

Registered number
6490909

Cannon Packing and Logistics Limited

Report and Accounts

31 October 2014

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Cannon Packing and Logistics Limited
Report and accounts
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**Cannon Packing and Logistics Limited
Company Information**

Directors

J. W. Alder
I. J. Doye
G. Alder

Secretary

I. J. Doye

Auditors

Chapman, Robinson & Moore Limited
30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

Bankers

Clydesdale Bank
Seacourt Tower
Westway
Botley
Oxford
OX2 0JJ

Registered office

184 Milton Park
Milton
Abingdon
Oxfordshire
OX14 4SE

Registered number

6490909

Cannon Packing and Logistics Limited

Registered number: 6490909

Directors' Report

The directors present their report and accounts for the year ended 31 October 2014.

Principal activities

The company's principal activity during the year continued to be packing and storage of third party products.

Directors

The following persons served as directors during the year:

J. W. Alder
I. J. Doye
G. Alder

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

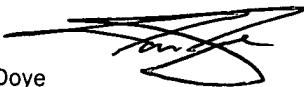
Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

This report was approved by the board on 6 July 2015 and signed on its behalf.

I J Doye
Director



Cannon Packing and Logistics Limited Strategic Report

The board are pleased with the results Cannon Packing and Logistics Limited "CPL" have presented this year.


The company continues its controlled expansion of its customer base with a 7% increase in sales over last year whilst maintaining margins to ensure that sales growth is passed onto the bottom line.

The main risks affecting the business are loss of revenue resulting from loss of customers due to insolvency or from competitors. We address this risk by diversification of our customer base and by retaining a customer focussed outlook to our business.

The resource utilisation continues to improve in line with its strategic objectives, this enables CPL to keep its charges competitive in its market place.

Significant events post year end revolve around securing a 10 year lease of its property at Milton Park and transferring its banking to a new provider, primarily to reduce costs in the early part of 2015.

This report was approved by the board on 6 July 2015 and signed on its behalf.


I J Doye
Director

Cannon Packing and Logistics Limited
Independent auditors' report
to the members of Cannon Packing and Logistics Limited

We have audited the accounts of Cannon Packing and Logistics Limited for the year ended 31 October 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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 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 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, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscopeukprivate

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 October 2014 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.

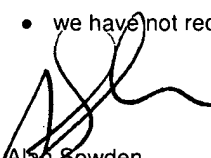
Opinion on other matters prescribed by the Companies Act 2006

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

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 accounts 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.


Alan Sowden
(Senior Statutory Auditor)
for and on behalf of
Chapman, Robinson & Moore Limited
Accountants and Statutory Auditors
7 July 2015

30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE

Cannon Packing and Logistics Limited
Profit and Loss Account
for the year ended 31 October 2014

	Notes	2014 £	2013 £
Turnover		7,205,920	6,733,981
Cost of sales		(4,723,241)	(4,301,305)
Gross profit		<u>2,482,679</u>	<u>2,432,676</u>
Administrative expenses		(2,143,779)	(2,145,040)
Operating profit	2	<u>338,900</u>	<u>287,636</u>
Interest payable	5	(35,851)	(27,002)
Profit on ordinary activities before taxation		<u>303,049</u>	<u>260,634</u>
Tax on profit on ordinary activities	6	(63,215)	(53,455)
Profit for the financial year		<u>239,834</u>	<u>207,179</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

Cannon Packing and Logistics Limited
Balance Sheet
as at 31 October 2014

Registered number
6490909

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	8	69,420	88,780
Current assets			
Stocks	9	58,000	58,000
Debtors	10	1,581,122	1,300,306
Cash at bank and in hand		208,828	200,596
		<u>1,847,950</u>	<u>1,558,902</u>
Creditors: amounts falling due within one year	11	(1,386,414)	(1,234,889)
Net current assets		<u>461,536</u>	<u>324,013</u>
Total assets less current liabilities		<u>530,956</u>	<u>412,793</u>
Provisions for liabilities			
Deferred taxation	12	(7,880)	(9,551)
Net assets		<u>523,076</u>	<u>403,242</u>
Capital and reserves			
Called up share capital	13	12,500	12,500
Profit and loss account	14	510,576	390,742
Shareholders' funds	16	<u>523,076</u>	<u>403,242</u>



