



# Financial statements Polytint Cards Limited

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**For the Period from 1 May 10 to 31 December 2010**



**Company No. 01274235**

## Officers and professional advisers

<b>Company registration number</b>	01274235
<b>Registered office</b>	6 Central Estate Denmark Street Maidenhead Berkshire SL6 7BN
<b>Directors</b>	I K A Jackson S P Elvin S McKay
<b>Secretary</b>	S McKay
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Churchill House Chalvey Road East Slough SL1 2LS

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## Report of the directors

The directors present their report and the financial statements of the company for the period from 1 May 2010 to 31 December 2010

### **Principal activities and business review**

The principal activity of the company during the period was the wholesale of greetings cards and gifts

On 23 December 2010, the share capital of Polytint Cards Limited and its subsidiary undertaking, Badger Court Publications Limited, was acquired by Simon Elvin Limited

### **Directors**

The directors who served the company during the period were as follows

I K A Jackson	
S P Elvin	(Appointed 23 December 2010)
S McKay	(Appointed 23 December 2010)
K W Jackson	(Retired 23 December 2010)

### **Directors' responsibilities**

The directors are responsible for preparing the Report of the directors 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 Accounting Standards (United Kingdom 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 company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

**Auditor**

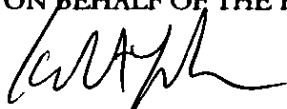
On 1 February 2011, Grant Thornton UK LLP were appointed as auditor to fill a casual vacancy in accordance with section 485(3) of the Companies Act 2006

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed appointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488 (1) of the Companies Act 2006

**Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

ON BEHALF OF THE BOARD



I K A Jackson  
Director

7th JANUARY 2011



## Independent auditor's report to the members of Polytint Cards Limited

We have audited the financial statements of Polytint Cards Limited for the period from 1 May 2010 to 31 December 2010, which comprise the principal accounting policies, the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 the 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 to 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 (APB'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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Basis for qualified opinion on financial statements**

With respect to opening stock having a value of £508,304, audit evidence available to us was limited as we did not observe the counting of the physical stock at 30 April 2010. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities by using alternative audit procedures.



## Independent auditor's report to the members of Polytint Cards Limited

### Qualified opinion on financial statements

In our opinion, except for the financial effects of such adjustments, if any, as might have been determined necessary, had we been able to satisfy ourselves as the physical stock quantities for the prior year, the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 report of the directors for the financial period for which the financial statements are prepared is consistent with the financial statements

### Matters on which we are required to report by exception

In respect solely of the limitation of scope on our work relating to stock, described previously

- we have not obtained all the information and explanations that we consider necessary for the purpose of our audit, and
- we were unable to determine whether adequate accounting records had been kept.

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the report of the directors

Robert Napper FCA (Senior Statutory Auditor)  
 For and on behalf of Grant Thornton UK LLP  
 Statutory Auditor  
 Chartered Accountants  
 Slough

Date 13 September 2011

## Principal accounting policies

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The principal accounting policies of the company have remained unchanged and are set out below. The directors have reviewed the policies and consider them to remain appropriate to the company.

### **Going concern**

The directors have prepared the financial statements under the going concern concept as the company's parent undertaking has provided a letter of support, which confirms its intention to provide sufficient funding to enable the company to meet its liabilities as and when they fall due for the foreseeable future, being a period not less than 12 months from the date of approval of these financial statements. The directors have made enquiries and have formed the view that there is a reasonable expectation that such support will be available in the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

### **Group accounts**

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the European Economic Area and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. The information contained within these accounts represents the financial position and performance of the individual company, only for the year ended 31 December 2010, and not that of the group.

### **Cash flow statement**

The directors have taken advantage of the exemption as provided by Financial Reporting Standard No 1 'Cash Flow Statements' (revised) from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its parent publishes a consolidated cash flow statement.

### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

### **Fixed assets**

All fixed assets are initially recorded at cost.



### **Depreciation**

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

Motor Vehicles	-	25% reducing balance
Equipment	-	25% reducing balance

### **Stocks**

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

### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## Profit and loss account

	<b>Period from</b>	<b>Year to</b>
	<b>1 May 10 to</b>	<b>30 Apr 10</b>
	<b>31 Dec 10</b>	<b>£</b>
<b>Note</b>	<b>£</b>	<b>£</b>
Turnover	<b>1,797,387</b>	3,017,245
Cost of sales	<b>1,334,151</b>	1,781,771
Gross profit	<b>463,236</b>	1,235,474
Other operating charges	1 <b>916,629</b>	1,148,853
<b>Operating (loss)/profit</b>	2 <b>(453,393)</b>	86,621
Amounts written off investments	3 <b>(1,000)</b>	–
Interest payable and similar charges	<b>15,833</b>	33,031
<b>(Loss)/profit on ordinary activities before taxation</b>	<b>(470,226)</b>	53,590
Tax on (loss)/profit on ordinary activities	–	(4,532)
<b>(Loss)/profit for the financial period</b>	12 <b>(470,226)</b>	<b>58,122</b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the period as set out above

