

COMPANY REGISTRATION NUMBER: 01525421

*Companies  
House*

**A M PACKAGING LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2016**



**A M PACKAGING LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2016**

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**A M PACKAGING LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

A Mann  
P Mann  
A H Mann  
D Mann

**Company secretary**

P Mann

**Registered office**

Somerby Way  
Gainsborough  
Lincolnshire  
DN21 1QT

**Auditor**

Streets Audit LLP  
Chartered Accountant & Statutory Auditor  
Tower House  
Lucy Tower Street  
Lincoln  
LN1 1XW

**Bankers**

Lloyds TSB Plc  
Market Street  
Gainsborough  
Lincolnshire  
DN21 2BL

# **A M PACKAGING LIMITED**

## **STRATEGIC REPORT**

**YEAR ENDED 31 MARCH 2016**

The directors present their report and the consolidated financial statements of the group for the year ended 31 March 2016.

The group consists of the parent company A M Packaging Limited, based in the UK, and its 60% subsidiary A M P Rose Private Limited, based in India.

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

### **BUSINESS REVIEW**

The principal activity of the group during the year remained that of the manufacture, overhauling, modification and supply of new and second hand processing and packaging machinery for the chocolate and confectionery industry.

The move to the new purpose built factory was completed over the end of year shutdown so from January 2016 the company has started to see the benefits in operating efficiencies. In addition, it provides an impressive and professional setting to welcome new customers for new contract discussions and underlines the progress the company has made in recent years.

Following development of the new range of flexible packaging solutions we are working closely with a number of blue chip clients to tailor the technology to suit their specific requirements. It is anticipated that this work will lead to significant orders over the coming months.

Whilst the core business is the supply to the confectionery industry, the year saw an increased volume of sales to non-confectionery clients in line with our target to find new markets.

New product development is continuing, with the latest design aimed at providing solutions for customers experiencing increased labour costs by automating end of line packaging. With factory space another important factor designs are focused on providing more compact solutions compared to the existing products on the market.

Turnover for the year under review was similar to the 2014/15 year but with increased gross and operating profits. Sales remained strong in both UK and export markets.

The directors monitor a number of key performance indicators in order to ensure that the group achieves its primary objectives of achieving sustained profitability whilst delivering a high standard of product to its customers.

The key financial performance indicators used by the group are:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Turnover	<b>10,247,146</b>	10,651,434
Gross Profit	<b>3,499,161</b>	2,956,698
Operating (loss)/Profit	<b>311,965</b>	(34,470)

The directors are satisfied with the performance for the period under review and are confident about the prospects for the coming year.

# **A M PACKAGING LIMITED**

## **STRATEGIC REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **RISK ASSESSMENT**

We believe the mitigation of the following risks are critical to our business:-

#### **Credit risk**

The group seeks to manage its credit risk by dealing with established customers or otherwise checking the credit-worthiness of new customers, establishing clear contractual relationships with those customers and by identifying and addressing any credit issues arising in a timely manner.

#### **Liquidity risk**

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by overdraft facilities.

#### **Exchange rate risk**

Exchange rate risk is managed by the group having individual currency bank accounts. A cash flow forecast is kept for each currency and forward exchange deals are put in place as required.

#### **Compliance risk**

The financial statements have been prepared under the requirements of FRS 102 for the first time this year. The base date for transition to this standard was 1 April 2014 and so the Directors sought appropriate advice to make sure they were fully aware of any possible impact on the reported profits for both the current and comparative years. As a result of this review no transitional adjustments were identified and so there was no impact on the entity's financial position and financial performance.

Nevertheless with these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

This report was approved by the board of directors on 23-12-16 and signed on behalf of the board by:



P Mann  
Director

Registered office:  
Somerby Way  
Gainsborough  
Lincolnshire  
DN21 1QT

# **A M PACKAGING LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 MARCH 2016**

The directors present their report and the financial statements of the group for the year ended 31 March 2016.

