

**Cermex U.K. Limited**

**Report and Financial Statements**

**For the year ended 31 December 2011**

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Cermex U K Limited

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**Company information**

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<b>Directors</b>	M J Lane M D G Daniel P Lejeune
<b>Company number</b>	01927345
<b>Registered office</b>	Huntingdon Business Centre Blackstone Road Huntingdon PE29 6EF
<b>Auditors</b>	Ernst & Young LLP One Cambridge Business Park Cambridge CB4 0WZ

**Contents**

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	Page
<b>Directors' report</b>	1
<b>Statement of directors' responsibilities</b>	2
<b>Independent auditors' report</b>	3 - 4
<b>Profit and loss account</b>	5
<b>Balance sheet</b>	6
<b>Notes to the financial statements</b>	7 - 13

## **Directors' Report**

### **For the year ended 31 December 2011**

The directors present their annual report and the financial statements for the year ended 31 December 2011. The directors' report has been prepared in accordance with the small companies regime.

#### **Principal activities**

The principal activity of the company during the year continued to be that of marketing of packaging machinery and accessories in the United Kingdom.

#### **Directors**

The directors who served during the year were

M J Lane  
M D G Daniel  
J F Lesueur (resigned 30 June 2011)  
P Lejeune (appointed 1 July 2011)

#### **Provision of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

#### **Directors' liabilities**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force at the date of approving the directors' report.

#### **Going concern**

On the basis of the directors' assessment of the financial position of the company they have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and will be able to meet its obligations as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Auditors**

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst and Young LLP as auditors of the company.

Signed on behalf of the board

M J Lane  
Director  
Date

07/03/2012

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**Statement of directors' responsibilities  
for the year ended 31 December 2011**

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The directors are responsible for preparing the Directors' Report 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 judgments 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,
- 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 to 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.

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## **Independent Auditor's report to the members of Cermex U.K. Limited**

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We have audited the financial statements of Cermex U K Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 17. 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 and financial statements 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.

### **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.

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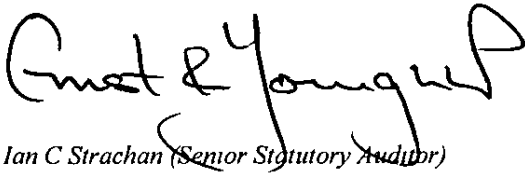
## Independent Auditor's report to the members of Cermex U.K. Limited (continued)

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### 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 prepare the directors' report in accordance with the small companies regime



*Ian C Strachan (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Cambridge*

*Date 9 March 2012*

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**Profit and loss account  
for the year ended 31 December 2011**

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	<i>Note</i>	<i>2011 £</i>	<i>2010 £</i>
<b>Turnover</b>	1,2	932,630	850,837
Cost of sales		<u>(381,825)</u>	<u>(333,238)</u>
<b>Gross profit</b>		550,805	517,599
Administrative expenses		<u>(359,323)</u>	<u>(387,786)</u>
<b>Operating profit</b>	3	191,482	129,813
Interest receivable	5	<u>378</u>	<u>190</u>
<b>Profit on ordinary activities before taxation</b>		191,860	130,003
Tax on profit on ordinary activities	6	<u>(49,945)</u>	<u>(34,058)</u>
<b>Profit on ordinary activities after taxation</b>	12	<u>141,915</u>	<u>95,945</u>

All the company's operations were continuing and there were no recognised gains or losses other than the profit of £141,915 attributable to the shareholders for the year ended 31 December 2011 (2010 - £95,945)

The notes on pages 7 to 13 form part of these financial statements



**Balance sheet  
as at 31 December 2011**

	<i>Note</i>	<i>£</i>	<i>2011 £</i>	<i>£</i>	<i>2010 £</i>
<b>Fixed assets</b>					
Fixed asset investments	7		97		-
Tangible fixed assets	8		2,599		2,538
<b>Current assets</b>					
Stocks		7,574		9,720	
Debtors	9	163,480		199,913	
Cash in hand		<u>182,061</u>		<u>175,316</u>	
		353,115		384,949	
<b>Creditors' amounts falling due within one year</b>	10	<u>(144,584)</u>		<u>(118,175)</u>	
<b>Net current assets</b>			<u>208,531</u>		<u>266,774</u>
<b>Total assets less current liabilities</b>			<u>211,227</u>		<u>269,312</u>
<b>Capital and Reserves</b>					
Called up share capital	11		20,000		20,000
Profit and loss account	12		<u>191,227</u>		<u>249,312</u>
<b>Shareholders' funds</b>			<u>211,227</u>		<u>269,312</u>

