

**Registration number 07417000**

**ST CUTHBERTS MILL LIMITED**

**Directors' report and audited financial statements**

**for the year ended 31st October 2011**



**TAYLOR VINEY & MARLOW**  
**Chartered Accountants**  
**Registered Auditors**

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## **ST CUTHBERTS MILL LIMITED**

### **Company information**

Directors	J H Bernander A R Mason M Bell C Stott	(resigned on 14 December 2010) (resigned on 17 May 2011) (appointed on 9 December 2010) (appointed on 9 December 2010)
Company number	07417000	
Registered office	St Cuthberts Paper Mill Haybridge Wells Somerset BA5 1AG	
Auditors	Taylor Viney & Marlow 1422/24 London Road Leigh on Sea Essex SS9 2UL	
Solicitors	Cooke, Young & Keidan Candlewick House 120 Cannon Street London EC4N 6AS	

# **ST CUTHBERTS MILL LIMITED**

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# **ST CUTHBERTS MILL LIMITED**

## **Directors' report for the year ended 31st October 2011**

The directors present their report and the financial statements for the year ended 31st October 2011

### **Incorporation and change of name**

The company was incorporated on 22nd October 2010 as ST CUTHBERTS MILL LIMITED. The company commenced trade on 3rd November 2010.

### **Principal activity**

The principal activity of the company was that of a paper mill.

### **Directors and their interests**

The directors who served during the year and their respective interests in the company are stated below.

		<b>Class of share</b>	<b>31/10/11</b>	<b>01/11/10</b>
J H Bernander	(resigned on 14 December 2010)	Ordinary shares	-	-
A R Mason	(resigned on 17 May 2011)	Ordinary shares	-	-
M Bell	(appointed on 9 December 2010)	Ordinary shares	-	-
C Stott	(appointed on 9 December 2010)	Ordinary shares	-	-

### **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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

In so far as the directors 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
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ST CUTHBERTS MILL LIMITED**

**Directors' report  
for the year ended 31st October 2011**

continued

**Auditors**

Taylor Viney & Marlow were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

This report was approved by the Board on 13th March 2012 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'C Stott', written over a horizontal line.

**C Stott  
Director**

**Independent auditor's report to the shareholders of  
ST CUTHBERTS MILL LIMITED**

We have audited the financial statements of ST CUTHBERTS MILL LIMITED for the year ended 31st October 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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**

As explained more fully in the Directors' Responsibilities Statement set out on page 1 - 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 (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out below.

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**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 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 of 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 31st October 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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.

**Independent auditor's report to the shareholders of  
ST CUTHBERTS MILL LIMITED**

continued

**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 financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



**Christopher J Taylor FCA (senior statutory auditor)  
For and on behalf of Taylor Viney & Marlow  
Chartered Accountants and  
and Registered Auditors  
13th March 2012**

**1422/24 London Road  
Leigh on Sea  
Essex  
SS9 2UL**

**ST CUTHBERTS MILL LIMITED**

**Profit and loss account  
for the year ended 31st October 2011**

		<b>2011</b>
	<b>Notes</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	2,999,654
Cost of sales		(2,062,815)
<b>Gross profit</b>		<u>936,839</u>
Administrative expenses		(630,526)
<b>Operating profit</b>	<b>3</b>	<u>306,313</u>
Other interest receivable and similar income		10
Interest payable and similar charges		<u>(28,000)</u>
<b>Profit on ordinary activities before taxation</b>		278,323
Tax on profit on ordinary activities	<b>6</b>	<u>(62,200)</u>
<b>Profit for the year</b>		<u><u>216,123</u></u>

**The notes on pages 7 to 12 form an integral part of these financial statements.**



# ST CUTHBERTS MILL LIMITED

## Balance sheet as at 31st October 2011

	Notes	2011 £	£
<b>Fixed assets</b>			
Tangible assets	7		729,000
<b>Current assets</b>			
Stocks & work in progress		664,742	
Debtors	8	506,647	
Cash at bank and in hand		90,293	
		<u>1,261,682</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(718,265)</u>	
<b>Net current assets</b>			<u>543,417</u>
<b>Total assets less current liabilities</b>			1,272,417
<b>Creditors: amounts falling due after more than one year</b>	10		(924,094)
<b>Provisions for liabilities</b>	11		<u>(32,200)</u>
<b>Net assets</b>			<u>316,123</u>
<b>Capital and reserves</b>			
Called up share capital	13		100,000
Profit and loss account			<u>216,123</u>
<b>Shareholders' funds</b>			<u>316,123</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies

The financial statements were approved by the Board on 13th March 2012 and signed on its behalf by

C Stott  
Director



Registration number 07417000

The notes on pages 7 to 12 form an integral part of these financial statements.

