

Registered number: 06277110

Boxes and Packaging (Doncaster) Limited

Financial statements

For the year ended 31 December 2018



Boxes and Packaging (Doncaster) Limited

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Boxes and Packaging (Doncaster) Limited

Company information

Directors	W B Barnett B N McDonnell G T Stell A D Kelly G M Richardson
Registered number	06277110
Registered office	Lifford Hall Lifford Lane Kings Norton Birmingham West Midlands B30 3JN
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Waterfront Plaza 8 Laganbank Road Belfast BT1 3LR
Bankers	Barclays Bank Plc Park House Newbrick Road Bristol BS34 8YU

Boxes and Packaging (Doncaster) Limited
Registered number: 06277110

Balance sheet
As at 31 December 2018


	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	5		1,102,770		416,854
			1,102,770		416,854
Current assets					
Stocks	6	653,470		564,580	
Debtors	7	2,460,891		2,225,416	
Cash at bank and in hand		-		5,403	
		3,114,361		2,795,399	
Creditors: amounts falling due within one year	8	(3,851,819)		(2,553,519)	
Net current (liabilities)/assets			(737,458)		241,880
Total assets less current liabilities			365,312		658,734
Creditors: amounts falling due after more than one year	9		(4,621)		(7,557)
Provisions for liabilities					
Deferred taxation	11		(47,939)		(29,380)
Net assets			312,752		621,797
Capital and reserves					
Called up share capital	12		100		100
Retained earnings			312,652		621,697
Total shareholder's funds			312,752		621,797

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has opted not to file the Statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 2 to 12 were approved and authorised for issue by the board and were signed on its behalf on 17 September 2019.


A D Kelly
 Director


G M Richardson
 Director

The notes on pages 3 to 12 form part of these financial statements.

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

1. General information

The principal activity of the company during the year continued to be that of the design and manufacture of corrugated cases and packaging solutions.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of the registered office is Lifford Hall, Lifford Lane, Kings Norton, Birmingham, West Midlands, B30 3JN.

2. Statement of compliance

The individual financial statements of Boxes and Packaging (Doncaster) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, Section 1A, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. No critical judgements or critical accounting estimates have been applied to these financial statements.

The following principal accounting policies have been consistently applied:

3.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of goods to customer are recognised upon receipt of goods.

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

3.3 Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements and a defined contribution pension plan.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plan

The company operated a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance sheet. The assets of the plan are held separately from the company in an independently administered fund.

3.4 Distribution to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the Statement of income and retained earnings.

3.5 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of income and retained earnings during the period in which they are incurred.

Depreciation is provided on the following basis:

Plant and machinery	-	15 years straight line basis
Office equipment	-	3 years straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the Statement of income and retained earnings.

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

3.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of income and retained earnings.

3.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

3.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

3.9 Contingent liabilities

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

3.10 Dividends

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the Statement of income and retained earnings.

3.11 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as cash, trade and other debtors, trade and other creditors, invoice discounting, facilities and amounts owed by/to group undertakings and finance lease and hire purchase contracts.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3.13 Operating leases: lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the period of the lease.

3.14 Leased assets: lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of income and retained earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

3.15 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.16 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

3. Summary of significant accounting policies (continued)

3.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance sheet date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance sheet date.

3.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

4. Employees and directors'

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

	2018 Number	2017 Number
Production	51	41
Administrative	16	14
Sales	3	3
	70	58

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

5. Tangible assets

	Plant and machinery £	Office equipment £	Total £
Cost			
At 1 January 2018	769,936	123,117	893,053
Additions	769,110	1,439	770,549
Disposals	(99,580)	(28,658)	(128,238)
At 31 December 2018	<u>1,439,466</u>	<u>95,898</u>	<u>1,535,364</u>
Accumulated depreciation			
At 1 January 2018	363,798	112,401	476,199
Charge for the year	74,988	9,645	84,633
Disposals	(99,580)	(28,658)	(128,238)
At 31 December 2018	<u>339,206</u>	<u>93,388</u>	<u>432,594</u>
Net book value			
At 31 December 2018	<u>1,100,260</u>	<u>2,510</u>	<u>1,102,770</u>
At 31 December 2017	<u>406,138</u>	<u>10,716</u>	<u>416,854</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	<u>13,586</u>	<u>14,717</u>

Tangible assets with a carrying value of £1,102,770 (2017: £416,854) are pledged as security for the company's banking facilities.

6. Stocks

	2018 £	2017 £
Raw materials and consumables	70,458	90,443
Finished goods and goods for resale	583,012	474,137
	<u>653,470</u>	<u>564,580</u>

Stocks are stated after provisions for impairment of £77,528 (2017: £96,434).

