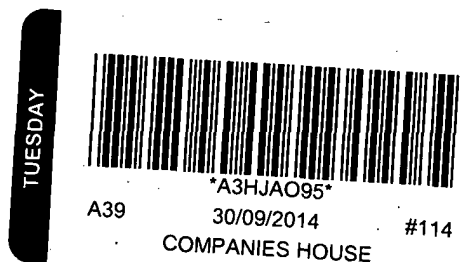


Alma Products Limited

Annual report and financial statements

Registered number 01665868

For the year ended 31 December 2013



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Strategic report

The directors present their annual report and financial statements for the year ended 31 December 2013.

Principal activities

The principal activities of the Group and Company are the manufacture and marketing of plastic products, primarily multi and mono-layered sheet for the food industry and the manufacture of thermoforming cups and trays for the food packaging market. In addition, the Group and Company is involved in the use of recycled materials for non-food applications.

Business review

The results for the year are shown on page 7.

In 2013 volatile and high raw material prices, not for the first time, made trading conditions in the plastics industry challenging. In the case of polystyrene the Group's raw material prices increased by an average of nearly ten percent during the year from already historical highs.

As previously reported the Group is able to pass through polymer price movements to its customer base, although with time delays. Over the past few years management has actively worked to reduce such time delays to the minimum possible. The Group's profitability is sensitive to polymer price developments and therefore requires careful management and control of pricing arrangements with both suppliers and customers. In previous reports the Directors asserted that they believed that they had in place the pricing systems required to accommodate the desired profitability levels on a long term basis. This view remains unchanged despite the unprecedented high prices experienced in 2013 which are also expected to continue in 2014.

The principle risks and uncertainties facing the company continue to revolve around potential volatile polymer prices and the ongoing refusal of UK and European retailers to compensate suppliers in full for the continued increases in energy, transport and ancillary packaging material costs - all of which are due to factors beyond the control of the Company.

The Group's key performance indicators are sales volumes in tonnes processed and the average margin and contribution to overheads achieved.

Overall revenues for the year increased significantly from the full year impact of the Group's acquisition of Alma Extrusions AG in August 2012. Net earnings also increased year-on-year despite the exceptionally high raw material prices.

At Alma Products Limited, revenues fell year on year as the full impact of the loss of the Company's largest customer, announced at the end of 2011 and referred to and reported on in earlier Annual Report's took full effect. As previously mentioned this was a strategic decision taken by the customer to source the materials purchased from Alma Products from an associated company located in mainland Europe.

The Group's focus continues to be on the production of material for the food packaging market which continues to be much less affected in general terms by the economic slowdown than other industrial companies/segments. The food product packaged with the Group's products are seen by consumers as integral and necessary items on the daily menu rather than something they can or will easily defer from. As a result the Group's main business segment continues to hold up reasonably well.

Alma Products Limited continues to work on a number of new projects to provide the replacement revenue to compensate for the customer loss referred to above. As reported in the 2012 Annual Report the company secured a new contract with a major European packaging group for the supply of extruded sheet. This contract is for an extended period. The scale-up for this new business commenced during the second quarter 2013 has now been completed with full volumes on stream from early 2014 following the completion of some minor investments to existing machinery and equipment. In addition the Company continues to focus on the manufacture of thermoformed articles as this is seen by the Directors as the catalyst to ensuring future continued growth and stable profitability. Revenues from the sale of thermoformed products increased year-on-year by more than fifty percent with further increases expected in 2014.

Strategic report *(continued)*

At Alma Extrusions AG revenues have increased by more than twenty percent with that positive development expected to continue into 2014. The Company is a niche market player, predominantly producing specialist high added value multi-layer extruded sheet primarily for long shelf life applications.

Since the date of acquisition, the Company has performed extremely well. The extensive development work commented upon in earlier reports is now paying dividends which will have significant positive impact on the future profitability of this business.