I J Doye
Director

Approved by the board on 6 July 2015

Cannon Packing and Logistics Limited
Cash Flow Statement
for the year ended 31 October 2014

	Notes	2014 £	2013 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		338,900	287,636
Depreciation and amortisation		53,518	40,214
Decrease in stocks		-	2,000
Increase in debtors		(280,816)	(278,632)
Increase/(decrease) in creditors		122,145	(207,921)
Net cash inflow/(outflow) from operating activities		<u>233,747</u>	<u>(156,703)</u>
CASH FLOW STATEMENT			
Net cash inflow/(outflow) from operating activities		233,747	(156,703)
Returns on investments and servicing of finance	17	(35,851)	(27,002)
Taxation		(43,703)	(44,789)
Capital expenditure	17	<u>(34,158)</u>	<u>(60,384)</u>
		120,035	(288,878)
Equity dividends paid		<u>(210,000)</u>	<u>(90,000)</u>
		(89,965)	(378,878)
Decrease in cash		<u>(89,965)</u>	<u>(378,878)</u>
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the period		(89,965)	(378,878)
Change in net debt	18	<u>(89,965)</u>	<u>(378,878)</u>
Net funds at 1 November		<u>200,596</u>	<u>579,474</u>
Net funds at 31 October		<u>110,631</u>	<u>200,596</u>

Cannon Packing and Logistics Limited
Notes to the Accounts
for the year ended 31 October 2014

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

Turnover

Turnover is the amount receivable for the provision of goods and services falling within the company's ordinary activities, excluding value added tax. Turnover is recognised when the risks and rewards of ownership of goods have been transferred to the customer. The risks and rewards of ownership of goods are deemed to have been transferred when the goods are shipped to, or are picked up by the customer.

Amortisation of goodwill

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over their useful economic life.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Plant and machinery	3 years
Motor vehicles	3 years
Fixtures and fittings	3 years
Computer equipment	3 years

Operating leases

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

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs 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 exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantially 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 translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Invoice finance

The company operates an invoice finance facility. In accordance with application note C of FRS5, the separate presentation methodology is adopted, meaning trade debtor balances are shown in full, with payments received recognised as a liability.

Cannon Packing and Logistics Limited
Notes to the Accounts
for the year ended 31 October 2014

2 Operating profit	2014	2013
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	53,518	40,214
3 Directors' emoluments	2014	2013
	£	£
Emoluments	458,900	340,635
Company contributions to money purchase pension schemes	50,000	-
	508,900	340,635
Highest paid director:		
Emoluments	169,000	144,500
Company contributions to money purchase pension schemes	50,000	-
	219,000	144,500
4 Staff costs	2014	2013
	£	£
Wages and salaries	3,037,704	2,735,182
Social security costs	267,064	291,209
Other pension costs	159,185	180,000
	3,463,953	3,206,391
5 Interest payable	2014	2013
	£	£
Bank interest charges, loans and overdrafts	35,851	27,002
6 Taxation	2014	2013
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	64,886	43,703
Adjustments in respect of previous periods	-	(120)
	64,886	43,583
Deferred tax:		
Origination and reversal of timing differences	(1,671)	9,872
Tax on profit on ordinary activities	63,215	53,455

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2014	2013
	£	£
Profit on ordinary activities before tax	303,049	260,634
Standard rate of corporation tax in the UK	21%	23%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	63,640	59,946
Effects of:		
Expenses not deductible for tax purposes	1,246	(16,243)
Adjustments to tax charge in respect of previous periods	-	(120)
Current tax charge for period	64,886	43,583

Cannon Packing and Logistics Limited
Notes to the Accounts
for the year ended 31 October 2014

