasia. The group also continues to develop new strategic partnerships in developing territories such as South East Asia where it was previously underrepresented, and looks forward to working with these partners to maximise opportunities.

The directors consider that as the group has already established itself as a market leader in the design and manufacture of powder filling machinery and associated equipment, they are confident that its ever improving technologies, its growing global presence, and its innovative approach to its customers' needs will result in even more opportunities for further profit extension in the future.

KEY PERFORMANCE INDICATORS

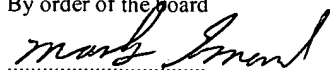
In managing the business the directors monitor the results against the budget and the previous year through monthly management reports and snapshots of the trading result following each period end.

The key performance indicators for the period to 31 January 2015 were:

| | 2015 | 2014 |
|--------------------|------|------|
| Sales growth % | 37.5 | 5.9 |
| Gross margin % | 26.7 | 30.5 |
| Operating profit % | 12.5 | 17.0 |

Sales, particularly in the Australasia market, experienced excellent growth in 2014/15 following the award of two new turnkey production lines.

By order of the board



M Emond
DIRECTOR

10/9/15

International Packaging Solutions Limited

DIRECTORS' REPORT

For the period ended 31 January 2015

The directors present their report and consolidated financial statements of International Packaging Solutions Limited for the period ended 31 January 2015. During the period, the company shortened its period end from 31 March to 31 January, although the figures in the financial statements remain comparable as they use 12 months of the sole subsidiary.

PRINCIPAL ACTIVITIES

The principal activity of the group continued to be that of designing, manufacturing, refurbishing and installing vacuum powder filling machines for the food, beverage and pharmaceuticals industries. The group also provides spare parts, maintenance and project management services. The principal activity of the company was that of a holding company.

RESULTS AND DIVIDENDS

The results for the year are set out on page 7.

During the year the company paid a dividend of £90,000 (2014: £100,000).

DIRECTORS

The following directors have held office since 1 April 2014:

M Emond

J Brennan

C A Emond

(Appointed 16 February 2015)

AUDITORS

Baker Tilly UK Audit LLP, Chartered Accountants, were appointed as auditors to the company during the period and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



M Emond

DIRECTOR

10/9/15

International Packaging Solutions Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL PACKAGING SOLUTIONS LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 7 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As more fully explained in the Directors' Responsibilities Statement on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 January 2015 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Baker Tilly UK Audit LLP

Kerry Norman (Senior Statutory Auditor)

For and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor

Chartered Accountants

Marlborough House

Victoria Road South

Chelmsford

Essex

CM1 1LN

14/9/15

International Packaging Solutions Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the period ended 31 January 2015

| | Notes | 2015 £ | 2014 £ |
|---|-------|--------------|-------------|
| TURNOVER | 1 | 14,422,071 | 10,490,569 |
| Cost of sales | | (10,570,478) | (7,291,443) |
| GROSS PROFIT | | 3,851,593 | 3,199,126 |
| Administrative expenses | | (2,053,969) | (1,420,924) |
| OPERATING PROFIT | | 1,797,624 | 1,778,202 |
| Interest receivable and similar income | 2 | 15,440 | 30,915 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 3 | 1,813,064 | 1,809,117 |
| Taxation | 6 | (370,131) | (347,899) |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | 17 | 1,442,933 | 1,461,218 |

Turnover and Operating Profit are derived from the group's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with through the Profit and Loss Account.

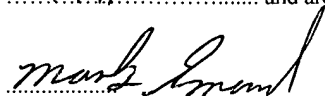
International Packaging Solutions Limited