### **Directors**

The directors who served the company during the year were as follows:

A Mann  
P Mann  
A H Mann  
D Mann

### **Dividends**

The directors do not recommend the payment of a dividend.

### **Employee involvement**

The number of group employees decreased from 179 to 165 during the period.

The business is committed to a pro-active programme for involving employees with work related issues by regular communication. Training is provided for existing staff and an apprentice program ensures the continuity of the skill base. Employees are encouraged to provide suggestions for improving efficiency and performance.

### **Disclosure of information in the strategic report**

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, 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 group and the company and 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 company will continue in business.

# A M PACKAGING LIMITED

## DIRECTORS' REPORT *(continued)*

**YEAR ENDED 31 MARCH 2016**

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.

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 23-12-16 and signed on behalf of the board by:



P Mann  
Director

Registered office:  
Somerby Way  
Gainsborough  
Lincolnshire  
DN21 1QT

**A M PACKAGING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A M**  
**PACKAGING LIMITED**  
**YEAR ENDED 31 MARCH 2016**

We have audited the financial statements of A M Packaging Limited for the year ended 31 March 2016 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, 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 group's and the parent 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 strategic report and 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.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2016 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.



# **A M PACKAGING LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A M PACKAGING LIMITED *(continued)***

**YEAR ENDED 31 MARCH 2016**

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and 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:

- 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.



MARK BRADSHAW (Senior Statutory Auditor)

For and on behalf of  
Streets Audit LLP  
Chartered accountant & statutory auditor

Tower House  
Lucy Tower Street  
Lincoln  
LN1 1XW

23/12/2016

**A M PACKAGING LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
<b>TURNOVER</b>	<b>4</b>	<b>10,247,146</b>	10,651,434
Cost of sales		<u>6,747,985</u>	7,694,736
<b>GROSS PROFIT</b>		<b>3,499,161</b>	2,956,698
Distribution costs		357,248	416,716
Administrative expenses		2,899,268	2,801,659
Other operating income	5	<u>69,320</u>	227,207
<b>OPERATING PROFIT/(LOSS)</b>	<b>6</b>	<b>311,965</b>	(34,470)
Other interest receivable and similar income	10	200	1,518
Interest payable and similar charges	11	<u>70,484</u>	90,729
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>241,681</b>	(123,681)
Tax on profit/(loss) on ordinary activities	12	<u>10,382</u>	(72,654)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>231,299</b>	(51,027)
Foreign currency retranslation		<u>(6,635)</u>	18,532
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>224,664</b>	(32,495)
Profit for the financial year attributable to:			
The owners of the parent company		270,444	(148,474)
Minority interests		<u>(39,145)</u>	97,447
		<u>231,299</u>	(51,027)
Total comprehensive income for the year attributable to:			
The owners of the parent company		263,809	(129,942)
Minority interests		<u>(39,145)</u>	97,447
		<u>224,664</u>	(32,495)

All the activities of the group are from continuing operations.

The notes on pages 14 to 32 form part of these financial statements.

**A M PACKAGING LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	15	4,206,967	3,268,080
<b>CURRENT ASSETS</b>			
Stocks	17	2,785,773	2,434,312
Debtors	18	2,765,050	2,647,781
Cash at bank and in hand	19	106,823	876,406
		<u>5,657,646</u>	<u>5,958,499</u>
<b>CREDITORS: amounts falling due within one year</b>	20	<u>4,385,827</u>	<u>4,305,628</u>
<b>NET CURRENT ASSETS</b>		<u>1,271,819</u>	<u>1,652,871</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,478,786</u>	<u>4,920,951</u>
<b>CREDITORS: amounts falling due after more than one year</b>	21	1,034,759	711,970
<b>PROVISIONS</b>			
Taxation including deferred tax	24	(110,877)	(121,259)
<b>NET ASSETS</b>		<u>4,554,904</u>	<u>4,330,240</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	27	4,000	4,000
Profit and loss account	28	<u>4,195,840</u>	<u>3,932,031</u>
<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY</b>		<u>4,199,840</u>	<u>3,936,031</u>
<b>MINORITY INTERESTS</b>		<u>355,064</u>	<u>394,209</u>
		<u>4,554,904</u>	<u>4,330,240</u>

These financial statements were approved by the board of directors and authorised for issue on ~~23.12.16~~....., and are signed on behalf of the board by:



P Mann  
Director

Company registration number: 01525421

The notes on pages 14 to 32 form part of these financial statements.