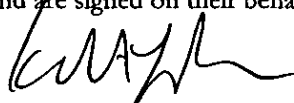
**The accompanying accounting policies and notes form part of these financial statements.**

## Balance sheet

	Note	31 Dec 10 £	30 Apr 10 £
<b>Fixed assets</b>			
Tangible assets	4	37,936	66,169
Investments	5	—	1,000
		<u>37,936</u>	<u>67,169</u>
<b>Current assets</b>			
Stocks		652,970	508,304
Debtors	6	671,100	683,473
Cash at bank		68,655	69,121
		<u>1,392,725</u>	<u>1,260,898</u>
<b>Creditors, amounts falling due within one year</b>	7	<u>1,228,326</u>	<u>648,091</u>
<b>Net current assets</b>		<u>164,399</u>	<u>612,807</u>
<b>Total assets less current liabilities</b>		<u>202,335</u>	<u>679,976</u>
<b>Creditors: amounts falling due after more than one year</b>	8	—	7,415
		<u>202,335</u>	<u>672,561</u>
<b>Capital and reserves</b>			
Called-up equity share capital	11	100	100
Other reserves	12	20	20
Profit and loss account	12	202,215	672,441
<b>Shareholders' funds</b>	12	<u>202,335</u>	<u>672,561</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 7<sup>th</sup> SKOPKATKA 2011 and are signed on their behalf by



I K A Jackson  
 Director

Company Registration Number 01274235

**The accompanying accounting policies and notes form part of these financial statements.**

## Notes to the financial statements

### 1 Other operating charges

	Period from 1 May 10 to 31 Dec 10 £	Year to 30 Apr 10 £
Administrative expenses	<u>916,629</u>	<u>1,148,853</u>

### 2 Operating (loss)/profit

Operating (loss)/profit is stated after charging

	Period from 1 May 10 to 31 Dec 10 £	Year to 30 Apr 10 £
Directors' remuneration	89,000	147,000
Depreciation of owned fixed assets	5,881	15,668
Depreciation of assets held under hire purchase agreements	1,706	6,388
Loss on disposal of fixed assets	<u>4,754</u>	<u>-</u>

### 3 Amounts written off investments

	Period from 1 May 10 to 31 Dec 10 £	Year to 30 Apr 10 £
Amount written off investments	<u>1,000</u>	<u>-</u>

**4 Tangible fixed assets**

	Motor Vehicles £	Equipment £	Total £
Cost			
At 1 May 2010	75,442	299,352	374,794
Disposals	(56,772)	-	(56,772)
At 31 December 2010	<u>18,670</u>	<u>299,352</u>	<u>318,022</u>
Depreciation			
At 1 May 2010	44,559	264,066	308,625
Charge for the period	1,706	5,881	7,587
On disposals	(36,126)	-	(36,126)
At 31 December 2010	<u>10,139</u>	<u>269,947</u>	<u>280,086</u>
Net book value			
At 31 December 2010	<u>8,531</u>	<u>29,405</u>	<u>37,936</u>
At 30 April 2010	<u>30,883</u>	<u>35,286</u>	<u>66,169</u>

Included within the net book value of £37,936 is £8,531 (year to 30 Apr 10 - £19,163) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the period in respect of such assets amounted to £1,706 (year to 30 Apr 10 - £6,388).

**5 Investments**

**Subsidiary undertaking**

	£
Cost	
At 1 May 2010	1,000
Write down of investment	(1,000)
At 31 December 2010	<u>-</u>
Net book value	
At 31 December 2010	<u>-</u>
At 30 April 2010	<u>1,000</u>

**5 Investments (continued)**

The company's investment in its subsidiary undertaking represents the costs of acquisition of the whole of the ordinary share capital of Badger Court Publications Limited, a company registered in England and Wales. The business activities are the wholesale of greetings cards and gifts.

At 31 December 2010, the aggregate of the share capital and reserves of Badger Court Publications Limited amounted to £8 (30 April 2010 - (£56,796)) and the profit for the period to that date was £56,804 (year to 30 April 2010 - £30)

On 31 December 2010, the investment in Badger Court Publications Limited of £1,000 was written off

**6 Debtors**

	31 Dec 10	30 Apr 10
	£	£
Trade debtors	640,116	598,885
Amounts owed by group undertakings	-	56,904
Other debtors	30,984	27,684
	<u>671,100</u>	<u>683,473</u>

**7 Creditors: amounts falling due within one year**

	31 Dec 10	30 Apr 10
	£	£
Bank loans	63,772	358,578
Trade creditors	294,573	190,612
Amounts owed to group undertakings	150,000	-
Other taxation and social security	69,457	63,731
Amounts due under hire purchase agreements	2,093	10,253
Other creditors	648,431	24,917
	<u>1,228,326</u>	<u>648,091</u>

