

CROMWELL POLYTHENE LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2015**

THURSDAY



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COMPANIES HOUSE

**HAINES WATTS LEEDS LLP
CHARTERED ACCOUNTANTS**

CROMWELL POLYTHENE LIMITED

COMPANY INFORMATION

DIRECTORS

J R Lee
D J Lee
P J Fleetwood

COMPANY SECRETARY

D J Lee

REGISTERED NUMBER

02230104

REGISTERED OFFICE

Orion Building
Seafox Court
Sherburn Enterprise Park
Sherburn in Elmet
Leeds
West Yorkshire
LS25 6PL

STATUTORY AUDITORS

Haines Watts Leeds LLP
Chartered Accountants & Statutory Auditor
Sterling House
1 Sheepscar Court
Meanwood Road
Leeds
West Yorkshire
LS7 2BB

BANKERS

HSBC
PO Box 105
33 Park Row
Leeds
West Yorkshire
LS1 1LD

SOLICITORS

HartLaw LLP
St James Street
Wetherby
West Yorkshire
LS22 6RS

CROMWELL POLYTHENE LIMITED

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CROMWELL POLYTHENE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30TH APRIL 2015

INTRODUCTION

The company's principal activity during the year was that of the supply of polythene refuse sacks and other polythene related packaging products.

BUSINESS REVIEW

Sales performance in the year was strong, with a year on year increase of 16.3%. This was achieved through securing existing business and winning new customers in the main markets for our core products - waste and recycling sacks to the waste management sector. We also gained incremental business through the development of high value Ecopond® biodegradable/compostable material, which helped buffer the figures, albeit at lower margins. At the same time, we retained market share in the janitorial/industrial supplies sector (reseller division) and added new key accounts, which should yield additional growth in the coming year, further establishing Cromwell's own brands - Wave®, LOWC02T® and Kerbie®.

Trading conditions remain stable with good demand for recycling sacks and bags among local authorities, although pressure on prices has been a feature in this sector. Strong competition also meant lower prices for mainstream products like refuse sacks and bin liners. This effect, coupled with increased costs from suppliers and foreign currency adjustments, eroded margins on some key products. Concurrently, well timed FX contracts facilitated long-term business with existing customers, with fixed pricing supported by our overseas suppliers.

As a result of these external influences gross profit margin on the increased level of sales was 0.84% below budget. Extraordinary costs were incurred in recruitment and redundancy payments, although we nonetheless achieved a reduction of 1% against the overhead budget, which contributed to a year on year increase in operating profit.

Changes in our stock management system, coupled with a strategic increase in stock levels for some core items, led to an increase in our stockholding through the year, imposing additional strain on our warehouse operations.

The management team has worked hard to maintain focus on sales, improve relations with suppliers, meet budgetary targets, optimise systems and procedures and identify areas of improvement and functionality, which will be implemented over the coming year.

Following changes in the previous year, we are now focussed on the personal development of individuals and teams through a training programme across a range of skills, from health and safety fundamentals, accountancy (CIMA), supply chain (CIPS) and professional sales training. Meanwhile, our sales team has been reorganised to provide greater reach and efficiency across all our market sectors, with field-based business development managers teamed with internal account managers to maximise customer service.

While the overall business climate remains somewhat cautious, with conservative growth expectations, we remain quietly confident of business growth in the key markets in which Cromwell operates – recycling and waste management, janitorial/cleaning and hygiene consumables. Having moved to our present freehold site just five years ago and with an eye to continued expansion over the coming years, we are now investigating alternative sites for a larger distribution warehouse.

Against a background of change we have strived to maintain the sound environmental principles that drive the company, chief among them our promotion of up to 100% post-use recycled polythene in those of our products used for the collection of waste and recyclables.

We are proud of Cromwell Polythene's customer charter, published in full on our web site: www.cromwellpolythene.co.uk. The company's relationship with its customers, as with all Cromwell Polythene's stakeholders, including its suppliers, is founded both on moral, as well as legal principles.

