

Foil Ribbon & Impact Printing Group Limited

Registered number: SC049498

Directors' report and financial statements

For the year ended 31 March 2014

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FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

COMPANY INFORMATION

DIRECTORS	L W Gibson J D Gibson J S Burns S A Morris P R Hebert
COMPANY SECRETARY	L W Gibson
REGISTERED NUMBER	SC049498
REGISTERED OFFICE	4 Rutherford Court 15 North Avenue Clydebank Business Park Clydebank Dunbartonshire G81 2QP
INDEPENDENT AUDITORS	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP
BANKERS	Yorkshire Bank Plc 29 Horsefair Street Leicester LE1 5NL
SOLICITORS	Gateley LLP Knightsbridge House Lower Brown Street Leicester LE1 5NL

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

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FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014

INTRODUCTION

The Directors present their strategic report for Foil Ribbon & Impact Printing Group Limited (the Group) for the year ended 31 March 2014

REVIEW AND ANALYSIS OF THE BUSINESS DURING THE CURRENT YEAR

The Group continued its principal activities as decorative print finishers through the provision of specialist lamination, varnishing, foil blocking and print finishing services. The Group continued to invest in its new range of window lamination and specialist film lamination services and in February 2014 relocated its London facility to Redhill, Surrey.

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators are EBITDA (earnings before interest, tax, depreciation and amortisation), cash generated from operating activities, gross profit margins and the careful management of administrative expenses.

These are summarised below:

	2014 £'000	2013 £'000	% Change
EBITDA	654	724	-10%
Cash generated from operations	901	379	+238%
Gross profit margin	47%	46%	+1%
Administrative expenses*	2,378	2,493	-4.6%

*Excluding exceptional relocation costs of £79,234 (2013 - £Nil) incurred during the year.

DEVELOPMENT AND FINANCIAL PERFORMANCE DURING THE YEAR

As reported in the Group's profit and loss account profit before tax for the year was £156,674 (2013 - £303,489) and after tax was £124,595 (2013 - £278,146) profit. The reduction in reported profit for the year was a consequence of the relocation of the London facility and the continued investment in developing new and innovative window lamination services. Underlying profitability before tax, excluding these costs was in excess of £300,000.

The Group continues to focus on developing innovative services to the general print, packaging and publishing markets where higher added value can be achieved and with less reliance on commodity based services.

FINANCIAL POSITION AS AT 31 MARCH 2014

The balance sheet shows the Group's net assets at the year end has increased to £2,461,585 from £2,386,990 during the year.

As reported above the Group generated cash from operating activities of £900,748 and invested £833,039 in capital equipment, allowing it to expand its range of services. These investments were largely funded from cash generation and asset disposals. Despite these investments the net debt reduced by £213,211 during the year.

This report was approved by the board on 8 December 2014 and signed on its behalf.

L W Gibson
Director



FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the group strategic report, 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 the group and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activities of the group during the year continued to be that of decorative print finishers, the provision of foil stamping and embossing services, and the production of metallised packaging products.

RESULTS AND DIVIDENDS

The profit for the year, after taxation and minority interests, amounted to £106,769 (2013 - £270,113).

Particulars of dividends paid are detailed in note 20 to the financial statements.

DIRECTORS

The directors who served during the year were:

L W Gibson
J D Gibson
J S Burns
S A Morris
P R Hebert

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

DISCLOSURE 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 and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

AUDITORS

Mazars LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report was approved by the board on 8 December 2014 and signed on its behalf.