The Directors remain confident in the company's future growth potential.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £990,000, which the directors believe to be appropriate as after making due enquiries and having reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance and availability of credit facilities, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The consolidated result before taxation for the year ended 31 December 2013 was a loss of £859,000 (2012: profit of £64,000) after an exceptional charge of £964,000 (2012: £nil). A dividend of £nil (2012: £nil) has been paid.

By order of the board



D Blundell
Secretary

18b Evenwood Close
Daresbury Court
Runcorn
Cheshire
WA7 1LZ

Directors' report

Results and dividend

The consolidated result before taxation for the year ended 31 December 2013, was a loss of £859,000 (2012: profit of £64,000) after exceptional charges of £964,000 (2012: *£nil*). A dividend of £nil (2012: *£nil*) has been paid.

Directors

The directors who held office during the year were as follows:

D Blundell
J S Dick

Employees

The group is committed to employee involvement and encourages the development of co-operation with employees. To this end, the group policy is to ensure that employees are kept informed on matters which affect them, through direct communication. The group has continued to examine ways and means of providing employment for disabled employees, under normal terms and conditions, with opportunities for training, career development and promotion as appropriate. The group's policy on the employment of disabled persons has been applied as sympathetically as possible.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



D. Blundell
Secretary

18b Evenwood Close
Daresbury Court
Runcorn
Cheshire
WA7 1LZ

Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements

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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 parent company and of their profit or loss of the company for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



KPMG LLP

8 Princes Parade
Liverpool
L3 1QH
United Kingdom

Independent auditor's report to the members of Alma Products Limited

We have audited the financial statements of Alma Products Limited for the year ended 31 December 2013 set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

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

Opinion on 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 December 2013 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

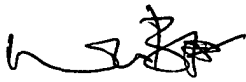
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Alma Products Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.



Will Baker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

29 September 2014

Consolidated Profit and Loss Account
for the year ended 31 December 2013

	Note	Before exceptional items 2013 £000	Exceptional items 2013 £000	Total Group 2013 £000	Total Group 2012 £000
Group turnover – continuing operations	2	19,347	-	19,347	13,082
Change in stocks of finished goods		148	-	148	(282)
Other operating income		144	-	144	151
		<hr/>	<hr/>	<hr/>	<hr/>
		19,639	-	19,639	12,951
Raw materials and consumables		(13,648)	-	(13,648)	(8,916)
Staff costs	4,5	(2,869)	-	(2,869)	(1,924)
Depreciation and other amounts written off tangible and intangible fixed assets	3	(1,035)	-	(1,035)	(746)
Other operating charges (including exceptional items of £964,000 (2012: £nil))	3	(1,876)	(964)	(2,840)	(1,321)
		<hr/>	<hr/>	<hr/>	<hr/>
Group operating (loss)/profit – continuing operations	3	211	(964)	(753)	44
Interest receivable and similar income	6	33	-	33	101
Interest payable and similar charges	7	(139)	-	(139)	(81)
		<hr/>	<hr/>	<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation	2-7	105	(964)	(859)	64
Tax on (loss)/profit on ordinary activities	8	(7)	-	(7)	(1)
		<hr/>	<hr/>	<hr/>	<hr/>
(Loss)/profit for the financial year		98	(964)	(866)	65
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The turnover and operating profits are derived from continuing operations in both the current and preceding years.

The notes on pages 12 to 24 form part of the financial statements.