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

7. Debtors

	2018 £	2017 £
Trade debtors	2,141,064	1,832,106
Amounts owed by group undertakings	32,911	7,617
Other debtors	1,526	733
Corporation tax	-	6,893
Prepayments and accrued income	285,390	378,067
	<u>2,460,891</u>	<u>2,225,416</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

8. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	121,552	-
Invoice discounting	1,823,412	1,017,867
Obligations under finance lease and hire purchase agreements (note 10)	3,505	3,863
Trade creditors	669,959	318,235
Corporation tax	15,495	-
Amounts owed to group undertakings	810,426	891,920
Other tax and social security	107,639	116,239
Other creditors	243	4,479
Accruals and deferred income	299,588	200,916
	<u>3,851,819</u>	<u>2,553,519</u>

Amounts owed to group undertakings are unsecured, interest free and payable on demand.

The company's bank borrowings are secured by certain fixed and floating charges over the property, assets, and undertakings of the company.

Invoice discounting amounts are secured against the company's trade debtors to the amount of £1,823,412 (2017: £1,017,867).

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

	2018 £	2017 £
Obligations under finance lease and hire purchase agreements (note 10)	<u>4,621</u>	<u>7,557</u>

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

10. Obligations under finance lease and hire purchase agreements

Obligations under finance lease and hire purchase agreements fall due as follows:

	2018 £	2017 £
Within one year	3,505	3,863
Between 1 - 2 years	4,621	7,557
	<u>8,126</u>	<u>11,420</u>

11. Deferred taxation

	2018 £	2017 £
At beginning of year	(29,380)	(27,798)
Charged to the Statement of income and retained earnings	(18,559)	(1,582)
At end of year	<u>(47,939)</u>	<u>(29,380)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(50,068)	(30,962)
Other short term timing differences	2,129	1,582
	<u>(47,939)</u>	<u>(29,380)</u>

12. Called up share capital

	2018 £	2017 £
Allotted and fully paid		
100 (2017: 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements For the year ended 31 December 2018

13. Contingent liabilities

There is a composite offset guarantee in place between Boxes and Packaging (UK) Limited, Boxes and Packaging (Manchester) Limited, Boxes and Packaging (Birmingham) Limited, Boxes and Packaging (Grimsby) Limited, Boxes and Packaging (Oxford) Limited, Boxes and Packaging (Leicester) Limited, Boxes and Packaging (Bristol) Limited, Boxes and Packaging (Merseyside) Limited, Boxes and Packaging (Dumbarton) Limited, CSI (GB) Ltd, Boxes and Packaging (Cambridge) Limited, Boxes and Packaging (Doncaster) Limited, Boxes and Packaging (Glasgow) Limited and Boxes and Packaging (Swindon) Limited in favour of Barclays Bank Plc.

There is a cross guarantee and debenture in place between Boxes and Packaging (UK) Limited, Boxes and Packaging (Manchester) Limited, Boxes and Packaging (Birmingham) Limited, Boxes and Packaging (Grimsby) Limited, Boxes and Packaging (Oxford) Limited, Boxes and Packaging (Leicester) Limited, Boxes and Packaging (Bristol) Limited, Boxes and Packaging (Merseyside) Limited, Boxes and Packaging (Dumbarton) Limited, CSI (GB) Ltd, Boxes and Packaging (Cambridge) Limited, Boxes and Packaging (Doncaster) Limited, Boxes and Packaging (Glasgow) Limited and Boxes and Packaging (Swindon) Limited in favour of Barclays Bank Plc.

The directors do not anticipate any losses arising to the company as a result of these guarantees.

14. Commitments under operating leases

At 31 December the company had future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings 2018 £	Other 2018 £	Land and buildings 2017 £	Other 2017 £
Within 1 year	305,386	40,756	305,386	28,311
Within 2 to 5 years	817,312	32,405	1,122,698	30,676
	<u>1,122,698</u>	<u>73,161</u>	<u>1,428,084</u>	<u>58,987</u>

15. Related party transactions

The company has taken advantage of the exemptions contained in FRS 102 not to disclose transactions with related companies which are fully controlled within the Logson Holdings Limited group of which the company is a subsidiary.

Boxes and Packaging (Doncaster) Limited

Notes to the financial statements

For the year ended 31 December 2018

16. Ultimate controlling party and parent undertaking

The company's immediate parent company at the Balance sheet date was Boxes and Packaging (UK) Limited, a company registered in England and Wales.

The parent of the smallest group of undertakings which produces consolidated financial statements, and of which the company is a member, is Boxes and Packaging (UK) Limited, a company incorporated in England & Wales. Group financial statements for this company are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The company's ultimate parent company at the Balance sheet date was W&R Barnett Holdings Limited, a company registered in Northern Ireland.

At the year end the largest group of undertakings which has produced consolidated financial statements, and of which the company is a member, is W. & R. Barnett, Limited, a company incorporated in Northern Ireland. Group financial statements for this company are available from Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG.

The ultimate controlling party is the shareholders of W&R Barnett Holdings Limited.

17. Auditors' information

PricewaterhouseCoopers LLP are the statutory auditors for Boxes and Packaging (Doncaster) Limited. An unqualified audit opinion was signed by the Senior Statutory Auditor, Emma Murray, and issued on behalf of PricewaterhouseCoopers LLP on 17 September 2019 for the financial year ended 31 December 2018.