

Company No. 05898744

ARVENSIS PACKAGING FILMS LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

TUESDAY



A36SYHQP

A34

29/04/2014

#243

COMPANIES HOUSE



WALTER DAWSON & SON

CHARTERED ACCOUNTANTS & STATUTORY AUDITOR

7 Wellington Road East

Dewsbury

West Yorkshire

WF13 1HF

ARVENSIS PACKAGING FILMS LIMITED
REPORT AND FINANCIAL STATEMENTS

<u>Contents</u>	<u>Page</u>
Directors' Report	1 - 2.
Independent Auditor's Report	3 - 4
Profit and Loss Account	5.
Balance Sheet	6.
Cash Flow Statement	7 - 9.
Notes to the Financial Statements	10 - 21.

ARVENSIS PACKAGING FILMS LIMITED
DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 July 2013

1 Principal Activities

The activities of the company continued to be the manufacture and sale of rigid pet sheet

2 Business Review

The directors aim to present a balanced and comprehensive review of the development and performance of the company during the period and of its position at the period end. Our review is consistent with the size of the company and its non-complex nature, and is written in the context of risks and uncertainties we face

During the current financial year the company completed a lean manufacturing review which has resulted in certain efficiency savings and improved overall profit margins

The directors are satisfied with the results for the year and are confident that profitability will be maintained throughout the succeeding financial year

3 Dividends and Results for the Year

The results for the year ended 31 July 2013 are shown in the profit and loss account on page 5. The directors recommend the payment of a dividend of £Nil (2012: £Nil)

4 Directors

The directors who served during the year, together with their interests in shares of the company, are as follows

	<u>£1 Ordinary Shares</u>	
	<u>31 July 2013</u>	<u>1 August 2012</u>
Andrew Bairstow	0	0
Michelle Bairstow	0	0
Nicholas Bairstow	20	20
Stephen Dowe	0	0

5 Statement of Directors' Responsibilities

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:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and accounting estimates that are reasonable and prudent;

ARVENSIS PACKAGING FILMS LIMITED
DIRECTORS' REPORT

5 Statement of Directors' Responsibilities (continued)

- (c) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- (d) 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 adequate 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.

6 Statement of Disclosure of Information to Auditors

The directors of the company who held office at the date of approval of this Annual Report each confirm that

- (a) so far as they are aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

7 Auditors

The auditors, Walter Dawson & Son, having expressed their willingness to continue in office, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the Board of Directors on 8 April 2014 and signed on its behalf by:



Michelle Bairstow DIRECTOR

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ARVENSIS PACKAGING FILMS LIMITED

We have audited the financial statements of Arvensis Packaging Films Limited for the year ended 31 July 2013 on pages 5 to 21. 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 Directors' Responsibilities Statement set out on pages 1 and 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 Directors' Report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. 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.

- (a) give a true and fair view of the state of the company's affairs as at 31 July 2013 and of its profit for the year then ended,
- (b) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- (c) have been prepared in accordance with the requirements of the Companies Act 2006

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ARVENSIS PACKAGING FILMS LIMITED

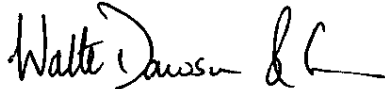
Opinion on Other Matter Prescribed by the Companies Act 2006

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

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

- (a) adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- (b) the financial statements are not in agreement with the accounting records and returns; or
- (c) certain disclosures of directors' remuneration specified by law are not made, or
- (d) we have not received all the information and explanations we require for our audit



Graham Atkinson FCA (Senior Statutory Auditor)
for and on behalf of Walter Dawson & Son, Statutory Auditor.