Consolidated Balance Sheet
 at 31 December 2013

	<i>Note</i>	2013 £000	2013 £000	2012 £000	2012 £000
Fixed assets					
Intangible assets	9	49		62	
Tangible assets	10	4,061		4,825	
		<u> </u>	4,110	<u> </u>	4,887
Current assets					
Stocks	12	1,846		1,281	
Debtors	13	2,522		3,415	
Cash at bank and in hand		164		452	
		<u> </u>		<u> </u>	
Creditors: amounts falling due within one year	14	4,532 (5,522)		5,148 (5,749)	
		<u> </u>	(990)	<u> </u>	(601)
Net current liabilities			(990)		(601)
Total assets less current liabilities			3,120		4,286
Creditors: amounts falling due after more than one year	15		(566)		(879)
			<u> </u>		<u> </u>
Net assets			2,554		3,407
Capital and reserves					
Called up share capital	16		1,000		1,000
Capital contribution			2,383		2,383
Revaluation reserve	17		312		325
Profit and loss account	17		(1,141)		(301)
			<u> </u>		<u> </u>
Equity			2,554		3,407
			<u> </u>		<u> </u>

The notes on pages 12 to 24 form part of the financial statements.

These financial statements were approved by the board of directors on 29. 9. 2014 and were signed on its behalf by:



D Blundell
 Director

Company Balance Sheet
at 31 December 2013

	<i>Note</i>	2013 £000	2013 £000	2012 £000	2012 £000
Fixed assets					
Intangible assets	9	15		28	
Investments	11	2,383		2,383	
Tangible assets	10	1,943		2,279	
			<u>4,341</u>		<u>4,690</u>
Current assets					
Stocks	12	669		526	
Debtors	13	1,631		2,245	
Cash at bank and in hand		1		325	
		<u>2,301</u>		<u>3,096</u>	
Creditors: amounts falling due within one year	14	(4,155)		(3,961)	
Net current liabilities			<u>(1,854)</u>		<u>(865)</u>
Total assets less current liabilities			<u>2,487</u>		<u>3,825</u>
Creditors: amounts falling due after more than one year	15		(430)		(476)
Net assets			<u>2,057</u>		<u>3,349</u>
Capital and reserves					
Called up share capital	16		1,000		1,000
Capital contribution			2,383		2,383
Revaluation reserve	17		312		325
Profit and loss account	17		(1,638)		(359)
Equity			<u>2,057</u>		<u>3,349</u>

The notes on pages 12 to 24 form part of the financial statements.

These financial statements were approved by the board of directors on 29.9. 2014 and were signed on its behalf by:


 D Blundell
 Director

Consolidated Cash Flow Statement for the year ended 31 December 2013

	<i>Note</i>	Group 2013 £000	Group 2013 £000	Group 2012 £000	Group 2012 £000
Reconciliation of operating profit to net cash flow from operating activities					
Operating (loss)/profit			(753)		44
Depreciation and amortisation charges		1,035		746	
Amortisation of government grants		(38)		(38)	
(Increase)/decrease in stocks		(565)		443	
(Increase)/decrease in debtors		(71)		444	
(Decrease)/increase in creditors		(272)		(1,157)	
Loss on disposal of fixed assets		-		128	
Impairment charges		964		-	
		<u>1,053</u>		<u>566</u>	
Net cash inflow from operating activities			<u>300</u>		<u>610</u>
Consolidated cash flow statement					
Cash flow from operating activities					610
Capital expenditure and financial investment	20		(227)		(8)
Cash inflow before financing			73		602
Financing	20		(361)		(174)
(Decrease) / increase in cash in the period			<u>(288)</u>		<u>428</u>
Reconciliation of net cash flow to movement in net debt					
			2013 £000		2012 £000
(Decrease) / increase in cash in the year			(288)		428
Cash inflow from increase in borrowings – Bank finance on trade debtors			(246)		(443)
Cash outflow from decrease in borrowings – Bank loan and overdraft repaid			77		191
Repayment of finance lease and hire purchase contracts			423		394
Loans and finance leases acquired on acquisition	24		-		(938)
Movement in net debt in the year			<u>(34)</u>		<u>(368)</u>
Net debt at beginning of period	24		(2,343)		(1,975)
Net debt at end of period			<u>(2,377)</u>		<u>(2,343)</u>

Note of Consolidated Historical Cost Profits and Losses
for the year ended 31 December 2013