CROMWELL POLYTHENE LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30TH APRIL 2015

Finally, it would be remiss of me not to mention Cromwell's employees, whose stalwart efforts, whether in sales and marketing, purchasing, warehouse and logistics and finance have all contributed in no small measure to the company's success. I welcome this opportunity to acknowledge their contribution and thank them all for their continued loyalty and hard work.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks and uncertainties affecting the company are considered to relate to competition and the market forces within the industry.

FINANCIAL KEY PERFORMANCE INDICATORS

Given the nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the developments, performance or position of the business.

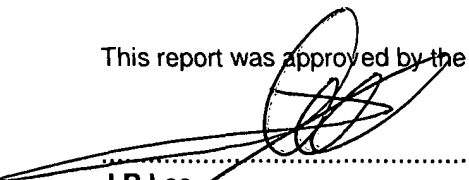
FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors ensure wherever possible that the business objectives are aligned with risk management. The directors are responsible for maintaining sound systems of internal control that provide reasonable assurance that the company will not be hindered in achieving its business objectives by circumstances that are not foreseen. No major risks have been identified other than those of a typical trading company.

FUTURE DEVELOPMENTS

The cleaning sector remains the most important market for us and the next year will see us continuing to shift focus to higher value national accounts.

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



.....
J R Lee
Director
Date: 6 July 2015

CROMWELL POLYTHENE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH APRIL 2015

The directors present their report and the financial statements for the year ended 30 April 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £693,617 (2014 - £374,179).

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

DIRECTORS

The directors who served during the year were:

J R Lee
D J Lee
P J Fleetwood

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the 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 of the profit or loss of the company 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.

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.

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'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's auditors are aware of that information.

CROMWELL POLYTHENE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH APRIL 2015**

FINANCIAL INSTRUMENTS

Details of the company's financial risk management objectives and policies are included in the notes to the accounts.

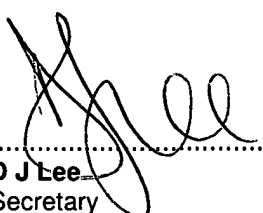
MATTERS COVERED IN THE STRATEGIC REPORT

Disclosures in relation to the review of the business, principal risks and uncertainties and future developments are covered in the strategic report.

AUDITORS

Under section 487(2) of the Companies Act 2006, Haines Watts Leeds LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



.....
D J Lee
Secretary

Date: 6 July 2015

Orion Building
Seafox Court
Sherburn Enterprise Park
Sherburn in Elmet
Leeds
West Yorkshire
LS25 6PL

CROMWELL POLYTHENE LIMITED

**INDEPENDENT AUDITORS' REPORT TO CROMWELL POLYTHENE LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 6 to 18, together with the financial statements of Cromwell Polythene Limited for the year ended 30 April 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

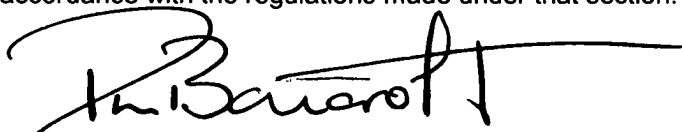
RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 6 to 18 have been properly prepared in accordance with the regulations made under that section.



Peter Bancroft BA FCA (Senior Statutory Auditor)

for and on behalf of
Haines Watts Leeds LLP

Chartered Accountants &
Statutory Auditor

Sterling House
1 Sheepscar Court
Meanwood Road
Leeds
West Yorkshire
LS7 2BB

17 July 2015

CROMWELL POLYTHENE LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2015**

	Note	2015 £	2014 £
TURNOVER		12,568,214	10,811,242
GROSS PROFIT		2,404,474	2,214,309
Administrative expenses		(1,495,626)	(1,665,227)
OPERATING PROFIT	2	908,848	549,082
Interest payable and similar charges	5	(60,844)	(66,808)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		848,004	482,274
Tax on profit on ordinary activities	6	(154,387)	(108,095)
PROFIT FOR THE FINANCIAL YEAR		693,617	374,179