L W Gibson
Director

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

We have audited the financial statements of Foil Ribbon & Impact Printing Group Limited for the year ended 31 March 2014 which comprise the group profit and loss account, the group and company balance sheets, the group consolidated cash flow statement and the related notes. 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).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement 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. 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2014 and of the group's 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 THE 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.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Paul Johnson (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

8 December 2014

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
TURNOVER	1,2	5,808,204	6,121,902
Cost of sales		<u>(3,100,686)</u>	<u>(3,288,067)</u>
GROSS PROFIT		2,707,518	2,833,835
Administrative expenses		(2,378,181)	(2,493,475)
Exceptional administrative expenses		(79,234)	-
Total administrative expenses		(2,457,415)	(2,493,475)
Other operating income	3	<u>11,040</u>	<u>41,598</u>
OPERATING PROFIT	4	261,143	381,958
Interest receivable and similar income		49	55
Interest payable and similar charges	8	<u>(104,518)</u>	<u>(78,524)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		156,674	303,489
Tax on profit on ordinary activities	9	<u>(32,079)</u>	<u>(25,343)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		124,595	278,146
Minority interests		<u>(17,826)</u>	<u>(8,033)</u>
PROFIT FOR THE FINANCIAL YEAR	18	<u><u>106,769</u></u>	<u><u>270,113</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The notes on pages 10 to 26 form part of these financial statements.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

Registered number: SC049498

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	10		4,142,665		3,959,832
CURRENT ASSETS					
Stocks	12	215,193		217,559	
Debtors	13	1,671,384		2,035,911	
Cash at bank and in hand		<u>39,975</u>		<u>217,221</u>	
		1,926,552		2,470,691	
CREDITORS: amounts falling due within one year	14	<u>(2,318,942)</u>		<u>(2,766,739)</u>	
NET CURRENT LIABILITIES			<u>(392,390)</u>		<u>(296,048)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,750,275		3,663,784
CREDITORS: amounts falling due after more than one year	15		(1,029,690)		(1,049,873)
PROVISIONS FOR LIABILITIES					
Deferred tax	16		<u>(259,000)</u>		<u>(226,921)</u>
NET ASSETS			<u>2,461,585</u>		<u>2,386,990</u>
CAPITAL AND RESERVES					
Called up share capital	17		109,840		109,840
Share premium account	18		966,609		966,609
Revaluation reserve	18		248,861		292,622
Other reserves	18		24,111		24,111
Profit and loss account	18		<u>1,110,265</u>		<u>1,009,735</u>
SHAREHOLDERS' FUNDS	19		2,459,686		2,402,917
MINORITY INTERESTS	21		<u>1,899</u>		<u>(15,927)</u>
			<u>2,461,585</u>		<u>2,386,990</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 December 2014.

L W Gibson
Director



J S Burns
Director



The notes on pages 10 to 26 form part of these financial statements.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

COMPANY BALANCE SHEET AS AT 31 MARCH 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	10		3,529,098		3,164,628
Investments	11		<u>1,249,545</u>		<u>1,249,545</u>
			4,778,643		4,414,173
CURRENT ASSETS					
Debtors	13	90,611		517,327	
Cash at bank		<u>18,080</u>		<u>50,878</u>	
		108,691		568,205	
CREDITORS: amounts falling due within one year	14	<u>(591,378)</u>		<u>(1,659,230)</u>	
NET CURRENT LIABILITIES			<u>(482,687)</u>		<u>(1,091,025)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,295,956		3,323,148
CREDITORS: amounts falling due after more than one year	15		(2,119,277)		(1,026,290)
PROVISIONS FOR LIABILITIES					
Deferred tax	16		<u>(234,000)</u>		<u>(215,969)</u>
NET ASSETS			<u>1,942,679</u>		<u>2,080,889</u>
CAPITAL AND RESERVES					
Called up share capital	17		109,840		109,840
Share premium account	18		966,609		966,609
Revaluation reserve	18		248,861		292,622
Other reserves	18		24,111		24,111
Profit and loss account	18		<u>593,258</u>		<u>687,707</u>
SHAREHOLDERS' FUNDS	19		<u>1,942,679</u>		<u>2,080,889</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 December 2014