CONSOLIDATED BALANCE SHEET

As at 31 January 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|-------------------------|-------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 403,466 | 290,618 |
| Investments | 10 | - | 100 |
| | | <u>403,466</u> | <u>290,718</u> |
| CURRENT ASSETS | | | |
| Stocks | 11 | 408,158 | 420,366 |
| Debtors | 12 | 6,035,071 | 2,440,358 |
| Cash at bank and in hand | | 3,976,546 | 3,840,305 |
| | | <u>10,419,775</u> | <u>6,701,029</u> |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 13 | (4,505,572) | (2,041,411) |
| NET CURRENT ASSETS | | <u>5,914,203</u> | <u>4,659,618</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>6,317,669</u> | <u>4,950,336</u> |
| PROVISION FOR LIABILITIES | 14 | (34,017) | (19,617) |
| NET ASSETS | | <u><u>6,283,652</u></u> | <u><u>4,930,719</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 16 | 2 | 2 |
| Merger reserve | 17 | 39,744 | 39,744 |
| Profit and loss account | 17 | 6,243,906 | 4,890,973 |
| SHAREHOLDERS' FUNDS | 18 | <u><u>6,283,652</u></u> | <u><u>4,930,719</u></u> |

The financial statements on pages 7 to 21 were approved by the board of directors and authorised for issue on 10/4/15 and are signed on its behalf by:



M Emond
DIRECTOR

International Packaging Solutions Limited

COMPANY BALANCE SHEET

As at 31 January 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|-------------|-------------|
| FIXED ASSETS | | | |
| Investments | 10 | 100 | 100 |
| | | <u>100</u> | <u>100</u> |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 13 | (98) | (98) |
| NET CURRENT LIABILITIES | | <u>(98)</u> | <u>(98)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>2</u> | <u>2</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 16 | 2 | 2 |
| Profit and loss account | 17 | - | - |
| SHAREHOLDERS' FUNDS | 18 | <u>2</u> | <u>2</u> |

The financial statements on pages 7 to 21 were approved by the board of directors and authorised for issue on 10/9/15 and are signed on its behalf by:



M Emond
DIRECTOR

International Packaging Solutions Limited

CONSOLIDATED CASH FLOW STATEMENT

For the period ended 31 January 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|-------------------------|-------------------------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 19 | 807,954 | 1,234,723 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | 19.1 | 15,440 | 30,915 |
| TAXATION | | (337,985) | (431,039) |
| CAPITAL EXPENDITURE | 19.2 | (259,168) | (239,566) |
| EQUITY DIVIDENDS PAID | | (90,000) | (100,000) |
| INCREASE IN CASH IN THE PERIOD/YEAR | 20 | <u>136,241</u> | <u>495,033</u> |
| RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS | | | |
| | | 2015 £ | 2014 £ |
| Increase in cash in the period/year | | <u>136,241</u> | <u>495,033</u> |
| MOVEMENT IN NET FUNDS IN THE PERIOD/YEAR | | <u>136,241</u> | <u>495,033</u> |
| Net funds at 1 April | | <u>3,840,305</u> | <u>3,345,272</u> |
| Net funds at 31 January 2015 | 20 | <u><u>3,976,546</u></u> | <u><u>3,840,305</u></u> |

International Packaging Solutions Limited

ACCOUNTING POLICIES

For the period ended 31 January 2015

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

BASIS OF CONSOLIDATION

The consolidated financial statements merge the financial statements of those undertakings owned by the shareholders of International Packaging Solutions Limited as if they had always been owned. Accordingly, in those years when mergers take place, the whole of the results, assets, liabilities and shareholders' funds of the merged companies are consolidated, regardless of the actual merger date, and corresponding figures for the previous years are re-stated.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. All financial statements are made up to 31 January.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

TURNOVER

Turnover is recognised as project activity progresses and the right to consideration is earned and represents the value of work done. Turnover also represents the sale of goods which is recognised on dispatch of the goods. All turnover excludes Value Added Tax.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

| | |
|-----------------------|---------------------------|
| Tenant's alterations | - 33% on cost |
| Plant and machinery | - 25% on reducing balance |
| Fixtures and fittings | - 25% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 25% on reducing balance |

IMPAIRMENTS OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If an indication exists, the company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All impairment losses are recognised in profit and loss.

LEASING

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

INVESTMENTS

Fixed asset investments are included within the financial statements at cost.

STOCK

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

International Packaging Solutions Limited

ACCOUNTING POLICIES (CONTINUED)

For the period ended 31 January 2015

WORK IN PROGRESS

Work in progress is carried forward in the balance sheet where costs incurred to date on a project are in excess of the proportion of the contract considered to be complete at the year end date.