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

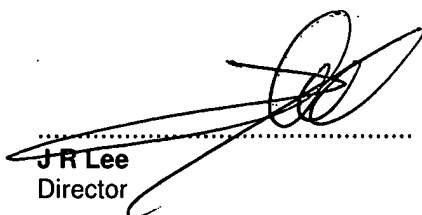
The notes on pages 9 to 18 form part of these financial statements.

CROMWELL POLYTHENE LIMITED
REGISTERED NUMBER: 02230104

ABBREVIATED BALANCE SHEET
AS AT 30 APRIL 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	8		1,653,126		1,640,340
Investments	9		1		1
			<u>1,653,127</u>		<u>1,640,341</u>
CURRENT ASSETS					
Stocks	10	1,535,857		917,290	
Debtors	11	2,314,892		2,058,234	
Cash at bank and in hand		682,589		658,309	
		<u>4,533,338</u>		<u>3,633,833</u>	
CREDITORS: amounts falling due within one year	12	(3,004,378)		(2,551,777)	
NET CURRENT ASSETS			<u>1,528,960</u>		<u>1,082,056</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,182,087</u>		<u>2,722,397</u>
CREDITORS: amounts falling due after more than one year	13		(782,889)		(782,337)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		(5,727)		(11,964)
NET ASSETS			<u>2,393,471</u>		<u>1,928,096</u>
CAPITAL AND RESERVES					
Called up share capital	17		16,758		15,000
Profit and loss account			<u>2,376,713</u>		<u>1,913,096</u>
SHAREHOLDERS' FUNDS	18		<u>2,393,471</u>		<u>1,928,096</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf by:


J R Lee
 Director

Date: 6 July 2015

The notes on pages 9 to 18 form part of these financial statements.

CROMWELL POLYTHENE LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH APRIL 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	19	(427,497)	1,071,425
Returns on investments and servicing of finance	20	(60,844)	(66,808)
Taxation	20	(110,124)	(47,873)
Capital expenditure and financial investment	20	(99,435)	(22,315)
Equity dividends paid		(230,000)	(100,000)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(927,900)	834,429
Financing	20	153,680	(216,477)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(774,220)	617,952

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30TH APRIL 2015**

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(774,220)	617,952
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(151,922)	216,477
MOVEMENT IN NET DEBT IN THE YEAR	(926,142)	834,429
Net debt at 1 May 2014	(806,206)	(1,640,635)
NET DEBT AT 30 APRIL 2015	(1,732,348)	(806,206)

The notes on pages 9 to 18 form part of these financial statements.

CROMWELL POLYTHENE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH APRIL 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Group accounts have not been prepared as all of the company's subsidiaries are permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts and was derived from the company's principal activity which was carried out wholly in the UK.

1.3 Tangible fixed assets and depreciation

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

Freehold property	-	2% straight line
Plant and machinery	-	10% straight line
Motor vehicles	-	25% reducing balance
Equipment	-	25% straight line

1.4 Stocks

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

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 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.

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

1. ACCOUNTING POLICIES (continued)**1.7 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.

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.

1.8 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.

1.9 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.

1.10 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2. OPERATING PROFIT

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

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	52,128	55,295
- held under finance leases	31,251	22,271
Auditors' remuneration	10,000	10,000
Difference on foreign exchange	(131,501)	193,240
(Profit)/Loss on disposal of fixed assets	3,271	(414)
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CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

3. STAFF COSTS

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

	2015 £	2014 £
Wages and salaries	791,694	741,993
Social security costs	70,475	65,341
Other pension costs	47,540	7,473
	<u>909,709</u>	<u>814,807</u>

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

	2015 No.	2014 No.
Number of administrative staff	4	4
Number of purchasing staff	4	4
Number of warehouse staff	10	6
Number of sales staff	6	5
Number of directors	3	4
Number of transport staff	2	2
	<u>29</u>	<u>25</u>

4. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>152,453</u>	<u>224,174</u>
Company pension contributions to defined contribution pension schemes	<u>47,540</u>	<u>7,473</u>
Compensation for loss of office	<u>-</u>	<u>24,077</u>

During the year retirement benefits were accruing to 3 directors (2014 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £81,493 in 2014.

