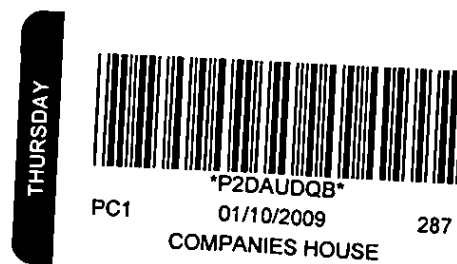


**GRANGE PACKAGING &  
DISTRIBUTION LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**for the year ended  
31st March 2009**

**Company Registration Number 2692907**



# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **Accounts**

**Year ended 31st March 2009**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	<b>1</b>
The directors' report	<b>2</b>
Statement of directors' responsibilities	<b>4</b>
Independent auditor's report to the shareholders	<b>5</b>
Profit and loss account	<b>7</b>
Statement of total recognised gains and losses	<b>8</b>
Balance sheet	<b>9</b>
Cash flow statement	<b>10</b>
Notes to the accounts	<b>11</b>

# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **Officers and Professional Advisers**

### **The board of directors**

P J Nichol  
A S Lord  
L A Nichol  
C Ashcroft  
K S Holcroft  
D Smith O'Malley

### **Company secretary**

L A Nichol

### **Registered office**

5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

### **Auditor**

Mitchell Charlesworth  
Chartered Accountants  
Registered Auditor  
5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

### **Bankers**

Yorkshire Bank  
6 Bridge Street  
St Helens  
WA10 1NF

# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **The Directors' Report**

### **Year ended 31st March 2009**

The directors present their report and the accounts of the company for the year ended 31st March 2009.

#### **Principal activities and business review**

The principal activity of the company during the year was that of contract packaging to the confectionary and grocery trade.

During a difficult trading year, the Company has continued to perform reasonably well considering the economic uncertainty created by the national/international downturn toward recession. Margins have been maintained at a level commensurate with the pressures applied by keener trade competition and customer requests for lower charges.

I am pleased to report that the directors reacted very positively to the economic situation, and were at the forefront of making the necessary adjustments to the financial, customer and budgetary positions, in order to protect the interests of the Company.

Unfortunately, during the summer of 2008 our Melton operation suffered a serious fire which disrupted our operations severely. It was necessary to obtain temporary premises so that our commitments could be met. However, the speed and professionalism in restoring the contractual arrangements with our customers was extraordinarily successful, and our employees, directors, managers and floor staff are to be congratulated in performing almost beyond the call of duty.

As far as insurance issues are concerned, after considerable Board discussion and negotiation with insurers and their representatives it was decided to accept their offer to settle. We feel that the final offer was reasonable and in the light of the economic situation, I am convinced this was the correct position to take.

For year 2009/10, various adjustments to staffing levels and budgetary costings have been made. We feel confident that with the people we have in place, along with the continued support of our customers and financial partners, we shall continue to prosper, albeit within the parameters allowed by the markets.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £395,178. Particulars of dividends paid are detailed in note 10 to the accounts.

#### **Financial risk management objectives and policies**

The company uses conventional forms of working capital to finance its day to day activities and as such the figures appearing in the accounts reflect the absolute value of amounts recoverable and payable. The directors receive regular reports on these figures in order to manage the company's requirements.

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## The Directors' Report *(continued)*

Year ended 31st March 2009

### Directors

The directors who served the company during the year were as follows:

P J Nichol  
A S Lord  
L A Nichol  
C Ashcroft  
K S Holcroft  
D Smith O'Malley

### Donations

During the year the company made the following contributions:

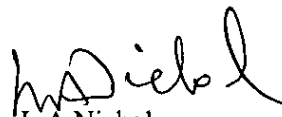
	2009	2008
	£	£
Charitable	<u>1,400</u>	<u>2,400</u>

### Auditor

Mitchell Charlesworth are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office:  
5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

Signed by order of the directors

  
L A Nichol  
Company Secretary

Approved by the directors on 23rd September 2009

# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **Statement of Directors' Responsibilities**

**Year ended 31st March 2009**

The directors are responsible for preparing the Annual Report and the 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). The accounts 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records that 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 1985. 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.

In so far as the directors are 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.

