

BCP FLUTED PACKAGING LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

FRIDAY



A17

AJXFB6K6

16/01/2009

319

COMPANIES HOUSE

Accounts
O.C. APPROVED
www.cowgills.co.uk

BCP FLUTED PACKAGING LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Abbreviated profit and loss account	4
Abbreviated balance sheet	5
Cash flow statement	6
Notes to the cash flow statement	7
Notes to the abbreviated accounts	8 - 16

BCP FLUTED PACKAGING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2008

The directors present their report and financial statements for the year ended 30 June 2008.

Principal activities and review of the business

The principal activities of the Company in the period under review were the manufacture of corrugated paper products, or using the Company's own terminology, "fluted" paper products, niche solutions for a broad range of markets. No significant change in the nature of these activities occurred during the period.

This financial period reflects our first full trading year following the major investment program in premises and plant completed in 2006. With turnover up by eight percent and margins increasing to pre-move levels the result is very satisfying and fully vindicates the decision to invest. The Company budgeted to maintain this growth in 2009 but at the time of writing this report the effects of the global recession are starting to bite. That said the Board feel that although not completely insulated from the downturn, it is better equipped than most to meet the challenges ahead. 2008 saw the launch of a new range of environmental packaging for the Bakery market and initial interest suggest that this may grow to become a significant addition helping to deflect any slow down in other traditional markets.

Results and dividends

The results for the year are set out on page 4.

An interim dividend of £44.88 (2007: £247.95) per share was paid in the year. No final dividends are proposed at the year end.

Directors

The following directors have held office since 1 July 2007:

B C Jones
D L Jones
M C Jones
P Redhead
A H Clifton

Auditors

The auditors have expressed their willingness to continue in office and will be deemed to be reappointed under section 487 of the Companies Act 2006.

BCP FLUTED PACKAGING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2008

Directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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;
- 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 that 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 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



B C Jones

Director

5 July 2009

BCP FLUTED PACKAGING LIMITED

INDEPENDENT AUDITORS' REPORT TO BCP FLUTED PACKAGING LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of BCP Fluted Packaging Limited for the year ended 30 June 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Cowgill Holloway LLP

Chartered Accountants
Registered Auditor

5 June 2009

Regency House
45 - 51 Chorley New Road
Bolton
BL1 4QR

BCP FLUTED PACKAGING LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 £	2007 £
Gross profit		5,203,314	4,297,418
Administrative expenses		(4,497,287)	(4,328,237)
Other operating income		64,000	184,000
Operating profit	2	770,027	153,181
Profit on sale of tangible fixed assets	2	-	808,409
Profit on ordinary activities before interest		770,027	961,590
Other interest receivable and similar income		36,469	9,255
Interest payable and similar charges	4	-	(39,882)
Profit on ordinary activities before taxation		806,496	930,963
Tax on profit on ordinary activities	5	(225,887)	21,306
Profit for the year	15	580,609	952,269

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

Note of historical cost profits and losses

	2008 £	2007 £
Reported profit on ordinary activities before taxation	806,496	930,963
Realisation of property revaluation gains of previous years	-	151,860
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	-	-
Historical cost profit on ordinary activities before taxation	806,496	1,082,823
Historical cost profit/(loss) for the year retained after taxation, extraordinary items and dividends	218,571	(895,871)

BCP FLUTED PACKAGING LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30 JUNE 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	7	1,045,848		1,214,697	
Current assets					
Stocks	8	881,204		808,091	
Debtors	9	1,459,091		1,233,715	
Cash at bank and in hand		893,068		424,501	
		<u>3,233,363</u>		<u>2,466,307</u>	
Creditors: amounts falling due within one year	10	<u>(1,928,786)</u>		<u>(1,459,246)</u>	
Net current assets		<u>1,304,577</u>		<u>1,007,061</u>	
Total assets less current liabilities		<u>2,350,425</u>		<u>2,221,758</u>	
Provisions for liabilities	11	(133,466)		(159,370)	
Accruals and deferred income	12	(177,000)		(241,000)	
		<u>2,039,959</u>		<u>1,821,388</u>	
Capital and reserves					
Called up share capital	14	8,066		8,066	
Share premium account	15	7,614		7,614	
Other reserves	15	325,000		325,000	
Profit and loss account	15	1,699,279		1,480,708	
Shareholders' funds	16	<u>2,039,959</u>		<u>1,821,388</u>	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the Board and authorised for issue on 5 July 2009