5. INTEREST PAYABLE

	2015 £	2014 £
Interest payable	<u>60,844</u>	<u>66,808</u>

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

6. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	161,000	110,500
Adjustments in respect of prior periods	(376)	(127)
Total current tax	<u>160,624</u>	<u>110,373</u>
Deferred tax (see note 15)		
Origination and reversal of timing differences	(6,237)	(2,278)
Tax on profit on ordinary activities	<u>154,387</u>	<u>108,095</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>848,004</u>	<u>482,274</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 23%)	169,601	110,923
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,393	767
Depreciation for the year in excess of capital allowances	9,834	6,443
Adjustments to tax charge in respect of prior periods	(376)	(127)
Tax deduction arising from exercise of employee options	(25,248)	-
Other differences leading to an increase (decrease) in the tax charge	6,987	-
Marginal relief	(1,658)	(6,995)
Effect of change in rate of tax	-	(933)
Rounding on tax charge	91	295
Current tax charge for the year (see note above)	<u>160,624</u>	<u>110,373</u>

7. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	<u>230,000</u>	<u>100,000</u>

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost					
At 1 May 2014	1,535,087	276,216	37,430	85,934	1,934,667
Additions	-	81,494	28,358	-	109,852
Disposals	-	-	(14,600)	-	(14,600)
At 30 April 2015	1,535,087	357,710	51,188	85,934	2,029,919
Depreciation					
At 1 May 2014	104,833	132,607	7,099	49,788	294,327
Charge for the year	30,683	24,139	12,395	16,162	83,379
On disposals	-	-	(913)	-	(913)
At 30 April 2015	135,516	156,746	18,581	65,950	376,793
Net book value					
At 30 April 2015	1,399,571	200,964	32,607	19,984	1,653,126
At 30 April 2014	1,430,254	143,609	30,331	36,146	1,640,340

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

	2015 £	2014 £
Plant and machinery	124,891	84,250
Motor vehicles	39,297	16,647
Office equipment	-	5,385
	<u>164,188</u>	<u>106,282</u>

9. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 May 2014 and 30 April 2015	1
Net book value	
At 30 April 2015	1
At 30 April 2014	1

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

9. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Cromwell Plastics Recycling Limited	Ordinary shares	100%

Cromwell Plastics Recycling Limited is a dormant company registered in England and Wales.

10. STOCKS

	2015	2014
	£	£
Finished goods	1,535,857	917,290

11. DEBTORS

	2015	2014
	£	£
Trade debtors	2,237,778	1,886,267
Directors' current accounts	-	108,955
Prepayments	77,114	63,012
	2,314,892	2,058,234

**12. CREDITORS:
Amounts falling due within one year**

	2015	2014
	£	£
Bank loans and overdrafts	1,595,261	650,885
Trade creditors	847,641	1,417,239
Other taxation and social security	270,004	265,943
Corporation tax	161,000	110,500
Net obligations under finance leases and hire purchase contracts	36,786	31,294
Directors' current accounts	15,393	-
Other creditors	6,484	8,292
Accruals	71,809	67,624
	3,004,378	2,551,777

CROMWELL POLYTHENE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH APRIL 2015

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2015 £	2014 £
Bank loans and overdrafts	1,595,261	650,885
Net obligations under hire purchase contracts	36,786	31,294
	<u>1,632,047</u>	<u>682,179</u>
Total		

13. CREDITORS: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	703,384	768,135
Net obligations under finance leases and hire purchase contracts	79,505	14,202
	<u>782,889</u>	<u>782,337</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Bank loans	460,802	541,873

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

	2015 £	2014 £
Between one and five years	79,505	14,202

The liabilities disclosed under creditors falling due after more than one year are secured by the company.