**A M PACKAGING LIMITED**  
**COMPANY STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	15	3,649,951	2,706,547
Investments	16	362,187	459,403
		<u>4,012,138</u>	<u>3,165,950</u>
<b>CURRENT ASSETS</b>			
Stocks	17	2,606,620	2,281,992
Debtors	18	2,035,653	1,989,399
Cash at bank and in hand	19	38,914	796,145
		<u>4,681,187</u>	<u>5,067,536</u>
<b>CREDITORS: amounts falling due within one year</b>	20	<u>4,057,478</u>	<u>3,810,428</u>
<b>NET CURRENT ASSETS</b>		<u>623,709</u>	<u>1,257,108</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,635,847</u>	<u>4,423,058</u>
<b>CREDITORS: amounts falling due after more than one year</b>	21	722,291	711,970
<b>PROVISIONS</b>			
Taxation including deferred tax	24	(115,875)	(93,033)
<b>NET ASSETS</b>		<u>4,029,431</u>	<u>3,804,121</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	27	4,000	4,000
Profit and loss account	28	4,025,431	3,800,121
<b>SHAREHOLDERS FUNDS</b>		<u>4,029,431</u>	<u>3,804,121</u>

These financial statements were approved by the board of directors and authorised for issue on ~~23-12-16~~ and are signed on behalf of the board by:

  
P Mann  
Director

Company registration number: 01525421

The notes on pages 14 to 32 form part of these financial statements.

**A M PACKAGING LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31 MARCH 2016**

	Called up share capital £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
<b>AT 1 APRIL 2014</b>	4,000	4,061,973	4,065,973	296,762	4,362,735
Loss for the year		(148,474)	(148,474)	97,447	(51,027)
Other comprehensive income for the year:					
Foreign currency retranslation	—	18,532	18,532	—	18,532
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	(129,942)	(129,942)	97,447	(32,495)
<b>AT 31 MARCH 2015</b>	4,000	3,932,031	3,936,031	394,209	<b>4,330,240</b>
Profit for the year		270,444	270,444	(39,145)	<b>231,299</b>
Other comprehensive income for the year:					
Foreign currency retranslation	—	(6,635)	(6,635)	—	<b>(6,635)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	263,809	263,809	(39,145)	<b>224,664</b>
<b>AT 31 MARCH 2016</b>	<u>4,000</u>	<u>4,195,840</u>	<u>4,199,840</u>	<u>355,064</u>	<u><b>4,554,904</b></u>

The notes on pages 14 to 32 form part of these financial statements.

**A M PACKAGING LIMITED**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31 MARCH 2016**

	Called up share capital £	Profit and loss account £	Total £
<b>AT 1 APRIL 2014</b>	4,000	4,045,395	4,049,395
Loss for the year	—	(245,274)	(245,274)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	(245,274)	(245,274)
<b>AT 31 MARCH 2015</b>	4,000	3,800,121	3,804,121
Profit for the year	—	225,310	225,310
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	225,310	225,310
<b>AT 31 MARCH 2016</b>	<u>4,000</u>	<u>4,025,431</u>	<u>4,029,431</u>

The notes on pages 14 to 32 form part of these financial statements.