L W Gibson
Director



J S Burns
Director



The notes on pages 10 to 26 form part of these financial statements.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	22	900,748	379,365
Returns on investments and servicing of finance	23	(104,469)	(78,469)
Taxation	23	(5,760)	(5,608)
Capital expenditure and financial investment	23	(125,093)	(226,065)
Equity dividends paid		(50,000)	(50,000)
CASH INFLOW BEFORE FINANCING		615,426	19,223
Financing	23	(792,672)	130,879
(DECREASE)/INCREASE IN CASH IN THE YEAR		<u>(177,246)</u>	<u>150,102</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT FOR THE YEAR ENDED 31 MARCH 2014

	2014 £	2013 £
(Decrease)/Increase in cash in the year	(177,246)	150,102
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	792,672	(944,987)
Cash outflow in respect of hire purchase	-	389,108
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	615,426	(405,777)
New hire purchase agreements	<u>(402,215)</u>	<u>(380,398)</u>
MOVEMENT IN NET DEBT IN THE YEAR	213,211	(786,175)
Net debt at 1 April 2013	<u>(2,469,584)</u>	<u>(1,683,409)</u>
NET DEBT AT 31 MARCH 2014	<u>(2,256,373)</u>	<u>(2,469,584)</u>

The notes on pages 10 to 26 form part of these financial statements.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Foil Ribbon & Impact Printing Group Limited and all of its subsidiary undertakings ('subsidiaries') using acquisition accounting.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of value added tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation and any provision for impairment. Where existing unimpaired plant and equipment are stated at valuation, the group has taken advantage of the transitional arrangements in FRS 15 to retain these book values. The valuation details are discussed in note 10. Where an asset that was previously revalued is disposed of, its book value is eliminated and an appropriate transfer from the revaluation reserve to the profit and loss account.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Plant & machinery	-	10 years reducing balance
Motor vehicles	-	4 years straight line
Fixtures & fittings	-	10 years straight line
Office equipment	-	4 years straight line

An amount equal to the excess of the depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss.

Freehold land and buildings are included at valuation, all surpluses and deficits arising on the valuation of properties are transferred to the revaluation reserve, except for those deficits expected to be permanent, which are included in profit and loss. Land is not depreciated.

1.5 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.6 Hire purchase agreements

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. 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 on an actuarial basis.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the profit and loss account 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.

1.8 Stocks

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

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 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.

1.11 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.

1.12 Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as either 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.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

2. TURNOVER

The whole of the turnover is attributable to the one principal activity of the group.

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2014 £	2013 £
Rent receivable	11,040	31,320
Other operating income	-	10,278
	<u>11,040</u>	<u>41,598</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the group	321,523	271,489
- held under hire purchase agreements.	71,006	70,264
Operating lease rentals:		
- other operating leases	315,017	303,475
Difference on foreign exchange	(3,676)	-
(Profit)/loss on sale of tangible assets	(48,054)	1,589
Relocation costs - exceptional	<u>79,234</u>	<u>-</u>

5. AUDITORS' REMUNERATION

	2014 £	2013 £
Audit of the financial statements	2,500	2,750
Fees payable to the company's auditor and its associates in respect of:		
Local statutory audit of subsidiary	7,500	7,500
Taxation compliance services	2,500	2,500
Other fees	<u>2,020</u>	<u>5,250</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

6. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	2,150,847	2,136,070
Social security costs	221,690	215,129
Other pension costs	22,371	22,371
	<u>2,394,908</u>	<u>2,373,570</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Production	58	62
Management and administration	15	15
	<u>73</u>	<u>77</u>

7. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>285,642</u>	<u>281,592</u>
Company pension contributions to defined contribution pension schemes	<u>21,000</u>	<u>21,000</u>

During the year retirement benefits were accruing to 4 directors (2013 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £79,389 (2013 - £77,457).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,000 (2013 - £3,000).

