

REGISTERED NUMBER: 00582559 (England and Wales)

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Abbreviated Audited Accounts for the Year Ended 31 December 2014

for

Connect Packaging Limited

THURSDAY



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Connect Packaging Limited

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for the Year Ended 31 December 2014

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Connect Packaging Limited
Company Information
for the Year Ended 31 December 2014

DIRECTORS:

Ms A Winder
Mr M S Sahota
Mr A S Sahota

REGISTERED OFFICE:

91 Soho Hill
Hockley
Birmingham
West Midlands
B19 1AY

REGISTERED NUMBER:

00582559 (England and Wales)

SENIOR STATUTORY AUDITOR: Mr Anil K Bhagi

INDEPENDENT AUDITORS:

Anil K Bhagi Chartered Accountants
and Registered Auditors
91 Soho Hill
Hockley
Birmingham
West Midlands
B19 1AY

Connect Packaging Limited
Strategic Report
for the Year Ended 31 December 2014

The directors present their strategic report for the year ended 31 December 2014.

REVIEW OF BUSINESS

The company's principal activities continued to be design, print and manufacture of corrugated cardboard packing. On 31 December 2013 the company became a wholly owned subsidiary of Corrugated Box Supplies Limited who shall continue to identify growth markets for the business's products and will allocate resources prudently to develop these areas.

During the year the company underwent a restructuring process leading to an increase in turnover and overhead costs. In a difficult economic climate 2014 proved to be a challenging year but with continued focus on margin improvement and overhead reduction the business should prove to be profitable again in the forthcoming year.

Gross profit margins have fallen to 30.4% compared with 36.42% in the previous year.

The results for the year, as set out on page 6, show a profit on ordinary activities before tax of £208,506 (2013 - £826,800). The performance of the company was expected due to restructuring..

PRINCIPAL RISKS AND UNCERTAINTIES

The company's operations expose it to a variety of financial risks that include the effects of price risk and credit risk.

Price risk - the company is exposed to commodity price risk as a result of its operation. However given the acquisition by Corrugated Box Supplies Limited, both companies with similar business activities exposure will be reduced.

Credit risk - The increase in company turnover and customer base help to mitigate credit risk.

ON BEHALF OF THE BOARD:



Mr M S Sahota - Director

31 July 2015

Connect Packaging Limited
Report of the Directors
for the Year Ended 31 December 2014

The directors present their report with the accounts of the company for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the design, print and manufacture of corrugated cardboard packaging.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2014.

DIRECTORS

Ms A Winder has held office during the whole of the period from 1 January 2014 to the date of this report.

Other changes in directors holding office are as follows:

Mr D Digby - resigned 27 July 2014
Mr P Gutteridge - resigned 1 January 2014
Mr M S Sahota - appointed 1 January 2014
Mr A S Sahota - appointed 1 January 2014
Mr R T T Essex - resigned 1 January 2014
Mr C C Cahn - resigned 1 January 2014
Mr R E Fowler - resigned 1 January 2014

Mr G R Leonhardt ceased to be a director after 31 December 2014 but prior to the date of this report.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Connect Packaging Limited

Report of the Directors
for the Year Ended 31 December 2014

AUDITORS

The auditors, Anil K Bhagi Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'MS' followed by a stylized flourish.

Mr M S Sahota - Director

31 July 2015

Report of the Independent Auditors to
Connect Packaging Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages six to eighteen, together with the full financial statements of Connect Packaging Limited for the year ended 31 December 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

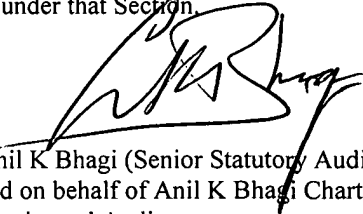
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Mr Anil K Bhagi (Senior Statutory Auditor)
for and on behalf of Anil K Bhagi Chartered Accountants
and Registered Auditors
91 Soho Hill
Hockley
Birmingham
West Midlands
B19 1AY

