



REGISTERED NUMBER: 05853341

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**KITE PACKAGING PROPERTIES 1 LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

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KITE PACKAGING PROPERTIES 1 LIMITED

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for the year ended 31 December 2016**

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KITE PACKAGING PROPERTIES 1 LIMITED

COMPANY INFORMATION
for the year ended 31 December 2016

DIRECTORS:

Dr B.G. McInnes
M-B. Ashe

SECRETARY:

M-B. Ashe

REGISTERED OFFICE:

186 Torrington Avenue
Tile Hill
Coventry
CV4 9AJ

REGISTERED NUMBER:

05853341 (England and Wales)

AUDITORS:

Dafferns LLP
Chartered Accountants
Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

KITE PACKAGING PROPERTIES 1 LIMITED

REPORT OF THE DIRECTORS for the year ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

DIRECTOR

Dr B.G. McInnes held office during the whole of the period from 1 January 2016 to the date of this report.

Other changes in directors holding office are as follows:

M-B. Ashe was appointed as a director after 31 December 2016 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

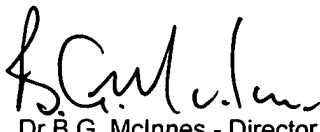
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Dr B.G. McInnes - Director

Date: 3 May 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KITE PACKAGING PROPERTIES 1 LIMITED

We have audited the financial statements of Kite Packaging Properties 1 Limited for the year ended 31 December 2016 on pages five to fourteen. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year 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 matter prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KITE PACKAGING PROPERTIES 1 LIMITED**

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



Geoffrey Cox BA FCA (Senior Statutory Auditor)
for and on behalf of Dafferns LLP
Chartered Accountants
Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Date: 3 May 2017

KITE PACKAGING PROPERTIES 1 LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2016

	Notes	Year Ended 31.12.16 £	Period 31.12.14 to 31.12.15 £
TURNOVER		246,385	241,500
Administrative expenses		<u>2,263</u>	<u>1,299</u>
OPERATING PROFIT		244,122	240,201
Gain on revaluation of investment property	4	<u>-</u>	<u>107,760</u>
		244,122	347,961
Interest receivable and similar income		<u>33</u>	<u>-</u>
		244,155	347,961
Interest payable and similar expenses		<u>31,868</u>	<u>23,101</u>
PROFIT BEFORE TAXATION		212,287	324,860
Tax on profit		<u>39,457</u>	<u>42,540</u>
PROFIT FOR THE FINANCIAL YEAR		172,830	282,320
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>172,830</u>	<u>282,320</u>

The notes form part of these financial statements

KITE PACKAGING PROPERTIES 1 LIMITED (REGISTERED NUMBER: 05853341)

**BALANCE SHEET
31 December 2016**

	Notes	2016		2015	
		£	£	£	£
FIXED ASSETS					
Investment property	6		2,900,000		2,900,000
CURRENT ASSETS					
Debtors	7	-		22,317	
Cash at bank		<u>507</u>		<u>215</u>	
		507		22,532	
CREDITORS					
Amounts falling due within one year	8	<u>160,170</u>		<u>182,025</u>	
NET CURRENT LIABILITIES			<u>(159,663)</u>		<u>(159,493)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,740,337		2,740,507
CREDITORS					
Amounts falling due after more than one year	9		(1,600,000)		(1,620,000)
PROVISIONS FOR LIABILITIES			<u>(27,000)</u>		<u>(30,000)</u>
NET ASSETS			<u>1,113,337</u>		<u>1,090,507</u>
CAPITAL AND RESERVES					
Called up share capital	11		800,000		800,000
Investment Property Revaluation Reserve	12		107,760		107,760
Retained earnings			<u>205,577</u>		<u>182,747</u>
SHAREHOLDERS' FUNDS			<u>1,113,337</u>		<u>1,090,507</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 3 May 2017 and were signed on its behalf by:



Dr B.G. McInnes - Director

KITE PACKAGING PROPERTIES 1 LIMITED

**STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2016**

	Called up share capital £	Retained earnings £	Investment Property Revaluation Reserve £	Total equity £
Balance at 31 December 2014	800,000	188,187	-	988,187
Changes in equity				
Dividends	-	(180,000)	-	(180,000)
Total comprehensive income	-	174,560	107,760	282,320
Balance at 31 December 2015	<u>800,000</u>	<u>182,747</u>	<u>107,760</u>	<u>1,090,507</u>
Changes in equity				
Dividends	-	(150,000)	-	(150,000)
Total comprehensive income	-	172,830	-	172,830
Balance at 31 December 2016	<u>800,000</u>	<u>205,577</u>	<u>107,760</u>	<u>1,113,337</u>

The notes form part of these financial statements

KITE PACKAGING PROPERTIES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2016

1. STATUTORY INFORMATION

Kite Packaging Properties 1 Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. These financial statements for the year ended 31 December 2016 are the first financial statements that comply with FRS 102 Section 1A small entities. The date of transition is 31 December 2014.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents rental income, excluding value added tax.

Investment property

Investment property is shown at fair value, with changes in fair value being recognised in profit or loss. The company engaged independent valuation specialists to determine fair value at 31 December 2016. The valuer used a valuation technique based on a rate per sq ft and market evidence for similar properties.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

KITE PACKAGING PROPERTIES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2016

4. EXCEPTIONAL ITEMS

	Year Ended 31.12.16 £	Period 31.12.14 to 31.12.15 £
Gain on revaluation of investment property	<u>-</u>	<u>107,760</u>

5. DIVIDENDS

	Year Ended 31.12.16 £	Period 31.12.14 to 31.12.15 £
Ordinary shares of 20p each Interim	<u>150,000</u>	<u>180,000</u>

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2016	
and 31 December 2016	<u>2,900,000</u>

The investment property was valued on a fair value basis on 31 December 2016 by BNP Paribas Real Estate.

Valuation at 31 December 2016 is represented by:

	£
Cost	2,792,240
Valuation uplift in 2015	<u>107,760</u>
	<u>2,900,000</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Amounts owed by group undertakings	<u>-</u>	<u>22,317</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loan	-	100,000
Amounts owed to group undertakings	72,271	-
Taxation and social security	21,924	20,600
Other creditors	<u>65,975</u>	<u>61,425</u>
	<u>160,170</u>	<u>182,025</u>

KITE PACKAGING PROPERTIES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2016

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Bank loan	-	1,200,000
Amounts owed to group undertakings	<u>1,600,000</u>	<u>420,000</u>
	<u>1,600,000</u>	<u>1,620,000</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2016 £	2015 £
Bank loan	<u>-</u>	<u>1,300,000</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
2,000,000	Ordinary	20p	400,000	400,000
2,000,000	Preference	20p	<u>400,000</u>	<u>400,000</u>
			<u>800,000</u>	<u>800,000</u>

The preference shares have no right to any distribution, have no voting rights and are non-interest bearing. They are redeemable at the option of the company or immediately prior to a sale or flotation.

12. RESERVES

	Investment Property Revaluation Reserve £
At 1 January 2016 and 31 December 2016	<u>107,760</u>

13. CONTINGENT LIABILITIES

The company has guaranteed borrowings of its ultimate parent company, Kite Packaging Group Holdings Limited, which amount to £4,893,609 at 31 December 2016.

14. RELATED PARTY DISCLOSURES

Related party transactions with fellow subsidiaries and holding company have not been disclosed as the company is a wholly-owned subsidiary and is included within the consolidated accounts of the group.

KITE PACKAGING PROPERTIES 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2016

15. ULTIMATE CONTROLLING PARTY

The Company is a wholly-owned subsidiary of Kite Packaging Group Holdings Limited (KPGH).

