

Registered number
13327

Mondi Holcombe Limited
Report and Financial Statements
31 December 2011

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Mondi Holcombe Limited
Report and financial statements for the year ended 31 December 2011
Contents

	Page
Company information	1
Directors' report	2
Independent Auditor's report	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

Mondi Holcombe Limited
Company Information

Directors

C Cole
C A Hunt
C Skulich

Secretary

G P Fenwick - (resigned 30 March 2012)
J Peterkin - (appointed 31 March 2012)

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham

Registered office

Building 1, 1st Floor
Aviator Park
Station Road
Addlestone, Surrey
KT15 2PG

Registered number

13327

Mondi Holcombe Limited

Directors' Report

The directors' present their report and audited financial statements for the year ended 31 December 2011

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Basis of preparation

During 2008 the company's plant at Holcombe Mill was closed. The sale of the site was completed on 13 July 2010 for £1.142m. Costs in relation to the closure of the site continued to flow through during 2010 and concluded by the end of that financial year. The administrative expense credit in the Profit and Loss account for the current year relates in the main to a refund of business rates of £73,000 previously expensed through the closure provision.

As there are still transactions flowing through the prior year comparatives in relation to the cessation of trade the current year financial statements have been prepared on a basis other than that of a going concern as a result of the company ceasing to trade in 2009.

Results and dividends

Details of the results for the year are shown in the profit and loss account. The directors do not recommend the payment of a dividend (2010: Nil).

Payment policy and practice

It is the company's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of those terms and to abide by them.

Directors' indemnities

The company, via its ultimate parent undertaking, has made qualifying third party indemnity provisions for the benefit of its directors which were made during a previous year and remain in force at the date of this report.

Directors

The following directors served during the year and subsequently unless otherwise stated:

C A Hunt

C Cole

C Skilich

Mondi Holcombe Limited
Directors' Report

Directors' Responsibilities Statement

The directors are responsible for preparing the report and 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). The financial statements are required by law to 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 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 financial statements and
- 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 proper 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.

Disclosure of information to auditor

So far as each director at the date of approval of this report is aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor.

This report was approved by the board on 14 May 2012.



J Peterkin
Secretary

Mondi Holcombe Limited
Independent auditor's report
to the members of Mondi Holcombe Limited

We have audited the financial statements of Mondi Holcombe Limited for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 annual report to identify material inconsistencies with the audited financial statements. 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 2011 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.

Emphasis of Matter—financial statements prepared on a basis other than that of a going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have been prepared on a basis other than that of a going concern, as a result of the company ceasing to trade in 2009.

Opinion on other matter prescribed by the Companies Act 2006

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

Mondi Holcombe Limited
Independent auditor's report
to the members of Mondi Holcombe 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 take advantage of the small companies exemption in preparing the directors' report

Alistair Pritchard FCA

Alistair Pritchard FCA
(Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham
UK

16 May 2012

Mondi Holcombe Limited
Profit and Loss Account
for the year ended 31 December 2011

	Notes	2011 £'000	2010 £'000
Administrative expenses - other		72	-
Administrative expenses - release environmental provision		-	1
Administrative expenses - release site closure provision		-	111
Administrative expenses - total		72	112
Operating profit	2	<u>72</u>	<u>112</u>
Exceptional items			
Profit on the disposal of tangible fixed assets	3	-	1,585
Interest receivable	5	1	-
Interest payable	6	-	(18)
Profit on ordinary activities before taxation		<u>73</u>	<u>1,679</u>
Tax on profit on ordinary activities	7	(14)	938
Profit for the financial year	11,12	<u>59</u>	<u>2,617</u>

Discontinued operations

The results for both years relate only to discontinuing operations

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
Accordingly no statement of recognised gains and losses is given

Note of historical cost profits and losses

There is no difference between the result disclosed in the profit and loss account and the result of an unmodified historical cost basis because revalued assets have been fully impaired in previous years

Mondi Holcombe Limited
Balance Sheet
as at 31 December 2011

	Notes	2011 £'000	2010 £'000
Current assets			
Debtors	8	-	19
Cash at bank and in hand		<u>708</u>	<u>616</u>
		708	635
Creditors, amounts falling due within one year	9	(19)	(5)
Net assets		<u>689</u>	<u>630</u>
Capital and reserves			
Called up share capital	10	11,759	11,759
Profit and loss account	11	(11,070)	(11,129)
Shareholders' funds	12	<u>689</u>	<u>630</u>



C A Hunt
Director

Approved by the board and authorised for issue on 14 May 2012
Company Number 00013327

Mondi Holcombe Limited
Notes to the financial statements
for the year ended 31 December 2011

1 Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards. These accounting policies have been applied consistently in both the current and prior year.

Basis of preparation

During 2008 the company's plant at Holcombe Mill was closed. The sale of the site was completed on 13 July 2010 for £1.142m. Costs in relation to the closure of the site continued to flow through during 2010 and concluded by the end of that financial year. The administrative expense credit in the Profit and Loss account for the current year relates in the main to a refund of business rates of £73,000 previously expensed through the closure provision.