31 July 2015

Connect Packaging Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 December 2014

	Notes	31.12.14 £	31.12.13 £
TURNOVER	2	8,578,028	7,285,289
Cost of sales and other operating income		(5,970,684)	(4,198,733)
		<hr/>	<hr/>
		2,607,344	3,086,556
Administrative expenses		<hr/>	<hr/>
		2,351,325	2,275,427
OPERATING PROFIT	4	<hr/>	<hr/>
		256,019	811,129
Interest receivable and similar income		<hr/>	<hr/>
		226	16,942
		<hr/>	<hr/>
		256,245	828,071
Interest payable and similar charges	6	<hr/>	<hr/>
		47,739	1,271
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/>	<hr/>
		208,506	826,800
Tax on profit on ordinary activities	7	<hr/>	<hr/>
		43,478	200,183
PROFIT FOR THE FINANCIAL YEAR		<hr/>	<hr/>
		165,028	626,617
Retained profit brought forward		<hr/>	<hr/>
		311,276	979,474
		<hr/>	<hr/>
		476,304	1,606,091
Dividends	8	<hr/>	<hr/>
		-	(2,450,000)
Transfer between revaluation reserve and P/L account		<hr/>	<hr/>
		-	1,155,185
RETAINED PROFIT CARRIED FORWARD		<hr/>	<hr/>
		476,304	311,276
		<hr/>	<hr/>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

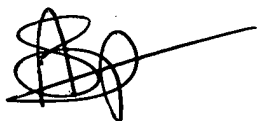
Connect Packaging Limited (Registered number: 00582559)

Abbreviated Balance Sheet
31 December 2014

	Notes	31.12.14 £	£	31.12.13 £	£
FIXED ASSETS					
Tangible assets	9		280,735		280,823
CURRENT ASSETS					
Stocks	10	298,954		275,443	
Debtors	11	3,213,509		1,954,308	
Cash at bank and in hand		9,853		280,187	
		<u>3,522,316</u>		<u>2,509,938</u>	
CREDITORS					
Amounts falling due within one year	12	<u>2,261,147</u>		<u>1,412,814</u>	
NET CURRENT ASSETS			<u>1,261,169</u>		<u>1,097,124</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,541,904</u>		<u>1,377,947</u>
CREDITORS					
Amounts falling due after more than one year	13		-		(4,959)
PROVISIONS FOR LIABILITIES	17		<u>(18,600)</u>		<u>(14,712)</u>
NET ASSETS			<u><u>1,523,304</u></u>		<u><u>1,358,276</u></u>
CAPITAL AND RESERVES					
Called up share capital	18		1,038,000		1,038,000
Share premium	19		9,000		9,000
Profit and loss account			<u>476,304</u>		<u>311,276</u>
SHAREHOLDERS' FUNDS	24		<u><u>1,523,304</u></u>		<u><u>1,358,276</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 31 July 2015 and were signed on its behalf by:



Mr A S Sahota - Director

The notes form part of these abbreviated accounts

Connect Packaging Limited

Cash Flow Statement
for the Year Ended 31 December 2014

	Notes	31.12.14 £	£	31.12.13 £	£
Net cash (outflow)/inflow from operating activities	1		(1,073,957)		548,150
Returns on investments and servicing of finance	2		(47,513)		15,671
Taxation			450		(190,874)
Capital expenditure and financial investment	2		(49,577)		2,330,814
Equity dividends paid			-		(2,450,000)
			<u>(1,170,597)</u>		<u>253,761</u>
Financing	2		899,787		(11,711)
(Decrease)/increase in cash in the period			<u>(270,810)</u>		<u>242,050</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/increase in cash in the period		(270,810)		242,050	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(893,948)</u>		<u>11,711</u>	
Change in net funds resulting from cash flows			<u>(1,164,758)</u>		<u>253,761</u>
Movement in net funds in the period			(1,164,758)		253,761
Net funds at 1 January			263,142		9,381
Net (debt)/funds at 31 December			<u>(901,616)</u>		<u>263,142</u>