# Mitchell Charlesworth

Chartered Accountants  
5 Temple Square Temple Street Liverpool

## **GRANGE PACKAGING & DISTRIBUTION LIMITED**

### **Independent Auditor's Report to the Shareholders of Grange Packaging & Distribution Limited**

#### **Year ended 31st March 2009**

We have audited the accounts of Grange Packaging & Distribution Limited for the year ended 31st March 2009 on pages 7 to 21, which have been prepared on the basis of the accounting policies set out on pages 11 to 12.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

# Mitchell Charlesworth

Chartered Accountants  
5 Temple Square Temple Street Liverpool

## GRANGE PACKAGING & DISTRIBUTION LIMITED

### Independent Auditor's Report to the Shareholders of Grange Packaging & Distribution Limited *(continued)*

#### Year ended 31st March 2009

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

#### Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2009 and of its profit for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.



MITCHELL CHARLESWORTH  
Chartered Accountants  
Registered Auditor

5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

23rd September 2009

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Profit and Loss Account

Year ended 31st March 2009

	Note	2009 £	2008 £
<b>Turnover</b>	<b>2</b>	<b>10,610,952</b>	<b>9,356,697</b>
Cost of sales		<u>7,250,170</u>	<u>5,777,035</u>
<b>Gross profit</b>		<b>3,360,782</b>	<b>3,579,662</b>
Administrative expenses		3,251,538	3,370,036
Other operating income	<b>3</b>	<u>(426,924)</u>	<u>(3,661)</u>
<b>Operating profit</b>	<b>4</b>	<b>536,168</b>	<b>213,287</b>
Interest receivable	<b>7</b>	21,730	18,953
Interest payable and similar charges	<b>8</b>	<u>(17,952)</u>	<u>(19,878)</u>
<b>Profit on ordinary activities before taxation</b>		<b>539,946</b>	<b>212,362</b>
Tax on profit on ordinary activities	<b>9</b>	<u>144,768</u>	<u>72,917</u>
<b>Profit for the financial year</b>		<b><u>395,178</u></b>	<b><u>139,445</u></b>

All of the activities of the company are classed as continuing.

The notes on pages 11 to 21 form part of these accounts.

# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **Statement of Total Recognised Gains and Losses**

**Year ended 31st March 2009**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit for the financial year attributable to the shareholders	<b>395,178</b>	<b>139,445</b>
Total recognised gains and losses relating to the year	<b>395,178</b>	<b>139,445</b>
Prior year adjustment	<b>—</b>	<b>278,585</b>
Total gains and losses recognised since the last annual report	<b>395,178</b>	<b>418,030</b>

The notes on pages 11 to 21 form part of these accounts.

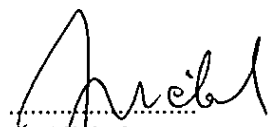
# GRANGE PACKAGING & DISTRIBUTION LIMITED

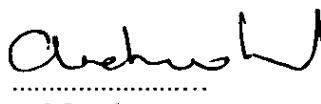
## Balance Sheet

31st March 2009

	Note	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Intangible assets	11		—		—
Tangible assets	12		<u>1,325,541</u>		<u>1,100,792</u>
			<u>1,325,541</u>		<u>1,100,792</u>
<b>Current assets</b>					
Stocks	13	178,397		93,510	
Debtors	14	993,776		1,774,314	
Cash at bank		<u>1,034,999</u>		<u>80,886</u>	
		<u>2,207,172</u>		<u>1,948,710</u>	
<b>Creditors: Amounts falling due within one year</b>	15	<u>1,564,129</u>		<u>1,429,096</u>	
<b>Net current assets</b>			<u>643,043</u>		<u>519,614</u>
<b>Total assets less current liabilities</b>			<u>1,968,584</u>		<u>1,620,406</u>
<b>Provisions for liabilities</b>					
Deferred taxation	16		<u>200,000</u>		<u>210,000</u>
			<u>1,768,584</u>		<u>1,410,406</u>
<b>Capital and reserves</b>					
Called-up equity share capital	19		87,000		87,000
Share premium account	20		17,309		17,309
Other reserves	21		13,000		13,000
Profit and loss account	22		<u>1,651,275</u>		<u>1,293,097</u>
<b>Shareholders' funds</b>	23		<u>1,768,584</u>		<u>1,410,406</u>

These accounts were approved by the directors and authorised for issue on 23rd September 2009, and are signed on their behalf by:

  
P J Nichol

  
A S Lord

The notes on pages 11 to 21 form part of these accounts.