**A M PACKAGING LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) for the financial year		231,299	(51,027)
<i>Adjustments for:</i>			
Depreciation of tangible assets		70,666	58,934
Other interest receivable and similar income		(200)	(1,518)
Interest payable and similar charges		70,484	90,729
Loss on disposal of tangible assets		27,157	7,485
Tax on profit/(loss) on ordinary activities		10,382	(72,654)
Accrued income		(10,533)	(59,407)
<i>Changes in:</i>			
Stocks		(351,461)	(263,951)
Trade and other debtors		(117,269)	(421,205)
Trade and other creditors		(473,887)	1,618,717
Cash generated from operations		(543,362)	906,103
Interest paid		(70,484)	(90,729)
Interest received		200	1,518
Tax received		3,137	103,068
Net cash (used in)/from operating activities		<u>(610,509)</u>	<u>919,960</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible assets		(809,992)	(616,553)
Proceeds from sale of tangible assets		–	9,968
Net cash used in investing activities		<u>(809,992)</u>	<u>(606,585)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of borrowings		(168,827)	(143,222)
Payments of finance lease liabilities		(34,133)	(49,385)
Net cash used in financing activities		<u>(202,960)</u>	<u>(192,607)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(1,623,461)	120,768
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		876,406	755,638
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	19	<u>(747,055)</u>	<u>876,406</u>

The notes on pages 14 to 32 form part of these financial statements.

**A M PACKAGING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2016**

**1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**2. General information**

A M Packaging Limited is a limited company incorporated in England and Wales. The address of its registered office is Somerby Way, Gainsborough, Lincolnshire, DN21 1QT.

Its subsidiary company, AMP Rose Private Limited, is incorporated in India.

The principal activity of the group during the year was the manufacture, overhauling, modification and supply of new and second hand processing and packaging machinery for the chocolate and confectionery industry.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 32.

**Disclosure exemptions**

The entity has not taken advantage any disclosure exemptions available under paragraph 1.12 of FRS 102.

**Consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted to eliminate group balances and transactions on consolidation. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over twenty years from the year of acquisition.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the consolidated financial statements by virtue of section 408 of the Companies Act 2006.



# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **3. Accounting policies** *(continued)*

#### **Minority interests**

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

- **Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

We do not consider there to be any significant judgements within the financial statements for disclosure.

# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **3. Accounting policies** *(continued)*

#### **Judgements and key sources of estimation uncertainty** *(continued)*

- Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

##### **(i) Depreciation charges**

The annual depreciation charge for tangible assets is sensitive to changes in the useful economic lives and residual values of the assets. These are reviewed periodically by the Directors to ensure that they reflect both external and internal factors.

##### **(ii) Impairment of debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When making their assessment, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

##### **(iii) Long term contracts**

The company's manufacturing process can be significant and so management are required to recognise profit as the job progresses. In order to do this management review the expected revenue and costs on a job by job basis and, once a cash inflow becomes probable, recognise the relevant profits on the basis of the stage of completion. Where a job is expected to make a loss then the full loss is immediately recognised in the profit and loss account.

#### **Revenue recognition**

Turnover comprises the value of sales of goods and services in the normal course of business after deducting trade discounts, value added tax and other taxes based on turnover.

Services provided during the year which have not been invoiced at the balance sheet date have been recognised as turnover in accordance with FRS 102 and included as accrued income. Turnover recognised in this manner is based upon an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

### **YEAR ENDED 31 MARCH 2016**

#### **3. Accounting policies** *(continued)*

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of all material timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

The financial statements of the subsidiary of the parent company are translated to the presentational currency of these consolidated financial statements prior to consolidation. For each year the subsidiary is presented in the consolidated financial statements (including comparatives) the assets and liabilities are translated at the closing rate, the profit and loss account is translated at the average rate, and share capital is translated at the historical rate. All resulting exchange differences on translation of the subsidiary are recognised directly in the profit and loss reserve.

##### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **3. Accounting policies** *(continued)*

#### **Tangible assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Plant and Machinery	- 10% reducing balance
Furniture and Equipment	- 25% reducing balance
Motor Vehicles	- 25% reducing balance

The Directors have elected not to depreciate where freehold property remains under construction until the property becomes operational as they believe it would show the property at less than its residual value.

#### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **3. Accounting policies** *(continued)*

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value on a first in first out basis, after making due allowance for obsolete and slow moving items.

#### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **3. Accounting policies** *(continued)*

#### **Financial instruments**

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

- **Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances, loans to fellow group companies and investments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost, using the effective interest method.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

- **Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost, using the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2016

### 3. Accounting policies *(continued)*

#### Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	8,485,301	8,747,852
Rendering of services	1,704,211	1,897,252
Commissions	57,634	6,330
	<u>10,247,146</u>	<u>10,651,434</u>

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016	2015
	£	£
United Kingdom	5,476,871	4,442,704
Overseas	4,770,275	6,208,730
	<u>10,247,146</u>	<u>10,651,434</u>

### 5. Other operating income

	2016	2015
	£	£
Grants receivable	<u>69,320</u>	<u>227,207</u>

The grants receivable relate directly to expenditure during the year.

### 6. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	70,666	58,934
Loss on disposal of tangible assets	27,157	7,485
Foreign exchange differences	29,142	(49,262)
Defined contribution plans expense	<u>20,531</u>	<u>71,737</u>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**YEAR ENDED 31 MARCH 2016**

### 7. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>22,345</u>	<u>14,393</u>
Fees payable to the company's auditor and its associates for other services:		
Audit-related assurance services	<u>8,236</u>	<u>6,302</u>

### 8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Production staff	132	142
Distribution staff	4	5
Administrative staff	24	27
Management staff	<u>5</u>	<u>5</u>
	<u>165</u>	<u>179</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	3,849,874	3,889,925
Social security costs	336,263	403,959
Other pension costs	<u>20,531</u>	<u>71,737</u>
	<u>4,206,668</u>	<u>4,365,621</u>

### 9. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	429,758	369,869
Company contributions to defined contribution pension plans	—	45,000
	<u>429,758</u>	<u>414,869</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No.	No.
Defined contribution plans	<u>3</u>	<u>3</u>



**A M PACKAGING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 MARCH 2016**

**9. Directors' remuneration** *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

	2016	2015
	£	£
Aggregate remuneration	<u>178,711</u>	<u>176,053</u>

**10. Other interest receivable and similar income**

	2016	2015
	£	£
Interest on cash and cash equivalents	200	151
Other interest receivable and similar income	—	1,367
	<u>200</u>	<u>1,518</u>

**11. Interest payable and similar charges**

	2016	2015
	£	£
Interest on banks loans and overdrafts	12,944	9,565
Interest on obligations under finance leases and hire purchase contracts	6,179	4,312
Other interest payable and similar charges	<u>51,361</u>	<u>76,852</u>
	<u>70,484</u>	<u>90,729</u>

**12. Tax on profit/(loss) on ordinary activities**

**Major components of tax expense/(income)**

	2016	2015
	£	£
<b>Current tax:</b>		
(Over)/under provision in prior year	—	(4,075)
Foreign tax adjustments in respect of prior periods	—	1,633
Total current tax	<u>—</u>	<u>(2,442)</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<u>10,382</u>	<u>(70,212)</u>
<b>Tax on profit/(loss) on ordinary activities</b>	<u>10,382</u>	<u>(72,654)</u>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 MARCH 2016

#### 12. Tax on profit/(loss) on ordinary activities *(continued)*

##### Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit/(loss) on ordinary activities before taxation	<u>241,681</u>	<u>(123,681)</u>
Profit/(loss) on ordinary activities by rate of tax	48,336	(12,400)
Adjustment to tax charge in respect of prior periods	(99,541)	1,150
Effect of expenses not deductible for tax purposes	10,684	(1,110)
Effect of capital allowances and depreciation	45,370	(60,294)
Effect of different UK tax rates on some earnings	5,533	–
Tax on profit/(loss) on ordinary activities	<u>10,382</u>	<u>(72,654)</u>

#### 13. Profit for the year of the parent company

The profit for the financial year of the parent company was £225,310 (2015: £245,274 loss).