	2013 £000	2012 £000
Reported (loss)/profit on ordinary activities before taxation	(859)	64
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	13	12
	<hr/>	<hr/>
Historical cost (loss)/profit on ordinary activities before taxation	(846)	76
	<hr/>	<hr/>
Historical cost (loss)/profit for the year retained after taxation	(853)	75
	<hr/> <hr/>	<hr/> <hr/>

Statement of Consolidated Total Recognised Gains and Losses
for the year ended 31 December 2013

	2013 £000	2012 £000
(Loss)/profit for the financial year	(866)	65
Foreign exchange gains on translation of foreign subsidiary	13	40
	<hr/>	<hr/>
Net (losses)/profits recognised directly in equity	(853)	105
	<hr/>	<hr/>
Total recognised (loss)/profit relating to the financial year	(853)	105
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements except as noted below.

Basis of preparation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertaking made up to 31 December 2013. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities for the group of £990,000, which the directors believe to be appropriate, as after making due enquiries and having reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance and availability of credit facilities, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Fixed assets and depreciation

The directors have adopted a policy of revaluation to freehold land and buildings. These financial statements incorporate a professional valuation of land and buildings, which was undertaken as at 2008.

Any surplus over net book values arising from the revaluation of fixed assets is credited to a revaluation reserve. Any deficit from net book values is charged to the profit and loss account unless the deficit is matched by a previous revaluation surplus on the same asset. To the extent that the depreciation charge for the year relates to an unrealised surplus, a transfer is made from the revaluation reserve to the profit and loss account.

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	2 - 20% per annum
Plant and machinery	-	10 - 33.3% per annum
Fixtures and fittings	-	20 - 33.3% per annum

No depreciation is provided on freehold land.

Costs include directly attributable finance costs.

Foreign currencies

Transactions in foreign currencies are recorded using the previous month end date to the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

The assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rate and the profit and loss accounts are translated at the average rate. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

Notes

(forming part of the financial statements)

1 Accounting policies (continued)

Post retirement benefits

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Leases

Assets acquired under finance leases are capitalised and outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease. Assets purchased under hire purchase agreements are depreciated over the useful economic life of the asset.

Research and development expenditure

Expenditure on research and development is written off to the profit and loss account in the year in which it is incurred. Development expenditure is capitalised only where there is a clearly defined project, the expenditure is separately identifiable, the outcome of the project can be assessed with reasonable certainty, aggregate costs are expected to exceed related future sales and adequate resources exist to enable the project to be completed. Capitalisation ceases and amortisation begins when the product becomes available to customers. The amortisation period of these capitalised assets is from three to five years.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the actual cost is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

In considering the tax position of the group the Directors have considered certain judgements with respect to unusual or non-recurring items where final agreement with the relevant tax authorities has not been reached. Where the outcome of these items is uncertain the accounting reflects the Directors best estimate of the amounts of tax expected to be paid at the current time.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. Turnover is recognised on despatch.

Notes (continued)

2 Analysis of turnover

	Group		Company	
	2013	2012	2013	2012
	£000	£000	£000	£000
<i>By geographical market</i>				
Sale of plastic products:				
United Kingdom	7,613	8,425	7,613	8,425
Overseas	11,734	4,657	838	1,043
	<u>19,347</u>	<u>13,082</u>	<u>8,451</u>	<u>9,468</u>

3 Notes to the profit and loss account

	Group	Group
	2013	2012
	£000	£000
<i>(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Auditor's remuneration:		
Audit for the company and the consolidated financial statements	13	16
Audit of subsidiary company	10	-
Other services relating to taxation	12	6
Depreciation and other amounts written off tangible fixed assets:		
Owned	702	299
Leased	307	409
Amortisation of intangible assets	26	38
Amortisation of government grant	(38)	(38)
Hire of plant and machinery - rentals payable under operating leases	27	46
Hire of other assets - operating leases	112	111
Research and development		
Amortisation of deferred expenditure	26	38
Management charges	-	123
Exchange losses/(gains)	37	(37)
Exceptional items	964	-
	<u>964</u>	<u>-</u>

An impairment charge of £964,000 (2012: £nil) was made during the year against receivables due from Alma Polska Wroclaw, a company previously related to Alma Products Limited.