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Cash Flow Statement

Year ended 31st March 2009

	Note	2009 £	£	2008 £	£
<b>Net cash inflow from operating activities</b>	24		<b>1,675,025</b>		<b>171,864</b>
<b>Returns on investments and Servicing of finance</b>					
Interest received		21,730		18,953	
Interest paid		<u>(37,830)</u>		<u>—</u>	
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>			<b>(16,100)</b>		<b>18,953</b>
<b>Taxation</b>			<b>(212,573)</b>		<b>(133,586)</b>
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(461,239)		(225,845)	
Receipts from sale of fixed assets		<u>6,000</u>		<u>—</u>	
<b>Net cash outflow from capital expenditure</b>			<b>(455,239)</b>		<b>(225,845)</b>
<b>Equity dividends paid</b>			<b>(37,000)</b>		<b>(21,750)</b>
<b>Increase/(decrease) in cash</b>	24		<u><b>954,113</b></u>		<u><b>(190,364)</b></u>

# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **Notes to the Accounts**

**Year ended 31st March 2009**

### **1. Accounting policies**

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Amortisation**

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

Goodwill - Over 10 years

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property Improvements	- Over 25 years
Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 25% reducing balance
Motor Vehicles	- 25% reducing balance
Office Fixture & Fittings	- 15% reducing balance

#### **Stocks**

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

#### **Operating lease agreements**

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.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 1. Accounting policies *(continued)*

#### 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 tax.

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 timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2009 £	2008 £
United Kingdom	<u>10,610,952</u>	<u>9,356,697</u>

### 3. Other operating income

	2009 £	2008 £
Insurance income	375,588	3,661
Rental income	<u>51,336</u>	<u>—</u>
	<u>426,924</u>	<u>3,661</u>

Insurance income received during the year relates to extra costs of working and business interruption following a fire at one of the company's premises. Further details are provided in the directors report.

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 4. Operating profit

Operating profit is stated after charging:

	2009	2008
	£	£
Depreciation of owned fixed assets	226,530	189,211
Loss on disposal of fixed assets	3,960	—
Auditor's remuneration		
- as auditor	7,500	7,700
- for other services	3,000	3,100
Operating lease costs:		
- Plant and equipment	118,605	121,747
- Other	473,850	391,467

### 5. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2009	2008
	No	No
Number of production staff	154	172
Number of administrative staff	8	8
Number of management staff	6	6
	<u>168</u>	<u>186</u>

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	3,211,684	3,601,146
Social security costs	297,237	337,772
Other pension costs	17,778	15,557
	<u>3,526,699</u>	<u>3,954,475</u>

### 6. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2009	2008
	£	£
Emoluments receivable	482,105	767,073
Value of company pension contributions to money purchase schemes	4,465	5,270
	<u>486,570</u>	<u>772,343</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 6. Directors' emoluments *(continued)*

#### Emoluments of highest paid director:

	2009	2008
	£	£
Total emoluments (excluding pension contributions)	<u>187,766</u>	<u>349,928</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2009	2008
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

### 7. Interest receivable

	2009	2008
	£	£
Bank interest receivable	<u>21,730</u>	<u>18,953</u>

### 8. Interest payable and similar charges

	2009	2008
	£	£
Other similar charges payable	<u>17,952</u>	<u>19,878</u>

### 9. Taxation on ordinary activities

#### (a) Analysis of charge in the year

	2009	2008
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 28% (2008 - 30%)	176,528	82,398
Over/under provision in prior year	<u>(21,760)</u>	<u>20,519</u>
Total current tax	<u>154,768</u>	<u>102,917</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(10,000)</u>	<u>(30,000)</u>
Tax on profit on ordinary activities	<u>144,768</u>	<u>72,917</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 9. Taxation on ordinary activities *(continued)*

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

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 30%).

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>539,946</u>	<u>212,362</u>
Profit on ordinary activities by rate of tax	151,185	63,709
Expenses not deductible for tax purposes	15,894	12,747
Capital allowances for period in excess of depreciation	11,418	16,912
Adjustments to tax charge in respect of previous periods	(21,760)	20,519
Marginal relief	(1,969)	(10,970)
Total current tax (note 9(a))	<u>154,768</u>	<u>102,917</u>

### 10. Dividends

#### Equity dividends

	2009 £	2008 £
Paid equity dividends on ordinary shares	<u>37,000</u>	<u>21,750</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 11. Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1st April 2008	120,000
Disposals	(120,000)
<b>At 31st March 2009</b>	<u>–</u>
<b>Amortisation</b>	
At 1st April 2008	120,000
On disposals	(120,000)
<b>At 31st March 2009</b>	<u>–</u>
<b>Net book value</b>	
At 31st March 2009	<u>–</u>
At 31st March 2008	<u>–</u>