LONG TERM CONTRACTS

Profit is taken as the project activity progresses based on the anticipated final outcome of the contract. Anticipated losses are recognised in full immediately. Unbilled turnover on individual projects is included as amounts recoverable on long term contracts within debtors. Where individual on account billings exceed revenue recognised on projects the excess is classified as payments received on account within creditors.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

RESEARCH AND DEVELOPMENT

Expenditure on research and development is written off in the year in which it is incurred.

FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

PENSION COSTS

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for according to the substance of the contractual arrangements as 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.

International Packaging Solutions Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 January 2015

1 TURNOVER

The turnover of the group for the year has been derived from its principal activities as follows:

| GEOGRAPHICAL MARKETS | 2015 £ | 2014 £ |
|----------------------|-------------------|-------------------|
| United Kingdom | 512,962 | 583,357 |
| Rest of Europe | 3,912,469 | 1,808,490 |
| Rest of the World | 9,996,640 | 8,098,722 |
| | <u>14,422,071</u> | <u>10,490,569</u> |

2 INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2015 £ | 2014 £ |
|----------------|---------------|---------------|
| Other interest | <u>15,440</u> | <u>30,915</u> |

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

| | 2015 £ | 2014 £ |
|--|---------------|--------------|
| Profit is stated after charging/(crediting): | | |
| Depreciation of tangible assets | | |
| - Owned assets | 145,940 | 67,297 |
| Loss on disposal of tangible fixed assets | 380 | - |
| Loss on disposal of fixed asset investments | 100 | - |
| Exchange (gains)/losses on foreign currency transactions | (86,706) | 8,337 |
| Research and development | | |
| - annual expenditure | 156,001 | 274,929 |
| Operating lease rentals | 42,951 | 37,840 |
| Auditors' remuneration for statutory audit | <u>17,500</u> | <u>9,250</u> |

4 EMPLOYEES

The average monthly number of persons (including directors) employed by the group during the period was:

| | 2015 No. | 2014 No. |
|----------------|-------------|-------------|
| Production | 24 | 21 |
| Administration | 7 | 8 |
| Directors | <u>4</u> | <u>3</u> |
| | <u>35</u> | <u>32</u> |

Staff costs for the above persons:

| | 2015 £ | 2014 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,558,484 | 1,358,062 |
| Social security costs | 179,323 | 149,247 |
| Other pension costs | <u>87,744</u> | <u>51,433</u> |
| | <u>1,825,551</u> | <u>1,558,742</u> |

International Packaging Solutions Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the period ended 31 January 2015

5 DIRECTORS

In respect of the directors of International Packaging Solutions Limited:

| | 2015 £ | 2014 £ |
|---|----------------|----------------|
| Emoluments | 327,204 | 362,737 |
| Company pension contributions to money purchase schemes | 34,870 | 37,908 |
| | <u>362,074</u> | <u>400,645</u> |

The number of directors to whom retirement benefits are accruing under money purchase schemes was as follows

| | 2015 No. | 2014 No. |
|------------------------|-------------|-------------|
| Money purchase schemes | <u>2</u> | <u>2</u> |

| | 2015 £ | 2014 £ |
|---|----------------|----------------|
| Emoluments disclosed above include the following amounts paid to the highest paid director: | | |
| Emoluments | 163,099 | 144,611 |
| Company pension contributions to money purchase schemes | 24,000 | 24,000 |
| | <u>187,099</u> | <u>168,611</u> |

6 TAXATION

| | 2015 £ | 2014 £ |
|--|----------------|----------------|
| Current tax charge: | | |
| UK Corporation tax on profit for the period | 355,731 | 337,985 |
| Total current tax | <u>355,731</u> | <u>337,985</u> |
| Deferred tax: | | |
| Origination and reversal of timing differences | 15,335 | 9,914 |
| Effect of change in tax rates | (935) | - |
| Total deferred tax | <u>14,400</u> | <u>9,914</u> |
| Tax on profit on ordinary activities | <u>370,131</u> | <u>347,899</u> |

International Packaging Solutions Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the period ended 31 January 2015