The registered office and principal place of business of KPGH is 186 Torrington Avenue, Tile Hill, Coventry, West Midlands, UK, CV4 9AJ.

KITE PACKAGING PROPERTIES 1 LIMITED

**RECONCILIATION OF EQUITY
31 December 2014
(DATE OF TRANSITION TO FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		2,792,240	(2,792,240)	-
Investment property		<u>-</u>	<u>2,792,240</u>	<u>2,792,240</u>
		<u>2,792,240</u>	<u>-</u>	<u>2,792,240</u>
CURRENT ASSETS				
Cash at bank		<u>2,321</u>	<u>-</u>	<u>2,321</u>
CREDITORS				
Amounts falling due within one year		<u>(475,874)</u>	<u>-</u>	<u>(475,874)</u>
NET CURRENT LIABILITIES		<u>(473,553)</u>	<u>-</u>	<u>(473,553)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,318,687	-	2,318,687
CREDITORS				
Amounts falling due after more than one year		(1,300,000)	-	(1,300,000)
PROVISIONS FOR LIABILITIES		<u>(30,500)</u>	<u>-</u>	<u>(30,500)</u>
NET ASSETS		<u>988,187</u>	<u>-</u>	<u>988,187</u>
CAPITAL AND RESERVES				
Called up share capital		800,000	-	800,000
Retained earnings		<u>188,187</u>	<u>-</u>	<u>188,187</u>
SHAREHOLDERS' FUNDS		<u>988,187</u>	<u>-</u>	<u>988,187</u>

The notes form part of these financial statements

KITE PACKAGING PROPERTIES 1 LIMITED

RECONCILIATION OF EQUITY - continued
31 December 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		2,900,000	(2,900,000)	-
Investment property		<u>-</u>	<u>2,900,000</u>	<u>2,900,000</u>
		<u>2,900,000</u>	<u>-</u>	<u>2,900,000</u>
CURRENT ASSETS				
Debtors		22,317	-	22,317
Cash at bank		<u>215</u>	<u>-</u>	<u>215</u>
		<u>22,532</u>	<u>-</u>	<u>22,532</u>
CREDITORS				
Amounts falling due within one year		<u>(182,025)</u>	<u>-</u>	<u>(182,025)</u>
NET CURRENT LIABILITIES		<u>(159,493)</u>	<u>-</u>	<u>(159,493)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,740,507	-	2,740,507
CREDITORS				
Amounts falling due after more than one year		(1,620,000)	-	(1,620,000)
PROVISIONS FOR LIABILITIES		<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
NET ASSETS		<u>1,090,507</u>	<u>-</u>	<u>1,090,507</u>
CAPITAL AND RESERVES				
Called up share capital		800,000	-	800,000
Investment Property Revaluation Reserve		107,760	-	107,760
Retained earnings		<u>182,747</u>	<u>-</u>	<u>182,747</u>
SHAREHOLDERS' FUNDS		<u>1,090,507</u>	<u>-</u>	<u>1,090,507</u>

Notes to the reconciliation of equity

The freehold property has been recategorised as Investment Property (formerly treated as Land and buildings within Tangible Fixed Assets).

KITE PACKAGING PROPERTIES 1 LIMITED

RECONCILIATION OF PROFIT
for the period 31 December 2014 to 31 December 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	241,500	-	241,500
Administrative expenses	<u>(1,299)</u>	<u>-</u>	<u>(1,299)</u>
OPERATING PROFIT	240,201	-	240,201
Gain on revaluation of investment property	-	107,760	107,760
Interest payable and similar expenses	<u>(23,101)</u>	<u>-</u>	<u>(23,101)</u>
PROFIT BEFORE TAXATION	217,100	107,760	324,860
Tax on profit	<u>(42,540)</u>	<u>-</u>	<u>(42,540)</u>
PROFIT FOR THE FINANCIAL YEAR	<u>174,560</u>	<u>107,760</u>	<u>282,320</u>

The notes form part of these financial statements