B C Jones
Director

BCP FLUTED PACKAGING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	£	2008 £	£	2007 £
Net cash inflow from operating activities		891,767		29,509
Returns on investments and servicing of finance				
Interest received	36,469		9,255	
Interest paid	-		(39,882)	
Net cash inflow/(outflow) for returns on investments and servicing of finance		36,469		(30,627)
Taxation		(2,155)		92,457
Capital expenditure				
Payments to acquire tangible assets	(102,426)		(313,595)	
Receipts from sales of tangible assets	6,950		4,904,100	
Net cash inflow for capital expenditure		(95,476)		4,590,505
Equity dividends paid		(362,038)		(2,000,000)
Net cash inflow before management of liquid resources and financing		468,567		2,756,844
Financing				
New long term bank loan	-		(2,000,000)	
Government grant received	-		120,000	
Net cash outflow from financing		-		(1,880,000)
Increase in cash in the year		468,567		801,844

BCP FLUTED PACKAGING LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

1	Reconciliation of operating profit to net cash inflow from operating activities	2008		2007	
		£		£	
	Operating profit	770,027		153,181	
	Depreciation of tangible assets	259,589		279,334	
	Loss/(profit) on disposal of tangible assets	4,736		(30,143)	
	Increase in stocks	(73,113)		(199,001)	
	(Increase)/decrease in debtors	(225,376)		347,471	
	Increase/(decrease) in creditors within one year	219,904		(337,333)	
	Movement on grant provision	(64,000)		(184,000)	
	Net cash inflow from operating activities	891,767		29,509	
2	Analysis of net funds	1 July 2007	Cash flow	Other non-cash changes	30 June 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	424,501	468,567	-	893,068
	Net funds	424,501	468,567	-	893,068
3	Reconciliation of net cash flow to movement in net funds	2008		2007	
		£		£	
	Increase in cash in the year	468,567		801,844	
	Cash (inflow)/outflow from (increase)/decrease in debt	-		2,000,000	
	Movement in net funds in the year	468,567		2,801,844	
	Opening net funds/(debt)	424,501		(2,377,343)	
	Closing net funds	893,068		424,501	

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods and services rendered during the year.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	25 years straight line to residual value
Computer equipment	25% straight line
Plant and machinery	20% reducing balance
Fixtures & fittings	20% reducing balance
Motor vehicles	25% reducing balance

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

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate portion of variable and fixed overheads.

1.6 Pensions

The company operates a money purchase (defined contribution) pension scheme for the benefit of certain directors and staff. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

1 Accounting policies

(continued)

1.7 Deferred taxation

Deferred tax is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements which arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued asset and the resulting gain or loss has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates which are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws which have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non - discounted basis.

1.8 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Operating profit	2008 £	2007 £
Operating profit is stated after charging:		
Depreciation of tangible assets	259,589	279,334
Loss on disposal of tangible assets	4,736	-
Operating lease rentals - land & buildings	360,000	300,000
Auditors' remuneration (including expenses and benefits in kind)	7,800	7,500
and after crediting:		
Government grants	64,000	184,000
Profit on disposal of tangible assets	-	(30,143)

3 Investment income	2008 £	2007 £
Bank interest	36,469	3,724
Other interest	-	5,531
	36,469	9,255

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

4	Interest payable	2008	2007
		£	£
	On bank loans and overdrafts	-	39,882
5	Taxation	2008	2007
		£	£
	Domestic current year tax		
	U.K. corporation tax	251,791	2,155
	Adjustment for prior years	-	(38,250)
	Current tax charge	251,791	(36,095)
	Deferred tax		
	Deferred tax charge credit current year	(15,096)	14,789
	Adj. to defd tax resulting from changes in tax rate	(10,808)	-
		(25,904)	14,789
		225,887	(21,306)
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	806,496	930,963
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 29.50% (2007 - 30.00%)	237,916	279,289
	Effects of:		
	Non deductible expenses	(4,401)	8,426
	Depreciation add back	76,586	83,800
	Capital allowances	(58,310)	(101,662)
	Allowable deductions	-	(270,766)
	Write off connected party debt	-	4,272
	Adjustments to previous periods	-	(38,250)
	Other tax adjustments	-	(1,204)
		13,875	(315,384)
	Current tax charge	251,791	(36,095)

Other tax adjustments in the prior year related to tax at marginal rates.

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

6	Dividends	2008 £	2007 £
	Ordinary interim paid	362,038	2,000,000

An interim dividend of £44.88 (2007: £247.95) per share was paid in the year.