6 TAXATION (CONTINUED)

Factors affecting the tax charge for the period:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (21%). The differences are explained below:

| | | |
|--|----------------|----------------|
| Profit on ordinary activities before taxation | 1,813,064 | 1,809,117 |
| Profit on ordinary activities multiplied by the standard rate of UK corporation tax of 21% (2014: 23%). The differences are explained below: | 380,743 | 416,097 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 12,055 | 5,118 |
| Capital allowances in excess of depreciation | (4,044) | (6,238) |
| Research and development tax credits | (40,950) | (79,042) |
| Marginal relief and rate differences | 5,393 | 2,050 |
| Other short term timing differences | 2,534 | - |
| | (25,012) | (78,112) |
| CURRENT TAX CHARGE | 355,731 | 337,985 |

7 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £90,000 (2014: £100,000).

| | | |
|---|-------------|-------------|
| 8 DIVIDENDS | 2015 | 2014 |
| | £ | £ |
| Interim dividends paid on ordinary shares | 90,000 | 100,000 |

International Packaging Solutions Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the period ended 31 January 2015

9 TANGIBLE FIXED ASSETS

| GROUP | Tenant's alterations £ | Plant & machinery £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|-----------------------|------------------------------|---------------------------|-------------------------------|------------------------|------------|
| COST | | | | | |
| At 1 April 2014 | 384,083 | 349,833 | 23,445 | 22,995 | 780,356 |
| Additions | 194,192 | 40,746 | 17,327 | 7,003 | 259,268 |
| Disposals | - | - | (1,080) | (7,495) | (8,575) |
| At 31 January 2015 | 578,275 | 390,579 | 39,692 | 22,503 | 1,031,049 |
| DEPRECIATION | | | | | |
| At 1 April 2014 | 185,651 | 270,887 | 18,350 | 14,850 | 489,738 |
| Charge for the period | 113,726 | 24,419 | 4,168 | 3,627 | 145,940 |
| On disposals | - | - | (865) | (7,230) | (8,095) |
| At 31 January 2015 | 299,377 | 295,306 | 21,653 | 11,247 | 627,583 |
| NET BOOK VALUE | | | | | |
| At 31 January 2015 | 278,898 | 95,273 | 18,039 | 11,256 | 403,466 |
| At 31 March 2014 | 198,432 | 78,946 | 5,095 | 8,145 | 290,618 |

10 FIXED ASSET INVESTMENTS

| GROUP | Unlisted investments £ |
|---|------------------------------|
| COST | |
| At 1 April 2014 | 100 |
| Disposal | (100) |
| At 31 January 2015 | - |
| PROVISIONS FOR DIMINUTION IN VALUE | |
| At 1 April 2014 and 31 January 2015 | - |
| NET BOOK VALUE | |
| At 31 January 2015 | - |
| At 31 March 2014 | 100 |

International Packaging Solutions Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the period ended 31 January 2015

10 FIXED ASSET INVESTMENTS (CONTINUED)

| | Shares in group undertakings £ |
|--------------------------------------|---|
| COMPANY | |
| COST | |
| At 1 April 2014 and 31 January 2015 | 100 |
| PROVISIONS FOR DIMINUTION IN VALUE | |
| At 1 April 2014 and 31 January 2015 | - |
| NET BOOK VALUE | |
| At 31 January 2015 and 31 March 2014 | 100 |

The company holds more than 20% of the share capital of the following undertakings:

| Company | Country of registration or incorporation | Principal activity | Shares held Class | % |
|---------------------------|--|-----------------------------|----------------------|-----|
| SUBSIDIARY UNDERTAKINGS | | | | |
| PLF International Limited | England | Design and manufacturing | Ordinary | 100 |

| 11 STOCKS | GROUP 2015 £ | COMPANY 2015 £ | GROUP 2014 £ | COMPANY 2014 £ |
|--|--------------------|----------------------|--------------------|----------------------|
| Work-in-progress | 31,632 | - | - | - |
| Finished goods and goods for resale | 376,526 | - | 420,366 | - |
| | 408,158 | - | 420,366 | - |
| 12 DEBTORS | GROUP 2015 £ | COMPANY 2015 £ | GROUP 2014 £ | COMPANY 2014 £ |
| Trade debtors | 2,581,682 | - | 548,344 | - |
| Amounts recoverable on long term contracts | 3,032,262 | - | 1,600,018 | - |
| Other debtors | 365,042 | - | 245,859 | - |
| Prepayments and accrued income | 56,085 | - | 46,137 | - |
| | 6,035,071 | - | 2,440,358 | - |