4 Remuneration of directors

	Group	Group
	2013	2012
	£000	£000
Directors' emoluments	233	320
Company contributions to money purchase schemes	46	46
	<u>279</u>	<u>366</u>

Retirement benefits are accruing to two directors (2012: two) under money purchase schemes.

The aggregate of emoluments and amounts received under long term incentive schemes of the highest paid director was £142,000 (2012: £185,000).

Notes (continued)

5 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	Group 2013	Group 2012
Administration	8	8
Production	65	64
Sales	3	3
	<u>76</u>	<u>75</u>

The aggregate payroll costs of these persons were as follows:

	Group 2013	Group 2012
	£000	£000
Wages and salaries	2,482	1,676
Social security costs	341	202
Other pension costs	46	46
	<u>2,869</u>	<u>1,924</u>

6 Interest receivable and similar income

	Group 2013	Group 2012
	£000	£000
Intercompany interest	33	64
Net exchange gains	-	37
	<u>33</u>	<u>101</u>

Notes (continued)

7 Interest payable and similar charges

	Group 2013 £000	Group 2012 £000
On bank loans and overdrafts	95	67
Finance charges payable in respect of finance leases and hire purchase contracts	7	14
Net exchange losses	37	-
	<u>139</u>	<u>81</u>

8 Taxation

	Group 2013 £000	Group 2012 £000
Current tax		
UK corporation tax at 23.25% (2012: 24.5%)	-	-
Overseas tax	9	1
Adjustment in respect of prior periods	(2)	-
	<u>7</u>	<u>1</u>
Total current tax	7	1
Deferred tax		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
Tax on (loss)/profit on ordinary activities	<u>7</u>	<u>1</u>

Factors affecting tax charge for the year

The standard rate of tax applied to the profit on ordinary activities before taxation is a hybrid rate of 23.25%. The current tax charge for the period is higher (2012: lower) than the standard rate of corporation tax in the UK during the year of 23.25% (2012: 24.5%). The differences are explained below:

	2013 £000	2012 £000
(Loss)/profit on ordinary activities before taxation	<u>(859)</u>	<u>64</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(200)	16
Effects of:		
Other timing differences	-	2
Depreciation for year in excess of capital allowances	41	77
Adjustments in tax in respect of previous periods	(2)	1
Movement in tax losses	176	(82)
Expenses not deductible for tax / income not taxable	(8)	(10)
Difference in overseas tax rate	-	(3)
	<u>7</u>	<u>1</u>

Factors affecting the future tax charge

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2013) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2013 and 3 July 2013 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

Notes (continued)

9 Intangible fixed assets

Group	Marketable Securities £000	Printing Plates £000	Development costs £000	Total £000
<i>Cost or valuation</i>				
At beginning of year	34	31	337	402
Additions	-	13	-	13
At end of year	34	44	337	415
<i>Amortisation</i>				
At beginning of year	-	26	314	340
Charge for year	-	6	20	26
At end of year	-	32	334	366
<i>Net book value</i>				
At 31 December 2013	34	12	3	49
At 31 December 2012	34	5	23	62

Company	Printing Plates £000	Development costs £000	Total £000
<i>Cost or valuation</i>			
At beginning of year	31	337	368
Additions	13	-	13
At end of year	44	337	381
<i>Amortisation</i>			
At beginning of year	26	314	340
Charge for year	6	20	26
At end of year	32	334	366
<i>Net book value</i>			
At 31 December 2013	12	3	15
At 31 December 2012	5	23	28

Notes (continued)