Chartered Accountants

7 Wellington Road East
Dewsbury
West Yorkshire
WF13 1HF

8 April 2014

ARVENSIS PACKAGING FILMS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2013

		<u>Year Ended</u> <u>31 July 2013</u>	<u>Period 1 November 2011</u> <u>to 31 July 2012</u>
	<u>Note</u>	£ £	£ £
<u>TURNOVER</u>	2	12,185,901	8,845,722
Cost of Sales		(10,566,376)	(7,601,265)
<u>GROSS PROFIT</u>		<u>1,619,525</u>	<u>1,244,457</u>
Distribution Costs		101,065	38,475
Administrative Expenses		<u>1,253,823</u>	<u>970,730</u>
		(1,354,888)	(1,009,205)
<u>OPERATING PROFIT</u>		<u>264,637</u>	<u>235,252</u>
Finance Costs	4	<u>(186,572)</u>	<u>(109,990)</u>
<u>PROFIT ON ORDINARY</u> <u>ACTIVITIES BEFORE</u> <u>TAXATION</u>	5	78,065	125,262
Tax on Profit on Ordinary Activities	6	<u>(10,042)</u>	<u>(21,863)</u>
<u>PROFIT FOR THE FINANCIAL</u> <u>PERIOD on Ordinary Activities</u> <u>After Taxation</u>	15	<u><u>68,023</u></u>	<u><u>103,399</u></u>

In each of the above periods, the only gain recognised by the company was the profit for the period. All of the activities undertaken by the company were continuing activities, and the reported profit was found under the historical cost convention

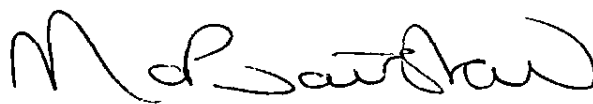
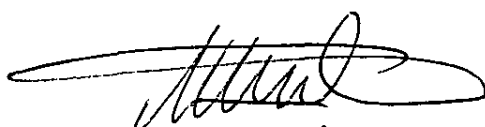
ARVENSIS PACKAGING FILMS LIMITED
BALANCE SHEET AS AT 31 JULY 2013

		<u>2013</u>	<u>2012</u>
	<u>Note</u>	£	£
<u>FIXED ASSETS</u>			
Tangible Assets	7	1,704,718	1,612,919
<u>CURRENT ASSETS</u>			
Stock and Work in Progress	8	628,268	554,299
Debtors	9	1,192,630	1,950,759
Cash at Bank and in Hand		451	451
		<u>1,821,349</u>	<u>2,505,509</u>
<u>CREDITORS</u> Amounts Falling Due Within One Year	10	<u>(2,465,785)</u>	<u>(2,999,497)</u>
<u>NET CURRENT LIABILITIES</u>		(644,436)	(493,988)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>1,060,282</u>	<u>1,118,931</u>
<u>CREDITORS</u> Amounts Falling Due After More Than One Year	11	(516,115)	(653,080)
<u>PROVISION FOR LIABILITIES</u>			
Deferred Taxation	12	<u>(134,676)</u>	<u>(124,383)</u>
		<u>409,491</u>	<u>341,468</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	13	200	20
Profit and Loss Account	15	409,291	341,268
<u>SHAREHOLDERS' FUNDS</u>		<u>409,491</u>	<u>341,468</u>

The financial statements were approved and authorised for issue by the Board of Directors on 8 April 2014 and signed on their behalf by

Michelle Bairstow DIRECTORS

Andrew Bairstow

ARVENSIS PACKAGING FILMS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2013

		<u>Year Ended</u> <u>31 July 2013</u>		<u>Period 1 November 2011</u> <u>to 31 July 2012</u>	
	<u>Note</u>	£	£	£	£
<u>CASH FLOW FROM</u>					
<u>OPERATING ACTIVITIES</u>	1	797,894		502,183	
<u>RETURNS ON INVESTMENTS</u>					
<u>AND SERVICING OF FINANCE</u>	2	(186,572)		(109,990)	
<u>TAXATION</u>		19,228		(24,327)	
<u>CAPITAL EXPENDITURE AND</u>					
<u>FINANCIAL INVESTMENTS</u>	2	(281,106)		(38,273)	
<u>EQUITY DIVIDENDS PAID</u>		-		-	
<u>CASH INFLOW BEFORE</u>					
<u>FINANCING</u>			349,444		329,593
<u>FINANCING</u>					
Issue of Shares		-		-	
Decrease in Debt	2	(185,843)		(432,890)	
			(185,843)		(432,890)
<u>INCREASE/(DECREASE) IN CASH</u>			<u>163,601</u>		<u>(103,297)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT
IN NET DEBT (NOTE 3)