The notes form part of these abbreviated accounts

Connect Packaging Limited

Notes to the Cash Flow Statement
for the Year Ended 31 December 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31.12.14	31.12.13
	£	£
Operating profit	256,019	811,129
Depreciation charges	49,664	63,003
Profit on disposal of fixed assets	-	(88,542)
Movement in group debtor	(1,360,124)	92,895
Movement in group creditor	-	(46,124)
(Increase)/decrease in stocks	(23,511)	28,461
Decrease/(increase) in debtors	100,924	(352,214)
(Decrease)/increase in creditors	(96,929)	39,542
Net cash (outflow)/inflow from operating activities	<u>(1,073,957)</u>	<u>548,150</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.12.14	31.12.13
	£	£
Returns on investments and servicing of finance		
Interest received	226	16,942
Interest paid	(449)	(1,271)
Finance costs	(47,290)	-
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(47,513)</u>	<u>15,671</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(49,577)	(22,965)
Sale of tangible fixed assets	-	2,343,579
Sale of fixed asset investments	-	10,200
Net cash (outflow)/inflow for capital expenditure and financial investment	<u>(49,577)</u>	<u>2,330,814</u>
Financing		
Factoring advance	905,847	188
Capital repayments in year	(11,899)	(11,899)
Amount introduced by directors	130,839	-
Amount withdrawn by directors	(125,000)	-
Net cash inflow/(outflow) from financing	<u>899,787</u>	<u>(11,711)</u>

The notes form part of these abbreviated accounts

Connect Packaging Limited

Notes to the Cash Flow Statement
for the Year Ended 31 December 2014

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.14 £	Cash flow £	At 31.12.14 £
Net cash:			
Cash at bank and in hand	280,187	(270,334)	9,853
Bank overdraft	-	(476)	(476)
	<u>280,187</u>	<u>(270,810)</u>	<u>9,377</u>
Debt:			
Hire purchase	(16,857)	11,899	(4,958)
Debts falling due within one year	(188)	(905,847)	(906,035)
	<u>(17,045)</u>	<u>(893,948)</u>	<u>(910,993)</u>
Total	<u>263,142</u>	<u>(1,164,758)</u>	<u>(901,616)</u>

The notes form part of these abbreviated accounts

Connect Packaging Limited
Notes to the Abbreviated Accounts
for the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Connect Packaging Limited as an individual company and as a subsidiary is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost

Stocks

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

Deferred tax

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company participates in a defined contribution pension scheme and also contribute to certain employee SIPPs. The pension charge represents the amounts payable by the company to the funds in respect of the year. The assets of the schemes are held separately from those of the company in independently administered funds.

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.12.14	31.12.13
	£	£
United Kingdom	8,362,516	7,010,325
Europe	215,512	274,964
	<u>8,578,028</u>	<u>7,285,289</u>

3. STAFF COSTS

	31.12.14	31.12.13
	£	£
Wages and salaries	1,805,124	1,690,706
Social security costs	157,696	155,653
Other pension costs	26,747	32,139
	<u>1,989,567</u>	<u>1,878,498</u>

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

	31.12.14	31.12.13
Management	3	5
Administration	18	18
Production	59	53
	<u>80</u>	<u>76</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.12.14	31.12.13
	£	£
Other operating leases	34,105	35,020
Depreciation - owned assets	41,029	56,830
Depreciation - assets on hire purchase contracts	8,636	6,173
Profit on disposal of fixed assets	-	(88,542)
Auditors' remuneration	7,000	7,000
Foreign exchange differences	3,844	(3,786)
Directors pensions	8,248	9,521
	<u>166,156</u>	<u>272,436</u>

