

Bonar Pack Centre Limited

**Directors' report and financial
statements**

Registered number 3302720

30 November 2002



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 November 2002.

Principal activities

The company was dormant during the year ended 30 November 2002.

Directors and directors' interests

The directors who held office during the year were as follows:

P Reeder (resigned 14 June 2002)
J Kempster

The interest of J Kempster in the shares of Low & Bonar PLC, the company's ultimate parent company, are disclosed in the directors' report of that company.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditor of the company is to be proposed at the forthcoming annual general meeting.

By order of the board



J Kempster
Director

Mimet House
5A Praed Street
London
W2 1NJ

23 September 2003

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those 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 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 which 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

St Nicholas House
Park Row
Nottingham
NG1 6FQ

Independent auditors' report to the members of Bonar Pack Centre Limited

We have audited the financial statements on pages 4 to 7.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an 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 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

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

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

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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

Chartered Accountants
Registered Auditor

23 September 2003

Bonar Pack Centre Limited
Directors' report and financial statements
 30 November 2002

Profit and loss account
for the year ended 30 November 2002

	<i>Note</i>	2002 £000	2001 £000
Turnover	<i>1</i>	-	1,583
Cost of sales		-	(1,536)
		<hr/>	<hr/>
Gross profit		-	47
Administrative expenses		-	(47)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Result for the financial year	<i>7</i>	-	-
		<hr/> <hr/>	<hr/> <hr/>

A statement of movements on reserves is given in note 7.

Statement of total recognised gains and losses
for the year ended 30 November 2002

There were no recognised gains or losses other than the result for the year reported above.

Balance sheet
at 30 November 2002

	<i>Note</i>	2002	2001
		£000	£000
Creditors: amounts falling due within one year	5	(2,388)	(2,388)
Net current liabilities		(2,388)	(2,388)
Net liabilities		(2,388)	(2,388)
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account	7	(2,388)	(2,388)
Equity shareholders' funds		(2,388)	(2,388)

The company was dormant throughout the financial year but traded in the preceding financial year.

These accounts were approved by the board of directors on 23 September 2003 and were signed on its behalf by:

J Kempster
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

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

The financial statements have been prepared on the going concern basis as confirmation has been received from the ultimate parent company that it will continue to provide such support as is necessary for the company to meet its liabilities as they fall due.

The company is exempt from the requirement of Financial Reporting Standard No 1 (Revised) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Low & Bonar PLC, and its cash flows are included within the consolidated accounts of that company which are publicly available.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. All turnover is from one class of business in the UK, the company's only market.

2 Profit on ordinary activities before taxation

Auditors' remuneration in 2002 and 2001 was borne by the parent company.

3 Remuneration of directors

No directors received any remuneration during the year from the company (2001: £Nil).

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year analysed by category, was as follows:

	Number of employees	
	2002	2001
Management and administration	-	3
Manufacturing	-	19
	<hr/>	<hr/>
	-	22
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	-	400
Social security costs	-	37
Other pension costs	-	5
	<hr/>	<hr/>
	-	442
	<hr/>	<hr/>

Notes (continued)

5 Creditors: amounts falling due within one year

	2002 £000	2001 £000
Amounts owed to parent undertakings	2,388	2,388
	<u>2,388</u>	<u>2,388</u>

6 Called up share capital

	2002 £	2001 £
<i>Authorised:</i>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid:</i>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

7 Reconciliation of shareholders' funds and movement on reserves

	Share capital £000	Profit and loss account £000	Total £000
At 1 December 2001	-	(2,388)	(2,388)
Result for the year	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 30 November 2002	-	(2,388)	(2,388)
	<u>-</u>	<u>(2,388)</u>	<u>(2,388)</u>

8 Related party disclosures

Transactions with entities in which the Low & Bonar PLC Group of Companies has control of 90% or more of the voting rights are not disclosed as permitted by the exemption granted in Financial Reporting Standard No 8 - 'Related Party Transactions'.

9 Ultimate parent company

The largest group in which the results of the company are consolidated is that headed by Low & Bonar PLC, incorporated in Scotland. The consolidated financial statements of this company are available to the public and may be obtained from Low & Bonar PLC, Mimet House, 5A Praed Street, London, W2 1NJ.

The financial statements of Low & Bonar PLC are the only consolidated financial statements to incorporate Bonar Pack Centre Limited.