	<u>Year Ended</u> <u>31 July 2013</u>		<u>Period 1 November 2011</u> <u>to 31 July 2012</u>	
	£	£	£	£
<u>INCREASE/(DECREASE) IN CASH</u>	163,601		(103,297)	
Cash Outflow from Movement in Debt and Hire Purchase Contracts and Lease Financing	<u>951,998</u>		<u>432,890</u>	
<u>CHANGE IN NET DEBT</u>				
<u>RESULTING FROM CASH FLOWS</u>	1,115,599		329,593	
New Hire Purchase Contracts and Finance Leases	(766,155)		-	
<u>MOVEMENT IN NET DEBT</u>		349,444		329,593
Net Debt at 1 August 2012		<u>(1,496,049)</u>		<u>(1,825,642)</u>
Net Debt at 31 July 2013		<u>(1,146,605)</u>		<u>(1,496,049)</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2013

1. Reconciliation of Operating Profit to Operating Cash Flows

	Year Ended 31 July 2013	Period 1 November 2011 to 31 July 2012
	£	£
Operating Profit	264,637	235,252
Depreciation	189,307	255,449
(Increase)/Decrease in Stocks	(73,969)	(16,918)
(Increase)/Decrease in Debtors	735,728	(704,938)
Increase/(Decrease) in Creditors	(317,809)	733,338
<u>Net Cash Inflow from Operating Activities</u>	<u>797,894</u>	<u>502,183</u>

2 Analysis of Cash Flows For Headings Netted in the Cash Flow Statement

(i) Returns on Investment and Servicing of Finance

	Year Ended 31 July 2013	Period 1 November 2011 to 31 July 2012
	£	£
Gain/(Loss) on Foreign Currency Translations	(20,643)	8,460
Interest Paid	(32,896)	(31,918)
Interest Element of Hire Purchase Contracts and Finance Lease Payments	(133,033)	(86,532)
<u>Net Cash Outflow for Returns on Investments and Servicing of Finance</u>	<u>(186,572)</u>	<u>(109,990)</u>

	Year Ended 31 July 2013	Period 1 November 2011 to 31 July 2012
	£	£
(ii) <u>Capital Expenditure and Financial Investment</u>		
Purchase of Tangible Fixed Assets	(281,106)	(38,273)
<u>Net Cash Outflow for Capital Expenditure and Financial Investment</u>	<u>(281,106)</u>	<u>(38,273)</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2013

2. Analysis of Cash Flows For Headings Netted in the Cash Flow Statement (continued)

(iii) <u>Financing</u>	Year Ended 31 July 2013 £	Period 1 November 2011 to 31 July 2012 £
Issue of Ordinary Share Capital	-	-
Debt Due Within One Year		
New Bank Loans Obtained	-	-
Repayment of Bank Loans	(56,369)	(8,485)
Debt Due Beyond One Year		
New Bank Loans Obtained	-	-
Repayment of Bank Loans	(112,432)	(112,364)
Capital Element of Hire Purchase Contracts and Finance Lease Payments	(17,042)	(312,041)
<u>Net Cash Outflow from Financing</u>	<u>(185,843)</u>	<u>(432,890)</u>

3 Analysis of Net Debt

	At 1 August 2012 £	Cashflows £	£	Other Non Cash Changes £	At 31 July 2013 £
Cash at Bank and in Hand	451	-		-	451
Bank Overdraft	(233,443)	163,601	163,601	-	(69,842)
Bank Loans Due After One Year	(135,349)	112,432		-	(22,917)
Bank Loans Due Within One Year	(168,802)	56,369		-	(112,433)
Hire Purchase Contracts and Finance Leases	(958,906)	783,197	951,998	(766,155)	(941,864)
<u>Total</u>	<u>(1,496,049)</u>		<u>1,115,599</u>	<u>(766,155)</u>	<u>(1,146,605)</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are as follows.