8. INTEREST PAYABLE

	2014 £	2013 £
On bank loans	72,664	64,529
On other loans	2,745	1,693
On hire purchase contracts	29,109	12,302
	<u>104,518</u>	<u>78,524</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

9. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	-	12,894
Deferred tax (see note 16)		
Origination of timing differences	32,079	12,449
Tax on profit on ordinary activities	<u>32,079</u>	<u>25,343</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>156,674</u>	<u>303,489</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	31,335	60,698
Effects of:		
Expenses not deductible for tax purposes	299	1,878
(Capital allowances)/depreciation for year in excess of (depreciation)/capital allowances	(5,826)	3,305
Utilisation of tax losses	(21,002)	(36,184)
Other timing differences leading to decrease in taxation	(4,806)	(16,803)
Current tax charge for the year (see note above)	<u>-</u>	<u>12,894</u>

Factors that may affect future tax charges

The group has taxable trading losses of approximately £644,000 (2013 - £799,000) available to offset against future trading profits, and capital losses of £78,000 (2013 - £78,000) to offset against future capital gains.

Any future sale of the revalued properties at their revalued amounts would give rise to a potential corporation tax charge of approximately £65,000 (2013 - £65,000). However these properties are not expected to be sold in the foreseeable future. Consequently, no deferred tax liability has been recognised in connection with this potential future obligation.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

10. TANGIBLE FIXED ASSETS

Group	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures, fittings & office equipment £	Total £
Cost or valuation					
At 1 April 2013	690,000	7,955,934	24,633	771,802	9,442,369
Additions	-	781,625	18,388	33,026	833,039
Disposals	-	(1,219,144)	-	(448,801)	(1,667,945)
At 31 March 2014	<u>690,000</u>	<u>7,518,415</u>	<u>43,021</u>	<u>356,027</u>	<u>8,607,463</u>
Depreciation					
At 1 April 2013	19,100	4,830,928	14,733	617,776	5,482,537
Charge for the year	9,549	339,578	8,647	34,755	392,529
On disposals	-	(961,467)	-	(448,801)	(1,410,268)
At 31 March 2014	<u>28,649</u>	<u>4,209,039</u>	<u>23,380</u>	<u>203,730</u>	<u>4,464,798</u>
Net book value					
At 31 March 2014	<u>661,351</u>	<u>3,309,376</u>	<u>19,641</u>	<u>152,297</u>	<u>4,142,665</u>
At 31 March 2013	<u>670,900</u>	<u>3,125,006</u>	<u>9,900</u>	<u>154,026</u>	<u>3,959,832</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2014 £	2013 £
Plant and machinery	763,110	957,921
Motor vehicles	16,856	-
	<u>779,966</u>	<u>957,921</u>

Included within freehold property is land totalling £212,555 (2013 - £212,555) which is not depreciated.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

Group	2014 £	2013 £
Cost	547,445	547,445
Accumulated depreciation	(134,958)	(125,409)
Net book value	<u>412,487</u>	<u>422,036</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

10. TANGIBLE FIXED ASSETS (continued)

Company	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures, fittings & office equipment £	Total £
Cost or valuation					
At 1 April 2013	690,000	5,811,216	-	711,195	7,212,411
Additions	-	781,625	18,388	33,026	833,039
Disposals	-	(1,062,094)	-	(448,801)	(1,510,895)
At 31 March 2014	690,000	5,530,747	18,388	295,420	6,534,555
Depreciation					
At 1 April 2013	19,100	3,451,273	-	577,410	4,047,783
Charge for the year	9,549	272,450	1,532	30,355	313,886
On disposals	-	(907,411)	-	(448,801)	(1,356,212)
At 31 March 2014	28,649	2,816,312	1,532	158,964	3,005,457
Net book value					
At 31 March 2014	661,351	2,714,435	16,856	136,456	3,529,098
At 31 March 2013	670,900	2,359,943	-	133,785	3,164,628

The net book value of assets held under hire purchase contracts, included above, are as follows:

Company	2014 £	2013 £
Plant and machinery	756,847	857,150
Motor vehicles	16,856	-
	<u>773,703</u>	<u>857,150</u>

Included within freehold property is land totalling £212,555 (2013 - £212,555) which is not depreciated.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

10. TANGIBLE FIXED ASSETS (continued)

In August 2011, the freehold land and buildings were revalued to £690,000 on the basis of existing value in use and sound freehold title, by Jones Lang LaSalle, an external firm of professional valuers. The directors have reviewed the carrying values at 31 March 2014 and do not believe there to be any material change in value.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

Company	2014 £	2013 £
Cost	547,445	547,445
Accumulated depreciation	(134,598)	(125,409)
	<hr/>	<hr/>
Net book value	<u>412,847</u>	<u>422,036</u>

If the plant and machinery had not been included at valuation they would have been included under the historical cost convention as follows:

11. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
FRIP Finishing Limited	Ordinary shares	100%
Metalpaper Limited	Ordinary shares	78%
Laminating and Varnishing Company Limited	Ordinary shares	100%

The principal activity during the year of FRIP Finishing Limited was the provision of print finishing services, foil stamping, embossing, laminating and varnishing and for Metalpaper Limited was that of metallised packaging products. Laminating and Varnishing Company Limited was dormant throughout the year.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

11. FIXED ASSET INVESTMENTS (continued)

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2013 and 31 March 2014	<u>1,249,545</u>
Net book value	
At 31 March 2014	<u>1,249,545</u>
At 31 March 2013	<u>1,249,545</u>

12. STOCKS

	2014 £	Group 2013 £	2014 £	Company 2013 £
Raw materials	<u>215,193</u>	<u>217,559</u>	-	-

13. DEBTORS

	2014 £	Group 2013 £	2014 £	Company 2013 £
Due after more than one year				
Amounts owed by group undertakings	-	-	42,285	114,971
Due within one year				
Trade debtors	1,493,846	1,462,903	-	-
VAT recoverable		36,976	-	36,976
Other debtors	14,463	319,001	2,107	319,001
Prepayments and accrued income	163,075	217,031	46,219	46,379
	<u>1,671,384</u>	<u>2,035,911</u>	<u>90,611</u>	<u>517,327</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

14. CREDITORS:

Amounts falling due within one year

	2014	Group	2014	Company
	£	2013	£	2013
		£		£
Bank loans	135,000	257,870	135,000	257,870
Other loans	31,524	31,524	31,524	31,524
Net obligations under hire purchase contracts	162,781	246,371	160,157	217,673
Trade creditors	523,781	575,262	53,211	54,489
Amounts owed to group undertakings	-	-	-	855,234
Corporation tax	7,134	12,894	7,134	-
Other taxation and social security	212,107	169,376	54,280	11,106
Invoice discounting facility	937,353	1,021,167	-	-
Other creditors	126,660	232,426	84,808	197,400
Accruals and deferred income	182,602	219,849	65,264	33,934
	<u>2,318,942</u>	<u>2,766,739</u>	<u>591,378</u>	<u>1,659,230</u>

Obligations under hire purchase contracts are secured on the assets to which they relate.

The invoice discounting facility is secured by a fixed and floating charge over all the property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.

The bank loans are secured by a legal first charge over the freehold properties, a bond and floating charge over all the assets of the group and company.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

15. CREDITORS:

Amounts falling due after more than one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	540,710	666,014	540,710	666,014
Other loans	64,782	96,306	47,286	78,810
Net obligations under hire purchase contracts	424,198	287,553	424,198	281,466
Amounts owed to group undertakings	-	-	1,107,083	-
	<u>1,029,690</u>	<u>1,049,873</u>	<u>2,119,277</u>	<u>1,026,290</u>

Included within the above are amounts falling due as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Between one and two years				
Bank loans	135,000	257,870	135,000	257,870
Other loans	<u>31,524</u>	<u>31,524</u>	<u>31,524</u>	<u>31,524</u>
Between two and five years				
Bank loans	405,710	408,144	405,710	408,144
Other loans	<u>33,258</u>	<u>64,782</u>	<u>15,762</u>	<u>47,286</u>

Obligations under hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Between one and five years	<u>424,198</u>	<u>287,553</u>	<u>424,198</u>	<u>281,466</u>

Obligations under hire purchase are secured on the assets to which they relate.