The number of directors to whom retirement benefits were accruing was as follows:

	3	5
Defined benefit schemes	<u>3</u>	<u>5</u>

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

5. EXCEPTIONAL ITEMS

The exceptional item relates to the sale of its interest in its subsidiary company, Connect Archive And Mailing Products Limited, sold on 13 March 2013 at a profit of £433,128. The company being purchased at the start of 2012 for £10,200.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.14	31.12.13
	£	£
Bank interest	-	1,271
Other interest	449	-
Factoring charges	47,290	-
	<u>47,739</u>	<u>1,271</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.12.14	31.12.13
	£	£
Current tax:		
UK corporation tax	39,590	200,973
Deferred tax	3,888	(790)
Tax on profit on ordinary activities	<u>43,478</u>	<u>200,183</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.14	31.12.13
	£	£
Profit on ordinary activities before tax	<u>208,506</u>	<u>826,800</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.264% (2013 - 23.249%)	44,337	192,223
Effects of:		
Expenses not deductible for tax purposes	1,490	10,514
Income not taxable for tax purposes	-	(121,289)
Capital allowances in excess of depreciation	(6,237)	-
Depreciation in excess of capital allowances	-	3,542
Adjustments to tax charge in respect of previous periods	-	107,753
S455 unrecoverable	-	8,230
Current tax charge	<u>39,590</u>	<u>200,973</u>

8. DIVIDENDS

	31.12.14	31.12.13
	£	£
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>2,450,000</u>

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2014	3,348,372	476,680	-	3,825,052
Additions	36,848	1,790	10,939	49,577
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	3,385,220	478,470	10,939	3,874,629
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2014	3,134,430	409,799	-	3,544,229
Charge for year	44,346	3,952	1,367	49,665
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	3,178,776	413,751	1,367	3,593,894
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2014	206,444	64,719	9,572	280,735
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	213,942	66,881	-	280,823
	<hr/>	<hr/>	<hr/>	<hr/>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 January 2014 and 31 December 2014	92,550
	<hr/>
DEPRECIATION	
At 1 January 2014	34,980
Charge for year	8,636
	<hr/>
At 31 December 2014	43,616
	<hr/>
NET BOOK VALUE	
At 31 December 2014	48,934
	<hr/>
At 31 December 2013	57,570
	<hr/>

10. STOCKS

	31.12.14 £	31.12.13 £
Stock and work in progress	298,954	275,443
	<hr/>	<hr/>

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.12.14	31.12.13
	£	£
Trade debtors	1,724,929	1,824,631
Amounts owed by group undertakings	1,345,341	57,216
Amounts owed by participating interests	72,000	-
Other debtors	420	23,875
Prepayments and accrued income	70,819	48,586
	<u>3,213,509</u>	<u>1,954,308</u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.12.14	31.12.13
	£	£
Bank loans and overdrafts (see note 14)	476	-
Other loans (see note 14)	906,035	188
Hire purchase contracts (see note 15)	4,958	11,898
Trade creditors	848,087	1,007,898
Tax	94,353	54,313
Social security and other taxes	347,394	234,421
Other creditors	19,638	7,008
Directors' current accounts	5,839	-
Accruals and deferred income	34,367	97,088
	<u>2,261,147</u>	<u>1,412,814</u>
13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.12.14	31.12.13
	£	£
Hire purchase contracts (see note 15)	-	4,959
	<u>-</u>	<u>4,959</u>
14. LOANS		
An analysis of the maturity of loans is given below:		
	31.12.14	31.12.13
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	476	-
Invoice discounting advance	906,035	188
	<u>906,511</u>	<u>188</u>
15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES		
	Hire purchase contracts	
	31.12.14	31.12.13
	£	£
Net obligations repayable:		
Within one year	4,958	11,898
Between one and five years	-	4,959
	<u>4,958</u>	<u>16,857</u>

