

CONNECT PACKAGING LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019



CONNECT PACKAGING LIMITED
REGISTERED NUMBER: 00582559

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	-	239,661
Current assets			
Stocks		-	274,087
Debtors: amounts falling due within one year	5	11,814	972,166
Cash at bank and in hand		25,504	210,762
		<u>37,318</u>	<u>1,457,015</u>
Creditors: amounts falling due within one year	6	(126,202)	(1,787,999)
Net current liabilities		<u>(88,884)</u>	<u>(330,984)</u>
Total assets less current liabilities		<u>(88,884)</u>	<u>(91,323)</u>
Provisions for liabilities			
Deferred tax		-	(20,680)
Net liabilities		<u>(88,884)</u>	<u>(112,003)</u>
Capital and reserves			
Called up share capital	7	1,038,000	1,038,000
Share premium account		9,000	9,000
Profit and loss account		(1,135,884)	(1,159,003)
		<u>(88,884)</u>	<u>(112,003)</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 28 January 2021.

A S Sahota
Director



The notes on pages 2 to 6 form part of these financial statements.

CONNECT PACKAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

The principal activity of the company during the year was that of providing a workforce for the manufacture of corrugated cardboard packaging.

The company is a private company limited by shares (registered number 00582559) and is incorporated in the United Kingdom. The address of the registered office is CBS House, Brandon Way, West Bromwich, West Midlands, B79 8JF.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

At 31 December 2019 the company has net liabilities of £88,884. The directors have assessed the company's ability to continue as a going concern.

The company meets its day-to-day working capital requirements through group banking facilities and the support of its parent undertaking, Corrugated Box Supplies Limited. The directors are confident that current facilities will continue to be made available to the group and the parent undertaking has indicated continued support.

As of 1 January 2019, the company has transferred its sales and purchase operations to the parent undertaking and is now operating as a manufacturing base. The Directors are confident that this will continue leading to efficiencies in the cost base and will enable the company to remain profitable.

As result of this assessment, no material uncertainties have been identified that cast doubt about the ability of the company to continue as a going concern.

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations, and cash flows of the Company. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time. The business has taken adequate provisions to control the impact the pandemic may have and given the industry of operation, does not foresee any material effect on trading.

Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 REVENUE

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, which is deemed to be at the point of despatch.

CONNECT PACKAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.4 TANGIBLE FIXED ASSETS

Tangible fixed 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	15% reducing balance
Motor vehicles	-	25% straight line
Fixtures and fittings	-	15% straight line
Computer equipment	-	15% reducing balance

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 in profit or loss.

2.5 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 39 (2018 - 46).

CONNECT PACKAGING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
At 1 January 2019	2,319,171	4,413	144,096	2,467,680
Transfers intra group	(2,319,171)	(4,413)	(144,096)	(2,467,680)
At 31 December 2019	-	-	-	-
At 1 January 2019	2,125,955	3,220	98,844	2,228,019
Charge for the year on owned assets	30,430	1,103	9,969	41,502
Transfers intra group	(2,156,385)	(4,323)	(108,813)	(2,269,521)
At 31 December 2019	-	-	-	-
NET BOOK VALUE				
At 31 December 2019	-	-	-	-
At 31 December 2018	193,216	1,193	45,252	239,661

5. DEBTORS

	2019 £	2018 £
Trade debtors	311	805,127
Amounts owed by group undertakings	-	113,678
Amounts owed by companies under common control	11,503	11,503
Other debtors	-	2,260
Prepayments and accrued income	-	39,598
	11,814	972,166

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**NOTES TO THE FINANCIAL STATEMENTS
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6. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Invoice discounting facility	-	611,530
Trade creditors	-	1,058,945
Amounts owed to group undertakings	20,272	-
Other taxation and social security	100,310	96,615
Other creditors	5,620	-
Accruals and deferred income	-	20,909
	<u>126,202</u>	<u>1,787,999</u>

The following liabilities were secured:

	2019 £	2018 £
Invoice discounting facility	-	611,530

Details of security provided:

The factoring company held a fixed and floating charge over all the property and undertakings of the company.

7. SHARE CAPITAL

	2019 £	2018 £
Allotted, called up and fully paid		
1,038,000 (2018 - 1,038,000) Ordinary shares shares of £1.00 each	<u>1,038,000</u>	<u>1,038,000</u>

8. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

No contributions were outstanding at the year end 2019: £5,620 (2018 - £NIL).

9. CONTROLLING PARTY

The Director's consider Corrugated Box Supplies Limited to be the ultimate parent company, a company registered in England and Wales. Copies of the company's accounts can be obtained from Companies House.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. AUDITOR'S INFORMATION

The auditor's report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed by Guy Morgan (Senior statutory auditor) on behalf of Crowe U.K. LLP.