The financial statements were approved and authorised for issue by the board on its behalf by,

M J Lane  
Director

Date

07/03/2012

The notes on pages 7 to 13 form part of these financial statements

## **Notes to the financial statements**

### **For the year ended 31 December 2011**

#### **1 Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The company continues to adopt the going concern basis of accounting in preparing the financial statements given there is a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and will be able to meet obligations as they fall due

##### **1.2 Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements

##### **1.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

##### **1.4 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

Motor vehicles	-	25%	straight line
Fixtures & fittings	-	10%	straight line

##### **1.5 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed 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 Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **1.6 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.

##### **1.7 Related Party Transactions**

The company is a wholly owned subsidiary of Constr Etude Recherches Matériels EMBA, which is owned by Tetra Laval Holdings B V, the consolidated financial statements of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members of the Tetra Laval group.

## Notes to the financial statements

### For the year ended 31 December 2011

#### 1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction  
Exchange gains and losses are recognised in the Profit and loss account

#### 1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

#### 1.10 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

#### 1.11 Fixed asset investments

Investments are held at cost and reviewed annually for impairment

## 2. Turnover

Turnover is derived from commission on the sale of packaging machinery and accessories in the United Kingdom as well as the provision of installation and engineering services for those machines

## 3. Operating profit

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	1,985	1,701
- held under finance leases	-	2,092
Operating lease rentals		
- premises	40,915	40,539
- motor vehicles	7,623	6,371
Auditors' remuneration		
- Audit	10,561	10,578
- Other services	2,000	2,000
Difference on foreign exchange	-	79
Gain on disposal of fixed asset	-	(2,800)

**Notes to the financial statements**  
For the year ended 31 December 2011

**4 Staff costs**

**(a) Staff costs**

	2011 £	2010 £
Wages and salaries	144,782	179,130
Social security costs	14,259	14,913
Pension costs	9,279	9,175
	<u>168,320</u>	<u>203,218</u>

The average number of employees during the year was made up as follows,

	2011 No	2010 No
	£	£
Sales, marketing and administration	3	3

**(b) Directors' remuneration**

	2011 £	2010 £
Aggregate emoluments	<u>80,493</u>	<u>76,438</u>

During the year retirement benefits were accruing to 1 director (2010 - 1) in respect of money purchase pension schemes. The above emoluments include £6,367 (2010 £6,304) in respect of defined contribution pensions.

Other than the highest paid director disclosed separately above, the remaining directors of this company are employed and remunerated by other companies within the Tetra Laval group. No specific recharge is made by these companies in respect of the qualifying services to Cermex U K Limited and therefore the directors' emoluments disclosed above do not include any amounts in respect of these directors of this company.

The directors do not believe that it is practicable to apportion their remuneration between services as directors of this company (which they believe to be negligible) and services as an employee of their respective group companies.

**5 Interest receivable**

	2011 £	2010 £
Interest receivable on bank deposits	<u>378</u>	<u>190</u>

## Notes to the financial statements

### For the year ended 31 December 2011

#### 6. Tax

##### (a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2011 £	2010 £
Corporation tax – current year	50,224	34,609
Over provision in respect of prior years	(279)	(551)
UK corporation tax (note 6(b))	<u>49,945</u>	<u>34,058</u>

##### (b) Factors affecting current tax charge

The tax assessed for the period is the same (2010 lower) than the standard rate of corporation tax in the UK of 26.5% (2010 – 28%)

The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>191,860</u>	<u>130,003</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 – 28%)	50,843	36,401
Effects of -		
Permanent differences – disallowable expenses	-	5
Accelerated capital allowances	(390)	(2,538)
Short term timing differences	(235)	741
Marginal rate difference	6	-
Over provision in respect of prior years	(279)	(551)
Total current tax (note 6(a))	<u>49,945</u>	<u>34,058</u>

The company has no unrecognised deferred tax assets

##### (c) Factors affecting future tax charges

The Finance Act 2011, enacted on 19 July 2011, reduced the main rate of corporation tax to 26% from 1 April 2011 and to 25% from 1 April 2012. There are no deferred tax balances to restate in these financial statements.