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Expiring:				
Within one year	240,000	184,000	6,884	39,576
Between one and five years	-	184,000	24,927	12,624
	<u>240,000</u>	<u>368,000</u>	<u>31,811</u>	<u>52,200</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.14	31.12.13
	£	£
Bank overdraft	476	-
Invoice discounting advance	906,035	188
Hire purchase contracts	4,958	16,857
	<u>911,469</u>	<u>17,045</u>

17. PROVISIONS FOR LIABILITIES

	31.12.14	31.12.13
	£	£
Deferred tax	<u>18,600</u>	<u>14,712</u>
		Deferred tax
		£
Balance at 1 January 2014		14,712
Charge to Profit and Loss Account during year		<u>3,888</u>
Balance at 31 December 2014		<u>18,600</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.14	31.12.13
			£	£
1,038,000	Ordinary	£1	<u>1,038,000</u>	<u>1,038,000</u>

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

19. RESERVES

	Share premium £
At 1 January 2014	9,000
At 31 December 2014	<u>9,000</u>

20. PENSION COMMITMENTS

The company participates in a Group Personal Plan, and all such assets are held independently from the company. The company also contributes to certain employee SIPPs. Contributions are charged to the profit and loss account as they fall due and amounted to £ 34,955 (2013 - 32,139). Contributions at the year end which have not been paid amounted to £19,638 (2013 - £7,731.29)

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

On 23 February 2013 Mr R Davidson sadly passed away, and his outstanding balance was written off by the company.

Connect Packaging Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

22. RELATED PARTY DISCLOSURES

During the year sales to group companies were as follows:

Corrugated Box Supplies Limited £ 5,641 (2013 Nil)

Purchases from group companies were as follows:

Corrugated Box Supplies Limited £904,787 (2013 Nil)

Purchases of £ 120,000 (2013 - £Nil) were made during the year and the company also acquired Motor Vehicles at a Net Book Value of £10,939 from Swallowbox Co (London) Limited, a company with common shareholders as the holding company

Included within Debtors - Amounts falling due within one year , Amounts owed to group undertakings, of £1,345,341 (2013 - £57,216) relate to Corrugated Box Supplies Limited.

In the previous year of management charges of £24,000 were incurred from Writtle Holdings Limited).

Rent of £240,000 was paid to Swaran Properties Limited (2013 - £184,000 paid to Writtle Property Limited)
Included within Debtors - Amounts falling due within one year is a balance of £72,000 owed by the same

In the previous year :

Sales to companies who are no longer part of the group were as follows

Writtle Holdings Ltd	(2013 ££29,685.33)
Magnet Harlequin Ltd	(2013 £ £7,250.00
Creo Print and Production Ltd	(2013 £ £274,176.91)
The less Packaging Co Ltd	(2013 £ 69,702.76)
The less Packaging (Asia) Co Ltd	(2013 £6,000.00)
Arken POP International Ltd	(2013 - £274,729.14)
Connect Archive & Mailing Products Ltd	(2013 - £196,457.01)

and purchases from the same were as follows:

Writtle Holdings Ltd	(2013 £83,054.77)
Creo Print and Production Ltd	(2013 £ £172,020.76)
Connect Archive Ltd	(2013 £9,239.52)
Creo Retail Marketing Ltd	(2013 - £Nil)

23. ULTIMATE CONTROLLING PARTY

The controlling party is Corrugated Box Supplies Limited.

The ultimate parent undertaking was Writtle Holdings Limited up until the 30 December 2013 when Connect Packaging Limited was acquired by Corrugated Box Supplies Limited,

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.14	31.12.13
	£	£
Profit for the financial year	165,028	626,617
Dividends	-	(2,450,000)
Net addition/(reduction) to shareholders' funds	165,028	(1,823,383)
Opening shareholders' funds	1,358,276	3,181,659
Closing shareholders' funds	1,523,304	1,358,276