## **ST CUTHBERTS MILL LIMITED**

### **Notes to the financial statements for the year ended 31st October 2011**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities

##### **1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	10% straight line
Fixtures, fittings and equipment	-	10% straight line

##### **1.4. Leasing**

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

##### **1.5. Stock and work in progress**

Stock is valued at the lower of cost and net realisable value  
Work in progress is valued at market value

##### **1.6. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year

##### **1.7. 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, except to the extent that the directors consider that a liability to taxation is unlikely to materialise

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

# ST CUTHBERTS MILL LIMITED

## Notes to the financial statements for the year ended 31st October 2011

continued

### 1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

### 2. Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 54% for the year.

### 3. Operating profit

2011  
£

Operating profit is stated after charging

Depreciation and other amounts written off tangible assets

81,000

### 4. Directors' remuneration

2011  
£

Remuneration and other benefits

14,583

### 5. Pension costs

The company operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £27,298 (2010 - £Nil).

# ST CUTHBERTS MILL LIMITED

## Notes to the financial statements for the year ended 31st October 2011

continued

### 6. Tax on profit on ordinary activities

Analysis of charge in period	2011 £
<b>Current tax</b>	
UK corporation tax	30,000
Total current tax charge	<u>30,000</u>
<b>Deferred tax</b>	
Timing differences, origination and reversal	32,200
Total deferred tax	<u>32,200</u>
Tax on profit on ordinary activities	<u>62,200</u>

### 7. Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
Additions	800,000	10,000	810,000
At 31st October 2011	<u>800,000</u>	<u>10,000</u>	<u>810,000</u>
<b>Depreciation</b>			
Charge for the year	80,000	1,000	81,000
At 31st October 2011	<u>80,000</u>	<u>1,000</u>	<u>81,000</u>
<b>Net book value</b>			
At 31st October 2011	<u>720,000</u>	<u>9,000</u>	<u>729,000</u>

# ST CUTHBERTS MILL LIMITED

## Notes to the financial statements for the year ended 31st October 2011

continued

<b>8. Debtors</b>	<b>2011</b>
	<b>£</b>
Trade debtors	415,718
Other debtors	65,239
Prepayments and accrued income	25,690
	<u>506,647</u>
<b>9. Creditors: amounts falling due within one year</b>	<b>2011</b>
	<b>£</b>
Other loans	269,000
Trade creditors	190,387
Corporation tax	30,000
Other taxes and social security costs	67,381
Other creditors	121,335
Accruals and deferred income	40,162
	<u>718,265</u>
<b>10. Creditors: amounts falling due after more than one year</b>	<b>2011</b>
	<b>£</b>
Amount due to group undertaking	<u>924,094</u>
<b>11. Provisions for liabilities</b>	
	<b>Deferred taxation (Note 12)</b>
	<b>£</b>
Movements in the year	32,200
At 31st October 2011	<u>32,200</u>
	<b>Total</b>
	<b>£</b>
	<u>32,200</u>

**ST CUTHBERTS MILL LIMITED**

**Notes to the financial statements  
for the year ended 31st October 2011**

continued

<b>12. Provision for deferred taxation</b>	<b>2011 £</b>
Deferred tax charge in profit and loss account	32,200
Provision at 31st October 2011	<u>32,200</u>
<b>13. Share capital</b>	<b>2011 £</b>
<b>Authorised</b>	
100,000 Ordinary shares of £1 each	<u>100,000</u>
<b>Allotted, called up and fully paid</b>	
100,000 Ordinary shares of £1 each	<u>100,000</u>
<b>Equity Shares</b>	
100,000 Ordinary shares of £1 each	<u>100,000</u>

# ST CUTHBERTS MILL LIMITED

## Notes to the financial statements for the year ended 31st October 2011

continued

### 14. Financial commitments

At 31st October 2011 the company had annual commitments under non-cancellable operating leases as follows

	<b>Plant &amp; machinery 2011 £</b>
<b>Expiry date:</b>	
Within one year	54,175
Between one and five years	-
	<u>54,175</u>
	<b>Land &amp; buildings 2011 £</b>
<b>Expiry date:</b>	
Within one year	24,010
Between one and five years	24,010
	<u>48,020</u>

### 15. Contingent liabilities

The company is in legal dispute with an energy consulting company who are alleged to have misrepresented their service provision regarding potential but unrealised savings on gas and electric supplies. The company has taken benefit of legal advice in support of its stated legal position and no additional provisions are considered necessary at this time.

### 16. Controlling interest

The company is a wholly owned subsidiary of St Cuthberts Holdings Limited, a company incorporated in England.