#### 14. Intangible assets

The group has no intangible assets.

The company has no intangible assets.

#### 15. Tangible assets

Group	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 Apr 2015	2,769,916	1,297,337	291,679	144,560	4,503,492
Additions	876,007	114,820	33,335	18,100	1,042,262
Disposals	–	(82,272)	(33,410)	–	(115,682)
Transfers	4,665	–	(8,657)	9,650	5,658
<b>At 31 Mar 2016</b>	<u>3,650,588</u>	<u>1,329,885</u>	<u>282,947</u>	<u>172,310</u>	<u>5,435,730</u>
<b>Depreciation</b>					
At 1 Apr 2015	100,152	853,461	212,348	69,451	1,235,412
Charge for the year	(8,398)	45,056	12,568	21,440	70,666
Disposals	–	(62,011)	(26,514)	–	(88,525)
Transfers	3,931	4,759	1,496	1,024	11,210
<b>At 31 Mar 2016</b>	<u>95,685</u>	<u>841,265</u>	<u>199,898</u>	<u>91,915</u>	<u>1,228,763</u>
<b>Carrying amount</b>					
<b>At 31 Mar 2016</b>	<u>3,554,903</u>	<u>488,620</u>	<u>83,049</u>	<u>80,395</u>	<u>4,206,967</u>
At 31 Mar 2015	<u>2,669,764</u>	<u>443,876</u>	<u>79,331</u>	<u>75,109</u>	<u>3,268,080</u>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 MARCH 2016

#### 15. Tangible assets *(continued)*

Company	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 Apr 2015	2,312,997	961,401	189,490	77,960	<b>3,541,848</b>
Additions	876,007	114,820	31,013	18,100	<b>1,039,940</b>
Disposals	–	(82,272)	(33,410)	–	<b>(115,682)</b>
<b>At 31 Mar 2016</b>	<b>3,189,004</b>	<b>993,949</b>	<b>187,093</b>	<b>96,060</b>	<b>4,466,106</b>
<b>Depreciation</b>					
At 1 Apr 2015	–	641,214	151,235	42,852	<b>835,301</b>
Charge for the year	15,945	33,237	8,599	11,598	<b>69,379</b>
Disposals	–	(62,011)	(26,514)	–	<b>(88,525)</b>
<b>At 31 Mar 2016</b>	<b>15,945</b>	<b>612,440</b>	<b>133,320</b>	<b>54,450</b>	<b>816,155</b>
<b>Carrying amount</b>					
<b>At 31 Mar 2016</b>	<b>3,173,059</b>	<b>381,509</b>	<b>53,773</b>	<b>41,610</b>	<b>3,649,951</b>
At 31 Mar 2015	2,312,997	320,187	38,255	35,108	2,706,547

Group Freehold Property includes non-depreciable land to the value of £122,056 (2015 - £122,506).

An adjustment of £101,256 (2015 - £219,952) has been credited to depreciation to align the depreciation policy of the subsidiary with that of the group.

#### 16. Investments

The group has no investments.

Company	Shares in group undertakings £
<b>Cost</b>	
At 1 Apr 2015 and 31 Mar 2016	<b>500,069</b>
<b>Impairment</b>	
At 1 April 2015	40,666
Impairment losses	97,216
<b>At 31 March 2016</b>	<b>137,882</b>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**YEAR ENDED 31 MARCH 2016**

### 16. Investments *(continued)*

Carrying amount	
At 31 March 2016	<u>362,187</u>
At 31 March 2015	<u>459,403</u>

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
<b>Subsidiary undertakings</b>				
All held by the company:				
A M P Rose Private Limited	India	Ordinary shares	60%	Confectionery manufacturing and packaging machinery

Investments in subsidiaries are valued at the company's shareholding proportion of the net assets of the underlying entity unless this exceeds the cost of the investment in which case the cost of the investment is restricted to cost. In the opinion of the directors this gives a fair reflection of the nature of the investments, which are held with a long term view, and therefore no uplift in value over initial cost of the investment is recognised, and the recoverable amount of the investment is based on quantifiable values from the relevant proportion of the company's share in the underlying net assets of the entity invested in.

### Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Country of incorporation	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>			
A M P Rose Private Limited	India	Ordinary	60

### 17. Stocks

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials and consumables	157,134	136,311	—	—
Work in progress	1,130,510	751,287	1,124,535	744,867
Finished goods and goods for resale	1,498,129	1,546,714	1,482,085	1,537,125
	<u>2,785,773</u>	<u>2,434,312</u>	<u>2,606,620</u>	<u>2,281,992</u>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2016

### 18. Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	1,463,784	1,909,968	1,307,957	1,776,050
Prepayments and accrued income	482,153	472,258	31,473	54,024
Directors loan account	4,216	–	4,216	–
Amounts recoverable on contracts	509,778	114,989	509,778	114,989
Other debtors	305,119	150,566	182,229	44,336
	<u>2,765,050</u>	<u>2,647,781</u>	<u>2,035,653</u>	<u>1,989,399</u>

The debtors above include the following amounts falling due after more than one year:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	–	216,600	–	216,600
Other debtors	414,064	411,413	–	–
	<u>414,064</u>	<u>628,013</u>	<u>–</u>	<u>216,600</u>

### 19. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2016	2015
	£	£
Cash at bank and in hand	106,823	876,406
Bank overdrafts	(853,878)	–
	<u>(747,055)</u>	<u>876,406</u>

### 20. Creditors: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	1,021,866	174,890	1,011,798	157,800
Payments received on account	1,565,401	1,810,584	1,565,401	1,810,584
Trade creditors	1,357,916	1,589,742	1,240,620	1,468,662
Amounts owed to group undertakings	–	–	25,022	49,212
Accruals and deferred income	181,398	71,931	38,364	55,155
Corporation tax	1,339	305,628	1,339	–
Social security and other taxes	83,041	241,116	83,041	241,116
Obligations under finance leases and hire purchase contracts	52,754	24,071	52,754	24,071
Director loan accounts	–	2,792	–	2,792
Other creditors	122,112	84,874	39,139	1,036
	<u>4,385,827</u>	<u>4,305,628</u>	<u>4,057,478</u>	<u>3,810,428</u>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 MARCH 2016

#### 20. Creditors: amounts falling due within one year *(continued)*

The bank loan is secured by way of a first legal charge over freehold property held within the company and an all moneys personal guarantee from the directors.

The hire purchase liabilities are secured on the assets to which they relate.

#### 21. Creditors: amounts falling due after more than one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	513,444	672,577	513,444	672,577
Corporation tax	307,426	—	—	—
Obligations under finance leases and hire purchase contracts	208,847	39,393	208,847	39,393
Other creditors	5,042	—	—	—
	<u>1,034,759</u>	<u>711,970</u>	<u>722,291</u>	<u>711,970</u>

The bank loan is secured by way of a first legal charge over freehold property held within the company and an all moneys personal guarantee from the directors.

The hire purchase liabilities are secured on the assets to which they relate.

Included within creditors: amounts falling due after more than one year is an amount of £Nil (2015: £37,500) for the group and £Nil (2015: £37,500) for the company in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The main bank loan is repayable over 10 years with an interest rate of 2.51% above base rate.

#### 22. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	52,754	24,071	52,754	24,071
Later than 1 year and not later than 5 years	208,847	39,393	208,847	39,393
	<u>261,601</u>	<u>63,464</u>	<u>261,601</u>	<u>63,464</u>

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2016

### 23. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Included in provisions (note 24)	<u>(110,877)</u>	<u>(121,259)</u>	<u>(115,875)</u>	<u>(93,033)</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	226,840	111,820	221,842	140,046
Unused tax losses	<u>(337,717)</u>	<u>(233,079)</u>	<u>(337,717)</u>	<u>(233,079)</u>
	<u>(110,877)</u>	<u>(121,259)</u>	<u>(115,875)</u>	<u>(93,033)</u>