(a) Accounting Convention

The financial statements are prepared under the historical cost convention

(b) Tangible Fixed Assets

Depreciation is provided on a reducing balance basis over the expected useful lives of each category of tangible fixed assets

Plant and Machinery	10 to 25% per annum on written down
Motor Vehicles	25% per annum on written down value
Fixtures and Fittings	25% per annum on written down value

(c) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

(d) Leases and Hire Purchase Contracts

Assets held under finance leases and hire purchase contracts and the relating obligations are recorded in the balance sheet at the fair value of the assets at the inception of the agreements. The excess of the payments over the recorded obligations are treated as finance charges which are amortised over the term of each agreement to give a constant rate of charge on the remaining balance of the obligation.

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases

(e) Finance Costs of Debt

The finance costs of debt, including interest and issue costs, are allocated to each period over the term of the debt and charged to the profit and loss account at a constant rate on the outstanding amount

(f) Deferred Taxation

Deferred taxation is recognised in respect of all timing differences, between the treatment of certain items for accounts purposes and their treatment for tax purposes, that have originated but not reversed by the balance sheet date.

Deferred taxation is not recognised when assets are revalued unless, by the balance sheet date, the company has entered into a binding agreement to sell the assets and recognised the gains and losses expected to arise on sale or where assets have been sold and it is expected that the taxable gain will be rolled over into a replacement asset

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

1 ACCOUNTING POLICIES (continued)

(g) Pension Costs

The company has a defined contribution pension scheme. The cost of the contributions made by the company to the scheme are charged to the profit and loss account as incurred.

(h) Foreign Currency Translations

Assets and liabilities denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the average rate for the year. All exchange differences are dealt with through the profit and loss account.

(i) Government Grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account by equal annual instalments over the expected useful life of the relevant assets.

2 TURNOVER

Turnover represents the value of goods sold and the services provided net of value added tax.

The turnover and profit or loss before taxation is attributable to the company's principal activity.

The geographical analysis of turnover is as follows:

	Year Ended 31 July 2013	Period 1 November 2011 to 31 July 2012
	£	£
United Kingdom	11,777,213	8,029,436
Europe	408,688	816,286
	<u>12,185,901</u>	<u>8,845,722</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	Year Ended 31 July 2013 £	Period 1 November 2011 to 31 July 2012 £
<u>Directors' Remuneration</u>		
Salary	81,750	49,500
Benefits in Kind	5,881	4,244
	<u>87,631</u>	<u>53,744</u>
Pension Contributions Under A Money Purchase Scheme	-	-
	<u>87,631</u>	<u>53,744</u>
<u>Number of Directors for Whom Pension Benefits Are Accrued Under.</u>	<u>No.</u>	<u>No.</u>
A Defined Benefit Scheme	0	0
A Money Purchase Scheme	0	0
	<u>0</u>	<u>0</u>
<u>Highest Paid Director</u>		Period 1 November 2011 to 31 July 2012
	Year Ended 31 July 2013 £	£
Remuneration	39,550	30,550
Defined Benefit Pension Scheme		
Accrued Pension	-	-
Accrued Lump Sum	-	-
	<u>39,550</u>	<u>30,550</u>
<u>Employee Costs During the Year</u>		Period 1 November 2011 to 31 July 2012
	Year Ended 31 July 2013 £	£
Wages and Salaries	879,860	594,333
Social Security Costs	66,973	48,142
Other Pension Costs	855	608
	<u>947,688</u>	<u>643,083</u>
<u>Average Number of Persons Employed</u>	<u>No.</u>	<u>No.</u>
Distribution and Selling	1	2
Production	26	26
Administration	1	1
	<u>28</u>	<u>29</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

4 FINANCE COSTS

	Year Ended 31 July 2013	Period 1 November 2011 to 31 July 2012
	£	£
Interest on Bank Overdrafts	5,031	1,264
Interest Payable and Issue Costs on Loans	16,707	19,931
Finance Charges on Finance Leases and Hire Purchase Contracts	133,033	86,532
Interest on Debt Factoring Advances	11,158	10,723
(Gain)/Loss on Foreign Currency Translations	20,643	(8,460)
	<u>186,572</u>	<u>109,990</u>