The bank loans are secured by a legal first charge over the freehold properties, a bond and floating charge over all the assets of the group and company, and are repayable as above.

16. DEFERRED TAXATION

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	226,921	214,472	215,969	204,138
Charge for the year (P&L)	32,079	12,449	18,031	11,831
	<u>259,000</u>	<u>226,921</u>	<u>234,000</u>	<u>215,969</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

16. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows:

	2014 £	Group 2013 £	2014 £	Company 2013 £
Accelerated capital allowances	346,000	226,921	234,000	215,969
Tax losses carried forward	(87,000)	-	-	-
At end of year	<u>259,000</u>	<u>226,921</u>	<u>234,000</u>	<u>215,969</u>

17. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
10- Pref 'A' shares shares of £0.01 each	-	-
750,170- Ordinary 'A' shares shares of £0.05 each	37,509	37,509
706,330- Ordinary 'B' shares shares of £0.05 each	35,316	35,316
150,920- Ordinary 'C' shares shares of £0.05 each	7,546	7,546
589,380- Ordinary 'D' shares shares of £0.05 each	29,469	29,469
	<u>109,840</u>	<u>109,840</u>

The rights attached to these shares can be found in the Articles of Association filed at Companies House. Dividends are payable on each class of share at the discretion of the Directors.

18. RESERVES

Group	Share premium account £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £
At 1 April 2013	966,609	24,111	292,622	1,009,735
Profit for the year				106,769
Dividends: Equity capital				(50,000)
Transfer between Revaluation reserve and P/L account			(43,761)	43,761
At 31 March 2014	<u>966,609</u>	<u>24,111</u>	<u>248,861</u>	<u>1,110,265</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

18. RESERVES (continued)

Company	Share premium account £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £
At 1 April 2013	966,609	24,111	292,622	687,707
Loss for the year				(88,210)
Dividends: Equity capital				(50,000)
Transfer between Revaluation reserve and P/L account			(43,761)	43,761
At 31 March 2014	<u>966,609</u>	<u>24,111</u>	<u>248,861</u>	<u>593,258</u>

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2014 £	2013 £
Opening shareholders' funds	2,402,917	2,607,804
Profit for the financial year	106,769	270,113
Dividends (Note 20)	(50,000)	(50,000)
Shares purchased during the year	-	(425,000)
Closing shareholders' funds	<u>2,459,686</u>	<u>2,402,917</u>

Company	2014 £	2013 £
Opening shareholders' funds	2,080,889	2,537,600
(Loss)/profit for the financial year	(88,210)	18,289
Dividends (Note 20)	(50,000)	(50,000)
Shares purchased during the year	-	(425,000)
Closing shareholders' funds	<u>1,942,679</u>	<u>2,080,889</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the year dealt with in the accounts of the company was £88,210 (2013, profit - £18,289).

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

20. DIVIDENDS

	2014 £	2013 £
Dividends on preference shares	<u>50,000</u>	<u>50,000</u>

Since the year end a preference dividend amounting to £50,000 has been declared.