14. PENSION COMMITMENTS

The company operates a defined contribution pension scheme and makes contributions to the personal pension schemes of the company directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £47,540 (2014: £7,473).

There was £Nil outstanding at the year end (2014: £Nil).

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

15. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	11,964	14,242
Released during year	(6,237)	(2,278)
At end of year	<u>5,727</u>	<u>11,964</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>5,727</u>	<u>11,964</u>

16. TRANSACTIONS WITH DIRECTORS

Included within debtors at 30 April 2015 is £Nil (2014: £108,955) due to the company from directors of Cromwell Polythene Limited. The maximum balance outstanding during the year was £160,592. The balance is interest free and repayable on demand.

17. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
15,822 (2014 - 14,064) Ordinary A shares of £1 each	15,822	14,064
936 Ordinary B shares of £1 each	936	936
	<u>16,758</u>	<u>15,000</u>

During the year 1,758 Ordinary A shares of £1 were allotted.

The company has an Enterprise Management Incentive Scheme for senior employees in respect of "A" ordinary shares.

On 15 March 2015 a senior employee exercised an option to purchase 879 "A" ordinary shares. On 28 April 2015 an option to purchase a further 879 "A" ordinary shares was exercised.

The total number of options outstanding as at 30 April 2015 is nil (2014: 1,758) "A" ordinary shares at an option price of £1 per share.

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	1,928,096	1,653,917
Profit for the financial year	693,617	374,179
Dividends (Note 7)	(230,000)	(100,000)
Shares issued during the year	1,758	-
Closing shareholders' funds	<u>2,393,471</u>	<u>1,928,096</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	908,848	549,082
Depreciation of tangible fixed assets	83,379	77,566
Loss/(profit) on disposal of tangible fixed assets	3,271	(414)
(Increase)/decrease in stocks	(618,567)	227,133
Increase in debtors	(256,660)	(357,074)
(Decrease)/increase in creditors	(547,768)	575,132
Net cash (outflow)/inflow from operating activities	<u>(427,497)</u>	<u>1,071,425</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	<u>(60,844)</u>	<u>(66,808)</u>
Taxation		
Corporation tax	<u>(110,124)</u>	<u>(47,873)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(109,852)	(37,100)
Sale of tangible fixed assets	10,417	14,785
Net cash outflow from capital expenditure	<u>(99,435)</u>	<u>(22,315)</u>

CROMWELL POLYTHENE LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH APRIL 2015**

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

	2015 £	2014 £
Financing		
Issue of ordinary shares	1,758	-
New secured loans	81,126	-
Repayment of loans	-	(154,131)
New/(repayment of) finance leases	70,796	(62,346)
Net cash inflow/(outflow) from financing	<u>153,680</u>	<u>(216,477)</u>

21. ANALYSIS OF CHANGES IN NET DEBT

	1 May 2014 £	Cash flow £	30 April 2015 £
Cash at bank and in hand	658,309	24,280	682,589
Bank overdraft	-	(798,500)	(798,500)
	<u>658,309</u>	<u>(774,220)</u>	<u>(115,911)</u>
Debt:			
Hire purchase agreements	(45,495)	(70,796)	(116,291)
Debts due within one year	(650,885)	(145,877)	(796,762)
Debts falling due after more than one year	(768,135)	64,751	(703,384)
Net debt	<u>(806,206)</u>	<u>(926,142)</u>	<u>(1,732,348)</u>

22. CONTROLLING PARTY

At the year end the company was under the joint control of J R Lee and D J Lee, who are both directors of the company.