As there are still transactions flowing through the prior year comparatives in relation to the cessation of trade the current year financial statements have been prepared on a basis other than that of a going concern as a result of the company ceasing to trade in 2009. No material adjustments arose as a result of preparing the financial statements on a basis other than that of a going concern.

Cashflow statement

The company is exempt from preparing a cashflow statement on the basis that a consolidated cashflow statement which includes the company is presented in the financial statements of the ultimate parent undertaking, Mondi plc.

Taxation

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

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

Defined contribution pension scheme

The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profit represents the contributions payable to the scheme in the accounting period.

Mondi Holcombe Limited
Notes to the financial statements
for the year ended 31 December 2011

2 Operating profit	2011	2010
	£'000	£'000
This is stated after charging/(crediting)		
Auditor remuneration for audit services	5	5
Business rates refunded	(73)	-

Auditor remuneration shown is for the audit of the company's annual financial statements, and there are no auditors' remuneration non audit fees to disclose in the current or prior year. The charge for the current and prior year fees were charged against the holding company, Mondi Packaging UK Holdings Ltd.

Business rates of £73,000 were refunded during the year, this was in relation to amounts paid out from the closure provision in 2009 and 2010.

3 Exceptional items	2011	2010
	£'000	£'000
Profit on disposal of land and buildings	-	1,142
Profit on disposal of plant and equipment	-	443
Profit on the disposal of tangible fixed assets	-	1,585

The profit on disposal in 2010 arises from the disposal of the Holcombe mill site and a paper machine, which had been written down in a previous year.

4 Information regarding directors and employees	2011	2010
	£'000	£'000
Wages and salaries	-	78
Social security costs	-	10
Other pension costs	-	3
	-	91

Average number of employees (not including directors) during the year

	Number	Number
Administration	-	2
	-	2

In both the current and prior year the directors have not received any remuneration for their services to this company.

5 Interest receivable	2011	2010
	£'000	£'000
Interest receivable from group undertakings	1	-
	1	-

6 Interest payable	2011	2010
	£'000	£'000
Interest payable to group undertakings	-	18

Mondi Holcombe Limited
Notes to the financial statements
for the year ended 31 December 2011

7 Taxation	2011	2010
	£'000	£'000
Analysis of charge/(credit) in period		
Current tax	19	-
Adjustments in respect of previous periods	(5)	(938)
Tax on profit on ordinary activities	14	(938)
	2011	2010
	£'000	£'000
Profit on ordinary activities before tax	73	1,679
Standard rate of corporation tax in the UK	26.5%	28.0%
	£'000	£'000
Profit on ordinary activities multiplied by the standard rate of corporation tax	19	470
Effects of		
Fixed asset timing differences	-	(234)
Loss not provided as deferred tax asset	-	84
Profit on disposal of fixed assets not taxable	-	(320)
Adjustments to tax charge in respect of previous periods	(5)	(938)
Current tax charge/(credit) for period	14	(938)

Factors affecting tax charge/(credit) for period

With effect from 1 April 2011 the main rate of corporation tax fell to 26%, therefore for the year ended 31 December 2011 a blended rate of 26.5% has been used

On 21 March 2012 the Government announced that the main rate of Corporation Tax would reduce to 24% with effect from 1 April 2012, with subsequent 1% reductions per annum to reach 22% with effect from 1 April 2014. The reduction to 24% was substantively enacted on the 29 March 2012 and therefore has not been reflected in the financial statements. The effect of this tax rate reduction on the deferred tax balance will be accounted for in the period in which the tax rate reduction was substantively enacted

8 Debtors	2011	2010
	£'000	£'000
Amounts owed by group undertakings	-	14
Other taxes and social security costs	-	5
	-	19
9 Creditors: amounts falling due within one year	2011	2010
	£'000	£'000
Trade creditors	-	5
Corporation tax	19	-
	19	5

Mondi Holcombe Limited
Notes to the financial statements
for the year ended 31 December 2011

10 Share capital	2011	2010	2011	2010
	Number	Number	£'000	£'000
Allotted, called up and fully paid				
Ordinary shares of £1 each	11,759,000	11,759,000	<u>11,759</u>	<u>11,759</u>

11 Profit and loss account	2011	2010
	£'000	£'000
At 1 January	(11,129)	(13,746)
Profit for the financial year	59	2,617
At 31 December	<u>(11,070)</u>	<u>(11,129)</u>

12 Reconciliation of movement in shareholders' funds	2011	2010
	£'000	£'000
At 1 January Shareholders' funds/(deficit)	630	(1,987)
Profit for the financial year	59	2,617
At 31 December Shareholders' funds	<u>689</u>	<u>630</u>

13 Related parties

As a wholly owned subsidiary the company is exempt from the requirements of FRS8 to disclose transactions with other members of the group headed by Mondi plc

14 Controlling party

The company's ultimate parent undertaking and controlling party is Mondi plc, a company which is incorporated in England and Wales. Copies of the group financial statements of Mondi plc are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The company's immediate parent undertaking is Mondi Packaging (Delta) Limited

The largest and smallest consolidated financial statements available are those of the ultimate parent company Mondi plc