### 24. Provisions

<b>Group</b>	<b>Deferred tax (note 23) £</b>
At 1 April 2015	(121,259)
Additions	<u>10,382</u>
At 31 March 2016	<u>(110,877)</u>
<b>Company</b>	<b>Deferred tax (note 23) £</b>
At 1 April 2015	(93,033)
Additions	<u>(22,842)</u>
At 31 March 2016	<u>(115,875)</u>

### 25. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £20,531 (2015: £71,737).

# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2016

### 26. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>1,477,239</u>	<u>1,909,968</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(2,314,405)</u>	<u>(2,500,673)</u>

### 27. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>

### 28. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 29. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Not later than 1 year	146,059	138,409	146,059	138,409
Later than 1 year and not later than 5 years	180,269	245,000	180,269	245,000
Later than 5 years	<u>3,360,000</u>	<u>3,390,000</u>	<u>3,360,000</u>	<u>3,390,000</u>
	<u>3,686,328</u>	<u>3,773,409</u>	<u>3,686,328</u>	<u>3,773,409</u>



# A M PACKAGING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### YEAR ENDED 31 MARCH 2016

#### 30. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company and its subsidiary undertakings:

	Advances/ (credits) to the directors		Amounts repaid		Balance outstanding	
	2016	2015	2016	2015	2016	2015
	£	£	£	£	£	£
A Mann	54,584	43,357	(51,676)	(56,610)	(1,139)	(4,047)
A H Mann	1,154	–	–	–	1,154	–
D Mann	2,946	1,414	–	–	4,201	1,255
	<u>58,684</u>	<u>44,771</u>	<u>(51,676)</u>	<u>(56,610)</u>	<u>4,216</u>	<u>(2,792)</u>

# **A M PACKAGING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

### **31. Related party transactions**

#### **Company**

The company was under the control of A Mann throughout the current and previous year. A Mann is the managing director and majority shareholder.

#### **Directors loans**

At the start of the year, A Mann was owed £4,047 by the company. After additional drawings of £54,584 and repayments to the company of £51,676. At the year end A Mann was owed £1,139 by the company. The maximum amount outstanding owed by A Mann to the company during the year was £25,528 (2015 - £27,351).

At the start of the year, D Mann owed £1,255 to the company. After additional drawings of £2,946 and repayments to the company of £nil. The year end loan balance was £4,201. The maximum amount owed by D Mann to the company during the year was £4,201 (2015 - £1,255).

At the start of the year, A H Mann owed £nil to the company. After drawings of £1,154 and repayments to the company of £nil. The year end loan balance was £1,154. The maximum amount owed by A H Mann to the company during the year was £1,154 (2015 - £nil).

#### **Transactions**

A Mann charged the company £53,100 (2015 - £19,700) for the use of accommodation. At the year end there was no balance outstanding (2015 - £nil).

As part of the general terms and conditions of the bank loan there are personal guarantees from the Directors in the form of an all moneys guarantee from A Mann of £175,000, an all moneys guarantee from P Mann of £25,000, an all moneys guarantee from D Mann of £25,000, and an all moneys guarantee from A H Mann of £25,000.

#### **A M P Rose Private Limited**

During the year the company purchased £190,303 (2015 - £118,022) from and supplied £59,363 (2015 - £62,333) to A M P Rose Private Limited. At the year end the company owed £25,022 (2015 - £49,212) to A M P Rose Private Limited.

#### **A M Packaging Limited Pension Scheme**

A M Packaging Limited Pension Scheme rents property to the company on a commercial basis and charged £120,000 (2015- £120,000) in the year.

All transactions were at an arm's length basis on normal commercial terms.

#### **Key management personnel**

Key management personnel remuneration totalled £627,540 (2015 - £621,724).

### **32. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The group and the company transitioned to FRS 102 on 1 April 2014.

No transitional adjustments were required in equity or profit or loss for the year.