The UK government has proposed reducing the UK corporation tax rate by a further 1% per annum to 23% from 1 April 2014. These changes had not been substantively enacted at the balance sheet date and consequently their effects are not included in these financial statements. There are no deferred tax liabilities and the company has not recognised any deferred tax assets, therefore the effect of the reduction in the tax rate to 23% on the company's balance sheet is £nil.

## Notes to the financial statements

For the year ended 31 December 2011

### 6. (c) Tax (continued)

The Finance Act 2011 also enacted a reduction from 1 April 2012 in the rate of capital allowances applicable to plant and machinery and to integral features from 20% to 18% and from 10% to 8% respectively

The above changes to the rates of corporation tax and capital allowances will impact the amount of future cash tax payments to be made by the company

### 7. Investments

At 1 January 2011	-
Additions	97
At 31 December 2011	97

During the year Cermex U K Limited acquired a 1% share in Cermex Mexicana Y Centroamericana S De R L DE, a company incorporated in Mexico

### 8 Tangible fixed assets

	<i>Furniture, fittings and equipment £</i>
<b>Cost</b>	
At 1 January 2011	109,958
Additions	2,046
Disposals	-
At 31 December 2011	112,004
<b>Depreciation</b>	
At 1 January 2011	107,420
Charge for the year	1,985
Disposals	-
At 31 December 2011	109,405
<b>Net book value</b>	
At 31 December 2011	2,599
At 31 December 2010	2,538

**Notes to the financial statements**  
For the year ended 31 December 2011

**9. Debtors**

	2011 £	2010 £
Trade debtors	144,381	153,758
Amounts owed by group undertakings	-	25,296
Other debtors and accrued income	19,099	20,859
	<u>163,480</u>	<u>199,913</u>

**10 Creditors: Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	8,808	1,684
Amounts owed to group undertakings	41,590	38,083
Corporation tax	50,224	34,609
Social security and other taxes	23,429	22,782
Accruals and deferred income	20,533	21,017
	<u>144,584</u>	<u>118,175</u>

**11. Share capital**

	2011 £	2010 £
<i>Allotted, called up and fully paid</i>		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

**12 Reserves**

	Profit & Loss Account 2011 £	Profit & Loss Account 2010 £
At beginning of the year	249,312	153,367
Profit retained for the year	141,915	95,945
Dividend paid in the year	(200,000)	-
	<u>191,227</u>	<u>249,312</u>
At the end of the year		

## Notes to the financial statements

### For the year ended 31 December 2011

13 Dividends	2011	2010
	£	£
Interim dividends paid	<u>200,000</u>	<u>-</u>

### 14. Reconciliation of movements in shareholders' funds

	Equity 2011 £	Equity 2010 £
Opening shareholders' funds	269,312	173,367
Profit retained for the year	141,915	95,945
Dividend paid in the year	(200,000)	-
Closing shareholders' funds	<u>211,227</u>	<u>269,312</u>

### 15 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. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,279 (2010 - £9,175). Contributions totalling £6,714 (2010 - £7,598) were payable to the fund at the balance sheet date and are included in creditors.

### 16 Operating Lease commitments

There are no capital commitments at the end of the financial period.

Annual commitments under non-cancellable operating leases are as follows,

	Other 2011 £	Other 2010 £
Operating leases which expire, within one year	3,328	-
within two to five years	3,861	4,440
	<u>7,189</u>	<u>4,440</u>

### 17. Ultimate parent undertaking and controlling party

The immediate parent company is Constr Etude Recherches Matériels EMBA, incorporated in France. The ultimate parent is Tetra Laval Holdings B V, incorporated in the Netherlands. Consolidated accounts of Tetra Laval Holdings B V are available from Herikerbergweg 108A, Amsterdam Zuidoost, Noord-Holland, 1101 CM, Netherlands.