### 12. Tangible fixed assets

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Office Fixture & Fittings £	Total £
<b>Cost</b>						
At 1 Apr 2008	133,148	1,829,605	188,686	27,305	142,179	2,320,923
Additions	–	366,673	40,805	6,499	47,262	461,239
Disposals	–	(32,875)	–	(5,995)	–	(38,870)
<b>At 31 Mar 2009</b>	<u>133,148</u>	<u>2,163,403</u>	<u>229,491</u>	<u>27,809</u>	<u>189,441</u>	<u>2,743,292</u>
<b>Depreciation</b>						
At 1 Apr 2008	58,581	1,004,340	70,244	9,537	77,429	1,220,131
Charge for the year	5,325	175,332	23,887	5,241	16,745	226,530
On disposals	–	(26,217)	–	(2,693)	–	(28,910)
<b>At 31 Mar 2009</b>	<u>63,906</u>	<u>1,153,455</u>	<u>94,131</u>	<u>12,085</u>	<u>94,174</u>	<u>1,417,751</u>
<b>Net book value</b>						
At 31 Mar 2009	<u>69,242</u>	<u>1,009,948</u>	<u>135,360</u>	<u>15,724</u>	<u>95,267</u>	<u>1,325,541</u>
At 31 Mar 2008	<u>74,567</u>	<u>825,265</u>	<u>118,442</u>	<u>17,768</u>	<u>64,750</u>	<u>1,100,792</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 13. Stocks

	2009	2008
	£	£
Raw materials	<u>178,397</u>	<u>93,510</u>

### 14. Debtors

	2009	2008
	£	£
Trade debtors	934,349	1,018,765
Amounts owed by related undertakings	—	727,403
Other debtors	5,261	3,383
Prepayments and accrued income	54,166	24,763
	<u>993,776</u>	<u>1,774,314</u>

### 15. Creditors: Amounts falling due within one year

	2009	2008
	£	£
Trade creditors	678,131	521,657
Amounts owed to related undertakings	39,450	—
Corporation tax	176,528	234,333
Other taxation and social security	240,418	497,624
Accruals and deferred income	429,602	175,482
	<u>1,564,129</u>	<u>1,429,096</u>

### 16. Deferred taxation

The movement in the deferred taxation provision during the year was:

	2009	2008
	£	£
Provision brought forward	210,000	240,000
Profit and loss account movement arising during the year	(10,000)	(30,000)
Provision carried forward	<u>200,000</u>	<u>210,000</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 16. Deferred taxation (continued)

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	200,000	210,000
	<u>200,000</u>	<u>210,000</u>

### 17. Commitments under operating leases

At 31st March 2009 the company had annual commitments under non-cancellable operating leases as set out below.

	2009		2008	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 1 year	117,000	-	-	15,385
Within 2 to 5 years	145,020	40,400	290,020	30,291
After more than 5 years	190,000	-	190,000	-
	<u>452,020</u>	<u>40,400</u>	<u>480,020</u>	<u>45,676</u>

### 18. Related party transactions

In the directors' opinion, the company has no ultimate controlling party.

During the year the company made rental payments amounting to £223,497 (2008 £421,180) to Lohcin Developments Limited, a company related by virtue of common directors and shareholders. At the year end, a creditor of £39,450 (2008 debtor £727,403) remained outstanding with Lohcin Developments Limited.

The loan of £400 to People Match Recruitment Limited, a company related by virtue of common directors and shareholders was repaid during the year.

Consultancy fees amounting to £1,834 were paid to Mr W.V. Hanley during the year, a company shareholder.

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

### 19. Share capital

#### Authorised share capital:

	2009	2008
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

#### Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>87,000</u>	<u>87,000</u>	<u>87,000</u>	<u>87,000</u>

### 20. Share premium account

There was no movement on the share premium account during the financial year.

### 21. Other reserves

	2009	2008
	£	£
Capital redemption reserve	<u>13,000</u>	<u>13,000</u>

### 22. Profit and loss account

	2009	2008
	£	£
Balance brought forward as previously reported	1,293,097	896,817
Prior year adjustment	-	278,585
Balance brought forward restated	<u>1,293,097</u>	<u>1,175,402</u>
Retained profit for the financial year	395,178	139,445
Equity dividends	(37,000)	(21,750)
Balance carried forward	<u>1,651,275</u>	<u>1,293,097</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Accounts

Year ended 31st March 2009

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

	2009 £	2008 £
Profit for the financial year	395,178	139,445
Equity dividends	(37,000)	(21,750)
Net addition to shareholders' funds	358,178	117,695
Opening shareholders' funds	1,410,406	1,014,126
Prior year adjustment	—	278,585
Closing shareholders' funds	<u>1,768,584</u>	<u>1,410,406</u>