5 PROFIT ON ORDINARY ACTIVITIES BEFORE
TAXATION

	Year Ended 31 July 2013	Period 1 November 2011 to 31 July 2012
	£	£
<u>Profit on Ordinary Activities</u> <u>before Taxation is After Charging</u>		
Debt Factoring Charges	5,503	3,446
Amortisation	-	(11,555)
Depreciation	189,307	255,449
Auditor's Remuneration.		
Audit Work	2,400	5,100
Taxation	-	-
Other Services	-	-
Rentals Under Operating Leases.		
Hire of Plant and Machinery	1,829	4,116
Other Operating Leases	<u>139,950</u>	<u>104,963</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>Year Ended</u> <u>31 July 2013</u>	<u>Period 1 November 2011</u> <u>to 31 July 2012</u>
	£	£
<u>Current Tax</u>		
UK Corporation Tax on the Profit for the Period	-	3,424
Interest on Late Payment of Prior Periods Tax	<u>(251)</u>	<u>1,772</u>
	(251)	5,196
<u>Deferred Taxation</u>		
Origination and Reversal of Timing Differences	<u>10,293</u>	<u>16,667</u>
	<u>10,042</u>	<u>21,863</u>

The tax assessed for the period is lower (2012 : lower) than the standard rate of corporation tax in the UK of 20% (2012 : 20%). The differences are explained as follows

	<u>Year Ended</u> <u>31 July 2013</u>	<u>Period 1</u> <u>November</u> <u>2011 to 31</u> <u>July 2012</u>
	£	£
Profit on Ordinary Activities before Tax	<u>78,065</u>	<u>125,262</u>
Profit on Ordinary Activities Multiplied by Standard Rate of Corporation Tax in the UK of 20% (2012 : 20%)	15,613	25,052
<u>Effects of</u>		
Expenses not Deductible for Tax Purposes	1,490	(2,284)
Capital Allowances for Year in Excess of Depreciation	(10,282)	4,270
Group Relief	(6,821)	(2,667)
Utilisation of Tax Losses	-	(20,947)
Adjustments to Tax Charge in Respect of Prior Years	(251)	1,772
Current Tax Charge for Year	<u>(251)</u>	<u>5,196</u>

Based on the current capital investment plans, the company expects to be able to continue to claim capital allowances in excess of depreciation in future years at a slightly lower level than in the current year

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

7 TANGIBLE FIXED ASSETS

	Motor Vehicles	Plant and Machinery	Fixtures and Fittings	Total
	£	£	£	£
<u>Cost</u>				
At 1 August 2012	20,303	2,534,205	10,450	2,564,958
Addition from Group Company	-	14,325	-	14,325
Additions	-	387,556	-	387,556
At 31 July 2013	<u>20,303</u>	<u>2,936,086</u>	<u>10,450</u>	<u>2,966,839</u>
<u>Depreciation:</u>				
At 1 August 2012	15,519	929,406	7,114	952,039
Addition from Group Company	-	120,775	-	120,775
Charge for Year	1,196	187,277	834	189,307
At 31 July 2013	<u>16,715</u>	<u>1,237,458</u>	<u>7,948</u>	<u>1,262,121</u>
<u>Net Book Value</u>				
At 31 July 2013	<u>3,588</u>	<u>1,698,628</u>	<u>2,502</u>	<u>1,704,718</u>
At 31 July 2012	<u>4,784</u>	<u>1,604,799</u>	<u>3,336</u>	<u>1,612,919</u>

The net book value of tangible fixed assets includes £1,319,674 (2012 £1,229,240) in respect of assets held under hire purchase contracts and finance leases. The depreciation charge for the year on those assets amounted to £146,631 (2012 £96,589).