7 Intangible fixed assets	£
Goodwill:	
Cost	
At 1 November 2013	10,000
At 31 October 2014	10,000
Amortisation	
At 1 November 2013	10,000
At 31 October 2014	10,000
Net book value	
At 31 October 2014	-

8 Tangible fixed assets	Plant and machinery	Motor Vehicles	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 November 2013	174,047	30,601	5,000	31,175	240,823
Additions	10,652	-	7,800	15,706	34,158
At 31 October 2014	184,699	30,601	12,800	46,881	274,981
Depreciation					
At 1 November 2013	107,676	24,040	5,000	15,327	152,043
Charge for the year	36,249	4,375	3,180	9,714	53,518
At 31 October 2014	143,925	28,415	8,180	25,041	205,561
Net book value					
At 31 October 2014	40,774	2,186	4,620	21,840	69,420
At 31 October 2013	66,371	6,561	-	15,848	88,780

9 Stocks	2014	2013
	£	£
Raw materials and consumables	58,000	58,000

10 Debtors	2014	2013
	£	£
Trade debtors	1,539,401	1,274,041
Other debtors	311	2,000
Prepayments and accrued income	41,410	24,265
	1,581,122	1,300,306

11 Creditors: amounts falling due within one year	2014	2013
	£	£
Bank loans and overdrafts	98,197	-
Trade creditors	489,425	522,052
Corporation tax	64,886	43,703
Other taxes and social security costs	432,889	335,729
Other creditors	301,017	333,405
	1,386,414	1,234,889

During the year, the company had an invoice finance line limit of £500,000. This facility was secured by:

- A counter indemnity
- A charge over the debtor book
- A debenture creating a fixed and floating charge over the assets of the company.

Cannon Packing and Logistics Limited
Notes to the Accounts
for the year ended 31 October 2014

12 Deferred taxation		2014	2013	
		£	£	
Accelerated capital allowances		7,880	9,551	
Undiscounted provision for deferred tax		7,880	9,551	
		2014	2013	
		£	£	
At 1 November		9,551	(321)	
Deferred tax charge in profit and loss account		(1,671)	9,872	
At 31 October		7,880	9,551	
13 Share capital	Nominal value	2014	2013	
		£	£	
Allotted, called up and fully paid:				
12,500 Ordinary shares	£1 each	12,500	12,500	
14 Profit and loss account		2014		
		£		
At 1 November 2013		390,742		
Profit for the financial year		239,834		
Dividends		(120,000)		
At 31 October 2014		510,576		
15 Dividends		2014	2013	
		£	£	
Dividends for which the company became liable during the year:				
Equity dividends paid		120,000	120,000	
16 Reconciliation of movement in shareholders' funds		2014	2013	
		£	£	
At 1 November 2013		403,242	316,063	
Profit for the financial year		239,834	207,179	
Dividends		(120,000)	(120,000)	
At 31 October 2014		523,076	403,242	
17 Gross cash flows		2014	2013	
		£	£	
Returns on investments and servicing of finance				
Interest paid		(35,851)	(27,002)	
Capital expenditure				
Payments to acquire tangible fixed assets		(34,158)	(60,384)	
18 Analysis of changes in net debt				
	At 1 Nov 2013	Cash flows	Non-cash changes	At 31 Oct 2014
	£	£	£	£
Cash at bank and in hand	200,596	8,232	-	208,828
Overdrafts	-	(98,197)	-	(98,197)
		(89,965)		
Total	200,596	(89,965)	-	110,631

Cannon Packing and Logistics Limited
Notes to the Accounts
for the year ended 31 October 2014

19 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Buildings 2014 £	Buildings 2013 £
Operating leases which expire:		
within one year	322,514	261,939
within two to five years	<u>1,377,516</u>	<u>-</u>
	<u>1,700,030</u>	<u>261,939</u>

20 Related party transactions

During the year, dividends of £60,000 (2013: £60,000) were paid to I J Doye and J W Alder who are directors of the company.

21 Ultimate controlling party

There is no single ultimate controlling party.