### 24. Notes to the cash flow statement

#### Reconciliation of operating profit to net cash inflow from operating activities

	2009 £	2008 £
Operating profit	536,168	213,287
Depreciation	226,530	189,211
Loss on disposal of fixed assets	3,960	—
Increase in stocks	(84,887)	(66,566)
Decrease/(increase) in debtors	800,416	(711,077)
Increase in creditors	192,838	547,009
Net cash inflow from operating activities	<u>1,675,025</u>	<u>171,864</u>

#### Reconciliation of net cash flow to movement in net funds

	2009 £	2008 £
Increase/(decrease) in cash in the period	954,113	(190,364)
Movement in net funds in the period	<u>954,113</u>	<u>(190,364)</u>
Net funds at 1 April 2008	80,886	271,250
Net funds at 31 March 2009	<u>1,034,999</u>	<u>80,886</u>

#### Analysis of changes in net funds

	At 1 Apr 2008 £	Cash flows £	At 31 Mar 2009 £
Net cash:			
Cash in hand and at bank	80,886	954,113	1,034,999
Net funds	<u>80,886</u>	<u>954,113</u>	<u>1,034,999</u>

# **GRANGE PACKAGING & DISTRIBUTION LIMITED**

## **Notes to the Accounts**

### **Year ended 31st March 2009**

#### **25. Contingencies**

The directors have confirmed that there were no contingent liabilities which should be disclosed at 31st March 2009.

#### **26. Capital commitments**

Amounts contracted for but not provided in the accounts amounted to £Nil (2008 - £100,500).

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Detailed Profit and Loss Account

Year ended 31st March 2009

	2009 £	2008 £
<b>Turnover</b>	<b>10,610,952</b>	<b>9,356,697</b>
<b>Cost of sales</b>		
Opening stock - finished goods	93,510	26,944
Purchases	2,432,626	1,096,695
Outside labour	2,386,375	2,412,927
Extra costs of working following fire	247,005	—
Wages & labour	2,093,588	2,159,269
National insurance contributions on direct labour	175,463	174,710
	<u>7,428,567</u>	<u>5,870,545</u>
Closing stock - raw materials	(178,397)	(93,510)
	<u>7,250,170</u>	<u>5,777,035</u>
<b>Gross profit</b>	<b>3,360,782</b>	<b>3,579,662</b>
<b>Overheads</b>		
Directors salaries	447,735	750,865
Directors pension contributions	4,465	5,270
Administrative staff salaries	670,361	691,012
Staff national insurance contributions	121,774	163,062
Staff pension contributions	13,313	10,287
Rent	473,850	391,467
Rates	160,552	136,876
Light and heat	254,844	177,226
Insurance	107,107	107,639
Repairs and maintenance (allowable)	415,758	376,396
Other establishment expenses	38,518	42,877
Motor and travel expenses	33,583	52,048
Telephone	15,805	14,570
Equipment leasing charges	118,605	121,747
Printing, stationery and postage	19,785	17,906
Staff training	1,405	1,140
Sundry expenses	8,139	18,081
Advertising	1,022	4,588
Entertaining	1,469	1,050
Legal and professional fees	65,705	69,886
Consultancy fees	36,556	14,280
Auditors remuneration	7,500	7,700
Depreciation	226,530	189,211
Loss on disposal of fixed assets	3,960	—
Bank charges	3,197	4,852
	<u>3,251,538</u>	<u>3,370,036</u>
<b>Carried forward</b>	<b>109,244</b>	<b>209,626</b>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Detailed Profit and Loss Account

Year ended 31st March 2009

	2009		2008	
	£	£	£	£
Brought forward		109,244		209,626
		<u>109,244</u>		<u>209,626</u>
Other operating income		426,924		3,661
Operating profit		<u>536,168</u>		<u>213,287</u>
Bank interest receivable		21,730		18,953
		<u>557,898</u>		<u>232,240</u>
Other similar charges		(17,952)		(19,878)
Profit on ordinary activities		<u>539,946</u>		<u>212,362</u>

# GRANGE PACKAGING & DISTRIBUTION LIMITED

## Notes to the Detailed Profit and Loss Account

Year ended 31st March 2009

	2009 £	2008 £
<b>Other operating income</b>		
Insurance income	375,588	3,661
Rental income	<u>51,336</u>	<u>—</u>
	<u>426,924</u>	<u>3,661</u>
<b>Interest receivable</b>		
Bank interest receivable	<u>21,730</u>	<u>18,953</u>