10 Tangible fixed assets

Group	Freehold land and buildings £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
<i>Cost or valuation</i>				
At beginning of year	1,389	9,251	145	10,785
Additions	30	178	6	214
Disposals	-	(108)	(5)	(113)
Transaction gains/(loss)	7	24	-	31
At end of year	1,426	9,345	146	10,917
<i>Depreciation</i>				
At beginning of year	155	5,666	139	5,960
Charge for year	102	904	3	1,009
Disposals	-	(108)	(5)	(113)
At end of year	257	6,462	137	6,856
<i>Net book value</i>				
At 31 December 2013	1,169	2,883	9	4,061
At 31 December 2012	1,234	3,585	6	4,825

Included in the total net book value of tangible fixed assets is £883,449 (2012:£1,909,000) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £307,077 (2012:£509,000).

Company	Freehold land and buildings £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
<i>Cost or valuation</i>				
At beginning of year	683	7,231	144	8,058
Additions	19	114	-	133
Disposals	-	(108)	(5)	(113)
At end of year	702	7,237	139	8,078
<i>Depreciation</i>				
At beginning of year	124	5,517	138	5,779
Charge for year	24	443	2	469
Disposals	-	(108)	(5)	(113)
At end of year	148	5,852	135	6,135
<i>Net book value</i>				
At 31 December 2013	554	1,385	4	1,943
At 31 December 2012	559	1,714	6	2,279

Notes (continued)

10 Tangible fixed assets (continued)

Included in the total net book value of tangible fixed assets is £883,449 (2012: £1,310,000) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £307,077 (2012: £359,000).

Included within the cost of freehold land and buildings are depreciable assets of £639,000 (2012: £621,000).

The following information relates to tangible fixed assets carried on the basis of revaluation in accordance with FRS 15 Tangible Fixed Assets.

Freehold land and buildings

Group and Company	2013 £000
At open market value: 9 February 2008 – Full Aggregate depreciation thereon	650 (133)
Net book value	517
Historical cost of revalued assets Aggregate depreciation thereon	430 (273)
Historical cost net book value	157

The full valuation was performed by Dixon Webb LLP, chartered surveyors. The land and buildings were last revalued at open market value in 2008. The directors are of the opinion that there is no material difference between market value and the amounts at which freehold land and buildings have been recorded at the balance sheet date.

11 Fixed asset investments

On 20 August 2012 the Company acquired all of the shares of Alma Extrusions AG, Switzerland. The principal undertakings in which the Company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held Company
<i>Subsidiary undertakings</i>			
Alma Extrusions AG	Switzerland	Manufacturing	100% Ordinary

12 Stocks

	Group 2013 £000	2012 £000	Company 2013 £000	2012 £000
Raw materials and packaging	1,157	758	364	243
Finished goods and goods for resale	386	238	177	155
Engineering stocks and other consumables	303	285	128	128
	1,846	1,281	669	526

Notes (continued)

13 Debtors

	Group		Company	
	2013	2012	2013	2012
	£000	£000	£000	£000
Trade debtors	2,410	3,286	1,580	2,218
Social security and other taxes	61	66	-	-
Prepayments and other debtors	51	63	51	27
	<u>2,522</u>	<u>3,415</u>	<u>1,631</u>	<u>2,245</u>

A deferred tax asset of £209,000 (2012: £33,000) in respect of trading losses has not been recognised in these financial statements as the recoverability of this asset is considered to be not sufficiently certain.

14 Creditors: amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£000	£000	£000	£000
Other loans	100	-	100	-
Bank loans and overdrafts	370	380	70	49
Obligations under finance leases and hire purchase contracts (see note 15)	106	423	106	355
Bank finance secured on trade debtors	1,418	1,172	1,419	1,172
Trade creditors	3,075	3,426	2,137	2,182
Taxation and social security	233	123	233	123
Corporation tax	56	59	-	-
Accruals and deferred income	164	166	90	80
	<u>5,522</u>	<u>5,749</u>	<u>4,155</u>	<u>3,961</u>

The bank loan and overdraft facility are secured by a second legal charge on the freehold land and buildings of the Company, and interest is charged at commercial rates.