International Packaging Solutions Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 January 2015

| 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | GROUP 2015 £ | COMPANY 2015 £ | GROUP 2014 £ | COMPANY 2014 £ |
|---|--------------------|----------------------|--------------------|----------------------|
| Payments received on account | 908,135 | - | 281,737 | - |
| Trade creditors | 894,724 | - | 579,851 | - |
| Amounts owed to group undertakings | - | 98 | - | 98 |
| Corporation tax | 355,731 | - | 337,985 | - |
| Other taxation and social security | 293,440 | - | 57,053 | - |
| Other creditors | 18,135 | - | 6,424 | - |
| Accruals and deferred income | 2,035,407 | - | 778,361 | - |
| | <u>4,505,572</u> | <u>98</u> | <u>2,041,411</u> | <u>98</u> |

| 14 PROVISIONS FOR LIABILITIES | GROUP £ | COMPANY £ |
|-------------------------------|---------------|--------------|
| Balance at 1 April 2014 | 19,617 | - |
| Profit and loss account | 14,400 | - |
| Balance at 31 January 2015 | <u>34,017</u> | <u>-</u> |

Deferred taxation in the financial statements is made up as follows:

| | GROUP 2015 £ | 2014 £ | COMPANY 2015 £ | 2014 £ |
|--------------------------------|--------------------|---------------|----------------------|-----------|
| Accelerated capital allowances | 37,363 | 19,617 | - | - |
| | (3,346) | - | - | - |
| | <u>34,017</u> | <u>19,617</u> | <u>-</u> | <u>-</u> |

15 RETIREMENT BENEFITS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. At the period end contributions of £16,731 (2014: £4,666) were due to be paid to the fund and are included within other creditors.

| | GROUP 2015 £ | COMPANY 2015 £ | GROUP 2014 £ | COMPANY 2014 £ |
|--------------------------------------|--------------------|----------------------|--------------------|----------------------|
| Contributions payable for the period | <u>87,744</u> | <u>-</u> | <u>74,747</u> | <u>-</u> |

| 16 CALLED UP SHARE CAPITAL | 2015 £ | 2014 £ |
|------------------------------------|-----------|-----------|
| ALLOTTED, CALLED UP AND FULLY PAID | | |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> |

International Packaging Solutions Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the period ended 31 January 2015

17 RESERVES

| GROUP | Profit and loss account £ | Merger reserve £ | Total £ |
|-----------------------|------------------------------------|------------------------|------------------|
| At 1 April 2014 | 4,890,973 | 39,744 | 4,930,717 |
| Profit for the period | 1,442,933 | - | 1,442,933 |
| Dividends | (90,000) | - | (90,000) |
| At 31 January 2015 | <u>6,243,906</u> | <u>39,744</u> | <u>6,283,650</u> |

| COMPANY | Profit and loss account £ |
|-----------------------|------------------------------------|
| At 1 April 2014 | - |
| Profit for the period | 90,000 |
| Dividends | (90,000) |
| At 31 January 2015 | <u>-</u> |

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| GROUP | 2015 £ | 2014 £ |
|-------------------------------------|------------------|------------------|
| Profit for the period | 1,442,933 | 1,461,218 |
| Dividends | (90,000) | (100,000) |
| Net addition to shareholders' funds | <u>1,352,933</u> | <u>1,361,218</u> |
| Opening shareholders' funds | <u>4,930,719</u> | <u>3,569,501</u> |
| Closing shareholders' funds | <u>6,283,652</u> | <u>4,930,719</u> |

| COMPANY | 2015 £ | 2014 £ |
|-------------------------------------|-----------|-----------|
| Profit for the period | 90,000 | 100,000 |
| Dividends | (90,000) | (100,000) |
| Net addition to shareholders' funds | <u>-</u> | <u>-</u> |
| Opening shareholders' funds | <u>2</u> | <u>2</u> |
| Closing shareholders' funds | <u>2</u> | <u>2</u> |