21. MINORITY INTERESTS

Equity

	£
At 1 April 2013	(15,927)
Proportion of profit after taxation for the year	<u>17,826</u>
At 31 March 2014	<u>1,899</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	261,143	381,958
Depreciation of tangible fixed assets	392,529	341,753
(Profit)/loss on disposal of tangible fixed assets	(48,054)	1,589
Decrease/(increase) in stocks	2,366	(11,863)
Decrease/(increase) in debtors	364,527	(306,648)
Decrease in creditors	(71,763)	(27,424)
Net cash inflow from operating activities	<u>900,748</u>	<u>379,365</u>

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	49	55
Interest paid	(75,409)	(54,223)
Hire purchase interest	(29,109)	(24,301)
Net cash outflow from returns on investments and servicing of finance	<u>(104,469)</u>	<u>(78,469)</u>
	2014 £	2013 £
Taxation		
Corporation tax	<u>(5,760)</u>	<u>(5,608)</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(430,824)	(307,765)
Sale of tangible fixed assets	305,731	81,700
Net cash outflow from capital expenditure	<u>(125,093)</u>	<u>(226,065)</u>
	2014 £	2013 £
Financing		
Purchase of ordinary shares	-	(425,000)
New secured loans	-	557,870
Repayment of loans	(248,174)	(113,986)
Other new loans	-	190,334
Repayment of other loans	(111,524)	-
Net movement on hire purchase agreements	(349,160)	(389,108)
Movements on invoice discounting facility	(83,814)	310,769
Net cash (outflow)/inflow from financing	<u>(792,672)</u>	<u>130,879</u>

24. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	217,221	(177,246)	-	39,975
Debt:				
Hire purchase agreements	(533,924)	349,160	(402,215)	(586,979)
Debts due within one year	(369,394)	359,698	(156,828)	(166,524)
Invoice discounting facility	(1,021,167)	83,814	-	(937,353)
Debts falling due after more than one year	<u>(762,320)</u>	<u>-</u>	<u>156,828</u>	<u>(605,492)</u>
Net debt	<u>(2,469,584)</u>	<u>615,426</u>	<u>(402,215)</u>	<u>(2,256,373)</u>

Other non-cash transactions during the year relate to the origination of new hire purchase agreements.

25. CONTINGENT LIABILITIES

The company is party to cross guarantees with other group companies on certain bank borrowings. At 31 March 2014, borrowings of £1,575,021 (2013 - £1,716,851) were covered by these guarantees.

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

26. CAPITAL COMMITMENTS

At 31 March 2014 the group and company had capital commitments as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Contracted for but not provided in these financial statements	<u>45,236</u>	<u>736,000</u>	<u>45,236</u>	<u>736,000</u>

27. OPERATING LEASE COMMITMENTS

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
	£	£
Group		
Expiry date:		
Within 1 year	135,160	52,000
Between 2 and 5 years	128,380	240,235
After more than 5 years	<u>117,796</u>	<u>117,796</u>

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
	£	£
Company		
Expiry date:		
Within 1 year	-	52,000
Between 2 and 5 years	56,505	33,200
After more than 5 years	<u>117,796</u>	<u>117,796</u>

FOIL RIBBON & IMPACT PRINTING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

28. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with other group entities whose voting rights are 100% controlled within the group, as the consolidated financial statements of the group are publicly available.

During the year the group purchased services of £47,442 (2013: £53,300) from Secaura Solutions, a sole trader business of R M Gibson who is related to the directors L W Gibson and J D Gibson. At 31 March 2014, Secaura Solutions was owed £5,773 (2013: £4,660).

During the year the group purchased services of £2,043 (2013: £Nil) from Smartgreenhouse Limited, a company in which R M Gibson is a director and who is related to the directors L W Gibson and J D Gibson. At 31 March 2014, Smartgreenhouse Limited was owed £3,044 (2013: £Nil).

During the year the group charged management charges totalling £42,000 (2013: £24,000) to Metalpaper Limited, a subsidiary in which the group owns 77.5% of the issued equity share capital. The year end debtor owed by Metalpaper Limited was £42,285 (2013: £114,971).

All transactions were conducted on a commercial arm's length basis.

29. ULTIMATE CONTROLLING PARTY

The company is controlled by its Directors, and the Directors consider that there is no one ultimate controlling party.