7	Tangible fixed assets	Leasehold improvements £	Computer equipment £	Plant and machinery £	Fixtures & fittings £	Motor vehicles £	Total £
	Cost						
	At 1 July 2007	17,954	115,375	1,632,427	77,532	31,426	1,874,714
	Additions	9,614	7,549	44,877	40,386	-	102,426
	Disposals	-	(43,921)	-	(4,964)	(24,926)	(73,811)
	At 30 June 2008	27,568	79,003	1,677,304	112,954	6,500	1,903,329
	Depreciation						
	At 1 July 2007	2,212	59,338	562,178	18,827	17,462	660,017
	On disposals	-	(43,516)	-	(3,214)	(15,395)	(62,125)
	Charge for the year	3,637	19,545	218,690	14,972	2,745	259,589
	At 30 June 2008	5,849	35,367	780,868	30,585	4,812	857,481
	Net book value						
	At 30 June 2008	21,719	43,636	896,436	82,369	1,688	1,045,848
	At 30 June 2007	15,742	56,037	1,070,249	58,705	13,964	1,214,697

8	Stocks and work in progress	2008 £	2007 £
	Raw materials and consumables	449,736	526,840
	Work in progress	57,253	30,500
	Finished goods and goods for resale	374,215	250,751
		881,204	808,091

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

9 Debtors	2008 £	2007 £
Trade debtors	1,246,649	1,030,512
Amounts owed by parent and fellow subsidiary undertakings	720	-
Amounts owed by participating interests	-	35,549
Other debtors	25,409	12,476
Prepayments and accrued income	186,313	155,178
	<u>1,459,091</u>	<u>1,233,715</u>

10 Creditors: amounts falling due within one year	2008 £	2007 £
Trade creditors	904,241	823,784
Amounts owed to parent and fellow subsidiary undertakings	35,250	35,250
Amounts owed to participating interests	8,825	-
Corporation tax	251,791	2,155
Other taxes and social security costs	163,703	143,845
Other creditors	15,806	15,707
Accruals and deferred income	549,170	438,505
	<u>1,928,786</u>	<u>1,459,246</u>

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2007	159,370
Profit and loss account	(25,904)
	<u>133,466</u>
Balance at 30 June 2008	<u>133,466</u>

The deferred tax liability is made up as follows:

	2008 £	2007 £
Accelerated capital allowances	<u>133,466</u>	<u>159,370</u>

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

12 Accruals and deferred income

	Government grants £
Balance at 1 July 2007	241,000
Amortisation in the year	(64,000)
Balance at 30 June 2008	<u>177,000</u>

13 Pension and other post-retirement benefit commitments

Defined contribution

	2008 £	2007 £
Contributions payable by the company for the year	<u>12,326</u>	<u>14,530</u>

14 Share capital

	2008 £	2007 £
Authorised		
50,000 Ordinary shares of £1 each	50,000	50,000
500,000 Preference shares of £1 each	500,000	500,000
	<u>550,000</u>	<u>550,000</u>
 Allotted, called up and fully paid		
8,066 Ordinary shares of £1 each	<u>8,066</u>	<u>8,066</u>

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

15 Statement of movements on reserves

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2007	7,614	325,000	1,480,708
Profit for the year	-	-	580,609
Dividends paid	-	-	(362,038)
Balance at 30 June 2008	<u>7,614</u>	<u>325,000</u>	<u>1,699,279</u>

Other reserves

Capital redemption reserve

Balance at 1 July 2007 & at 30 June 2008

325,000

16 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	580,609	952,269
Dividends	(362,038)	(2,000,000)
Net addition to/(depletion in) shareholders' funds	<u>218,571</u>	<u>(1,047,731)</u>
Opening shareholders' funds	<u>1,821,388</u>	<u>2,869,119</u>
Closing shareholders' funds	<u>2,039,959</u>	<u>1,821,388</u>

17 Contingent liabilities

Bank borrowings of £1,688,248 (2007: £2,000,000) within BCP Properties Limited, a fellow subsidiary undertaking, are secured by way of a debenture over the land and building held in BCP Properties Limited and an unlimited cross guarantee with the company.

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

18 Financial commitments

At 30 June 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2009:

	Land and buildings		Other	
	2008	2007	2008	2007
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	27,080	7,221
Between two and five years	-	-	93,702	85,378
In over five years	360,000	360,000	-	10,515
	<u>360,000</u>	<u>360,000</u>	<u>120,782</u>	<u>103,114</u>

19 Directors' emoluments

	2008	2007
	£	£
Emoluments for qualifying services	523,900	362,434
Company pension contributions to money purchase schemes	10,960	11,930
	<u>534,860</u>	<u>374,364</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2007 - 1).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	<u>160,044</u>	<u>133,233</u>
------------------------------------	----------------	----------------

BCP FLUTED PACKAGING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Production	60	53
Sales & distribution	12	12
Administration	7	7
Maintenance	4	4
	<u>83</u>	<u>76</u>

Employment costs

	2008 £	2007 £
Wages and salaries	2,735,704	2,332,752
Social security costs	128,762	195,742
Other pension costs	12,326	14,530
	<u>2,876,792</u>	<u>2,543,024</u>

21 Ultimate parent company

The parent company is BCP Holdings Limited, a company incorporated in England & Wales, and which is controlled by B C Jones by virtue of his majority shareholding.