Notes (continued)

15 Creditors: amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£000	£000	£000	£000
Bank loan	380	698	244	295
Obligations under finance leases and hire purchase contracts	16	122	16	122
Accruals and deferred income	20	59	20	59
Other loans	150	-	150	-
	<u>566</u>	<u>879</u>	<u>430</u>	<u>476</u>

Accruals and deferred income represents income received from a Government grant.

The bank loan is a mortgage secured by first charge upon the freehold land and buildings and interest is charged at commercial rates. Repayment is being made over a 10-year term by equal monthly instalments which are adjusted for changes in the base interest rate. The amount repayable after 5 years of instalments is £28,880.

Included within other loans are amounts repayable after five years by instalments of £nil (2012: £nil). Other loans are secured by fixed and floating charges over certain specified assets and their related benefits.

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	Group		Company	
	2013	2012	2013	2012
	£000	£000	£000	£000
Within one year	106	106	106	38
In the second to fifth years	16	439	16	439
Over five years	-	-	-	-
	<u>122</u>	<u>545</u>	<u>122</u>	<u>477</u>

16 Called up share capital

	2013	2012
	£000	£000
<i>Authorised</i>		
1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
1,000,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Notes (continued)

17 Share premium and reserves

Group	Revaluation reserve	Profit and loss account
	£000	£000
At beginning of year	325	(301)
Loss for the year	-	(866)
Exchange gain	-	13
Transfers	(13)	13
At end of year	312	(1,141)
	Revaluation reserve	Profit and loss account
	£000	£000
At beginning of year	325	(359)
Loss for the year	-	(1,292)
Transfers	(13)	13
At end of year	312	(1,638)

18 Pension scheme

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Group to the scheme and amounted to £45,840 (2012: £46,000). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

19 Reconciliation of movements in shareholders' funds

	2013 £000	2012 £000
Loss for the financial year	(866)	65
Exchange gains	13	40
Capital contribution	-	2,383
Opening shareholders' funds	3,407	919
Closing shareholders' funds	2,554	3,407

Notes (continued)

20 Analysis of cash flows

	2013	2012
	£000	£000
Investing		
Purchase of fixed assets	(227)	(26)
Proceeds from acquisition	-	18
	<u>(227)</u>	<u>(8)</u>
Financing		
(Decrease)/increase in short-term borrowing	(81)	467
Repayment of long term debt	(474)	(661)
New bank loan	300	-
Interest paid	(139)	(81)
Interest received	33	101
	<u>(361)</u>	<u>(174)</u>

21 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2013	2013	2012	2012
	Land and	Other	Land and	Other
	buildings		buildings	
	£000	£000	£000	£000
Group and Company				
Operating leases which expire:				
Within one year	-	4	6	16
In the second to fifth years inclusive	100	8	89	11
Over five years	-	-	-	-
	<u>100</u>	<u>12</u>	<u>95</u>	<u>27</u>

24 Analysis of changes in net debt

	At 1 January	Cash flow	At 31
	2013		December
	£000	£000	2013
			£000
Cash at bank and in hand	452	(288)	164
Overdrafts	(62)	14	(48)
	<u>390</u>	<u>(274)</u>	<u>116</u>
Debt due after one year	(698)	168	(530)
Debt due within one year	(1,490)	(351)	(1,841)
Finance leases	(545)	423	(122)
Net debt	<u>(2,343)</u>	<u>(34)</u>	<u>(2,377)</u>

Notes *(continued)*

25 Related Party Disclosure

As at the year end the director J S Dick owed Alma Products Limited a balance amounting to €20,953 (£17,416) in relation to the acquisition of Alma Products Limited from Plasticos International B.V.

As at the year end the director J S Dick owed Alma Extrusions AG a balance amounting to €26,037 (£21,641) in relation to the acquisition of Alma Products Limited from Plasticos International B.V.