8 STOCK AND WORK IN PROGRESS

	2013	2012
	£	£
Raw Materials	559,115	442,233
Finished Goods	69,153	112,066
	<u>628,268</u>	<u>554,299</u>

The directors believe the replacement cost of stock at the balance sheet date is not materially different from the amount shown above

9 DEBTORS

	2013	2012
	£	£
Trade Debtors	714,356	1,229,680
<u>Less</u> Debt Factoring Advances	<u>(287,122)</u>	<u>(468,643)</u>
	427,234	761,037
Amount Owed by Group Company	499,063	994,103
Amount Owed by Related Party	153,864	-
Other Debtors	110,307	152,431
Prepayments and Accrued Income	2,162	20,787
Corporation Tax Recoverable	-	22,401
	<u>1,192,630</u>	<u>1,950,759</u>

The debt factoring advances are secured on the trade book debts of the company.

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

10 CREDITORS Amounts Falling Due Within One Year	2013 £	2012 £
Bank Loan and Overdraft	182,275	402,245
Trade Creditors	1,775,656	1,944,137
Amount Owed to Related Party	-	175,600
Obligations Under Finance Leases and Hire Purchase Contracts	448,666	441,175
Other Taxes and Social Security	20,212	14,009
Corporation Tax	-	3,424
Directors' Loans	11,026	11,026
Other Creditors	9,300	1,837
Accruals and Deferred Income	18,650	6,044
	<u>2,465,785</u>	<u>2,999,497</u>
11 CREDITORS: Amounts Falling Due After More Than One Year	2013 £	2012 £
Bank Loan	22,917	135,349
Obligations Under Finance Leases and Hire Purchase Contracts	493,198	517,731
	<u>516,115</u>	<u>653,080</u>
<u>Analysis of Borrowings Under Bank Loans.</u>	2013 £	2012 £
Due Within One Year	112,433	168,802
Due Between One and Two Years	22,917	112,433
Due Between Two and Five Years	-	22,916
Due After Five Years or More	-	-
	<u>135,350</u>	<u>304,151</u>
Total Amount Falling Due After Five Years Not Repayable by Instalments	-	-
Total Amount Repayable by Instalments Which Fall Due For Payment After Five Years	-	-
	<u>-</u>	<u>-</u>

Interest on the bank loan, which is repayable on 31 October 2014, is charged at a commercial rate of interest. The bank loan and overdraft are secured by a group cross guarantee, and a debenture giving a fixed and a group floating charge over all assets of the company, and its other group companies.

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

11 CREDITORS. Amounts Falling Due After
More Than One Year (continued)

Obligations Under Finance Leases and Hire
Purchase Contracts

	<u>2013</u>	<u>2012</u>
	£	£
Due Within One Year	544,979	514,076
Due Between One and Five Years	612,134	545,195
Due After Five Years or More	-	-
	<u>1,157,113</u>	<u>1,059,271</u>
<u>Less</u>		
Finance Charges Allocated to Future Years	(215,249)	(100,365)
	<u><u>941,864</u></u>	<u><u>958,906</u></u>

The obligations under finance leases and hire purchase contracts are secured by a charge on the assets purchased under these agreements.

A Bairstow and M Bairstow, who are directors of the company, have also given a personal guarantee, joint and severally, of £75,000 against a hire purchase agreement of the company

12 PROVISIONS FOR LIABILITIES

	<u>2013</u>	<u>2012</u>
	£	£
<u>Provision for Deferred Taxation</u>		
At 1 August 2012	124,383	107,716
Amount Transferred to or from the Profit and Loss Account in the Period	10,293	16,667
At 31 July 2013	<u><u>134,676</u></u>	<u><u>124,383</u></u>

A provision for deferred taxation has been made in these financial statements as above. The amount provided is made up as follows:

	<u>2013</u>	<u>2012</u>
	£	£
Accelerated Capital Allowances	134,676	124,383
<u>Less</u> Unrelieved Tax Losses	-	-
	<u><u>134,676</u></u>	<u><u>124,383</u></u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

13 CALLED UP SHARE CAPITAL

	<u>2013</u>	<u>2012</u>
	<u>£</u>	<u>£</u>
		<u>Allotted and Fully Paid</u>
<u>Equity Shares</u>		
Ordinary Shares of £1 each	<u>200</u>	<u>200</u>