International Packaging Solutions Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 January 2015

19 CASH FLOWS

| RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES | 2015 £ | 2014 £ |
|--|----------------|------------------|
| Operating profit | 1,797,624 | 1,778,202 |
| Depreciation | 145,940 | 67,297 |
| Loss on disposal of tangible fixed assets | 380 | - |
| Loss on disposal of fixed asset investments | 100 | - |
| Decrease/(increase) in stocks | 12,208 | (161,191) |
| (Increase)/decrease in debtors | (3,594,713) | 641,552 |
| Increase/(decrease) in creditors | 2,446,415 | (1,091,137) |
| | <u>807,954</u> | <u>1,234,723</u> |

19.1 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

| | 2015 £ | 2014 £ |
|--|---------------|---------------|
| Interest received | 15,440 | 30,915 |
| Net cash inflow from returns on investments and servicing of finance | <u>15,440</u> | <u>30,915</u> |

19.2 CAPITAL EXPENDITURE

| | 2015 £ | 2014 £ |
|---|------------------|------------------|
| Payments to acquire tangible assets | (259,268) | (239,566) |
| Receipts from sale of fixed assets | 100 | - |
| Net cash outflow from capital expenditure | <u>(259,168)</u> | <u>(239,566)</u> |

20 ANALYSIS OF NET FUNDS

| | At 1 April 2014 £ | Cash flow £ | Other non- cash changes £ | At 31 January 2015 £ |
|--------------------------|-------------------------|----------------|---------------------------------|----------------------------|
| Cash at bank and in hand | 3,840,305 | 136,241 | - | 3,976,546 |
| Total | <u>3,840,305</u> | <u>136,241</u> | <u>-</u> | <u>3,976,546</u> |

International Packaging Solutions Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 January 2015

21 COMMITMENTS UNDER OPERATING LEASES

At 31 January 2015 the group was committed to making the following payments under non-cancellable operating leases in the year to 31 January 2016:

| GROUP | Land and buildings | |
|--------------------------------|--------------------|--------|
| | 2015 | 2014 |
| | £ | £ |
| Operating leases which expire: | | |
| Within one year | 37,548 | 37,548 |

22 CAPITAL COMMITMENTS

| | 2015 | 2014 |
|--|------|---------|
| | £ | £ |
| At 31 January 2015 the company had capital commitments as follows: | | |
| Contracted but not provided for in the financial statements | - | 170,546 |

23 TRANSACTIONS WITH DIRECTORS

At the period end M Emond was due £1,404 from the group (2014: £1,404). The balance was interest free, unsecured and repayable on demand.

At the period end £760 (2014: £760) was due from J Brennan to the group. The balance was interest free, unsecured and repayable on demand.

During the period, total dividends of £90,000 (2014: £100,000) were paid to the directors.

24 CONTROL

The company was under the control of M Emond throughout the current period and previous year by virtue of his 100% shareholding.

25 CONTINGENT LIABILITIES

At the period end there was a guarantee in place in favour of a customer totalling NZ\$1,120,225 (2014: NZ\$ 1,042,820). This was cancelled on 27 February 2015 following successful completion of the performance criteria.

There was also a guarantee in place in favour of the company totalling CHF 36,011 (2014: CHF Nil). The guarantee is valid until 31 May 2015.

26 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

27 FINANCIAL INSTRUMENTS

The group's policy is to eliminate the majority of its currency exposure by the use of facilities which have contractually fixed rates and time periods in which the currency must be purchased. At the balance sheet date, the group had a commitment to sell EUR and buy GBP, the fair value of which was £130,552 (2014: £Nil). The group also had a commitment to sell NZD and buy GBP, the fair value of which was of £100,230 (2014: £Nil).

28 POST BALANCE SHEET EVENTS

On 16 February 2015, the company issued 98 Ordinary shares at par value. On the same date, 5% of the total issued share capital was transferred from M Emond to C Emond.