14 RECONCILIATION OF MOVEMENT IN
SHAREHOLDERS FUNDS

	<u>Year Ended 31 July 2013</u>	<u>Period 1 November 2011 to 31 July 2012</u>
	<u>£</u>	<u>£</u>
Profit for the Financial Period	68,023	103,399
Dividends	-	-
Net Addition to Shareholders Funds	<u>68,023</u>	<u>103,399</u>
Shareholders Funds as at 1 August 2012	<u>341,468</u>	<u>238,069</u>
Shareholders Funds as at 31 July 2013	<u>409,491</u>	<u>341,468</u>

15 RESERVES

	<u>Year Ended 31 July 2013</u>	<u>Period 1 November 2011 to 31 July 2012</u>
	<u>£</u>	<u>£</u>
		<u>Profit and Loss Account</u>
At 1 August 2012	341,268	237,869
Profit for the Period	68,023	103,399
Dividends on Ordinary Shares Paid in the Period	-	-
At 31 July 2013	<u>409,291</u>	<u>341,268</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

16 OPERATING LEASES

At 31 July 2013 the company was committed to making the following payments during the next year in respect of operating leases

	<u>Land and Buildings</u> £	<u>Other</u> £
<u>Leases Which Expire:</u>		
Within One Year	-	-
Between One to Five Years	139,950	-
After Five Years	-	-
	<u>139,950</u>	<u>-</u>

17 PENSION COMMITMENTS

The assets of the pension scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable by the company to the fund and amounted to £855 (2012 £608). Contributions totalling £Nil (2012 £Nil) were payable at the year end and are included in creditors.

18 RELATED PARTY TRANSACTIONS

Mr Andrew Bairstow and Mrs Michelle Bairstow through their control of the shares in the parent company, and together with their involvement in its day-to-day management, are deemed to be the controlling party for the purpose of Financial Reporting Standard No 8.

During the period ended 31 July 2013 the following transactions took place between Arvensis Packaging Films Limited and its related parties:

The company operates from premises owned by J & H Property Management Limited who until 1 January 2012 was a group company and from 1 January 2012 was a related party due to it being under the control of Andrew and Michelle Bairstow. Rent of £139,950 (2012 £104,963) was paid in the period. Electricity was recharged to Arvensis Packaging Films of £479,769 (2012 £212,749).

The following transactions took place with Promotional Forming and Finishing Limited, a group company. Sales of £9,462,333 (2012 £5,954,998), purchase of waste material for reprocessing of £3,925,402 (2012 £2,351,809) and management charges for administration and management provided of £329,230 (2012 £266,931). Due to the premises used being shared with Promotional Forming and Finishing Limited, rates, insurance and some miscellaneous expenses are also recharged amounting to £99,428 (2012 £71,056). A fixed asset with a net book value of £266,781 (2012 £Nil) was transferred to Arvensis Packaging Films Limited during the year.

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

18 RELATED PARTY TRANSACTIONS (continued)

Debtors includes the following amounts owed by other group companies:

Name	2013	2012
	£	£
Promotional Forming and Finishing Limited	497,164	992,204
PFF Packaging Limited	1,899	1,899
	<u>499,033</u>	<u>994,103</u>

Debtors includes the following amounts owed by related parties

Name	2013	2012
	£	£
J & H Property Management Limited	153,864	-
	<u>153,864</u>	<u>-</u>

Creditors falling due within one year includes the following amounts owed to related parties

Name	2013	2012
	£	£
J & H Property Management Limited	-	175,600
	<u>-</u>	<u>175,600</u>

Creditors falling due within one year includes the following directors' loans:

Name	2013	2012
	£	£
Nicholas Bairstow	11,026	11,026
	<u>11,026</u>	<u>11,026</u>

ARVENSIS PACKAGING FILMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2013

19 THE PARENT COMPANY

The parent company is PFF Packaging Limited, a company registered in England

20 CONTINGENT LIABILITIES

The company bankers hold as security cross guarantee's against the bank borrowings of other group companies. As at 31 July 2013, this liability amounted to £2,580,264 (2012 . £2,324,804)