**8 Creditors: amounts falling due after more than one year**

	31 Dec 10	30 Apr 10
	£	£
Amounts due under hire purchase agreements	-	7,415
	<u>-</u>	<u>7,415</u>

**9 Commitments under operating leases**

At 31 December 2010 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	31 Dec 10	30 Apr 10
	£	£
Operating leases which expire		
Within 1 year	1,530	8,685
Within 2 to 5 years	11,851	2,040
After more than 5 years	79,884	79,884
	<u>93,265</u>	<u>90,609</u>

**10 Related party transactions**

The company has taken advantage of the exemption provided in Financial Reporting Standard No 8 'Related Party Disclosures' not to disclose transactions with other 100% subsidiaries of Simon Elvin Limited

Included within Other creditors is £nil (30 Apr 10 - £13,000) relating to loans from directors. This amount was repaid in full during the period

**11 Share capital**

Authorised share capital

	31 Dec 10	30 Apr 10
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid

	31 Dec 10		30 Apr 10	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>



**12 Reconciliation of shareholders' funds and movement on reserves**

	Share capital	Capital redemption reserve	Profit and loss account	Total share-holders' funds
	£	£	£	£
At 1 May 2010	100	20	672,441	672,561
Loss for the period	-	-	(470,226)	(470,226)
At 31 December 2010	<u>100</u>	<u>20</u>	<u>202,215</u>	<u>202,335</u>

**13 Ultimate parent company**

During the period to 23 December 2010, I K A Jackson and K W Jackson controlled the company by virtue of their holding of the ordinary shares of the company

Following the acquisition, the directors consider that the controlling related party and ultimate parent undertaking of this company is Simon Elvin Limited, a company registered in England and Wales

The largest and smallest Group of which the Company is a member and for which Group financial statements are drawn up is headed by Simon Elvin Limited, the immediate parent Company. Copies of the financial statements are available from Companies House

The ultimate controlling party is Mr S Elvin

## Management information

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 5 to 6**

## Profit and loss account

	<b>Period from</b> <b>1 May 10 to</b> <b>31 Dec 10</b> <b>£</b>	<b>Year to</b> <b>30 Apr 10</b> <b>£</b>
<b>Turnover</b>	1,797,387	3,017,245
<b>Cost of sales</b>		
Opening stock - raw materials	508,304	492,672
Purchases	1,478,817	1,797,403
	<u>1,987,121</u>	<u>2,290,075</u>
Closing stock - raw materials	<u>(652,970)</u>	<u>(508,304)</u>
	<u>1,334,151</u>	<u>1,781,771</u>
Gross profit	463,236	1,235,474
<b>Overheads</b>		
Administrative expenses	916,629	1,148,853
<b>Operating (loss)/profit</b>	<b>(453,393)</b>	86,621
Amounts written off investments	(1,000)	-
Interest payable	(15,833)	(33,031)
<b>(Loss)/profit on ordinary activities</b>	<b><u>(470,226)</u></b>	<b><u>53,590</u></b>

## Notes to the detailed profit and loss account

	Period from 1 May 10 to 31 Dec 10 £	Year to 30 Apr 10 £
<b>Administrative expenses</b>		
<b>Personnel costs</b>		
Directors salaries	89,000	147,000
Directors national insurance contributions	10,419	17,502
Wages and salaries	406,906	625,857
	<u>506,325</u>	<u>790,359</u>
<b>Establishment expenses</b>		
Rent, rates and water	102,091	97,420
Light and heat	9,864	9,312
Insurance	14,031	19,682
Repairs and maintenance	993	4,318
	<u>126,979</u>	<u>130,732</u>
<b>General expenses</b>		
Motor expenses	40,234	47,317
Vehicle leasing charges	14,929	19,984
Telephone	3,924	7,212
Computer costs	18,962	32,005
Equipment leasing charges	3,173	4,858
Printing, stationery and postage	9,302	13,497
Other office administrative expenses	18,531	27,363
Sundry expenses	2,094	5,967
Discounts allowed	56,778	7,221
Entertaining	19,372	21,724
Legal and professional fees	5,986	1,878
Accountancy fees	16,860	6,400
Depreciation of motor vehicles	1,706	10,295
Depreciation of office equipment	5,881	11,761
Loss on disposal of fixed assets	4,754	-
	<u>222,486</u>	<u>217,482</u>
<b>Financial costs</b>		
Bad debts written off	2,391	1,908
Amounts written off intercompany balances	56,904	-
Bank charges	1,544	8,372
	<u>60,839</u>	<u>10,280</u>
	<u>916,629</u>	<u>1,148,853</u>

**Polytint Cards Limited**  
**Financial statements for the period from 1 May 2010 to**  
**31 December 2010**

**20**

	<b>Period from</b> <b>1 May 10 to</b> <b>31 Dec 10</b>	<b>Year to</b> <b>30 Apr 10</b>
	<b>£</b>	<b>£</b>
<b>Interest payable</b>		
Bank interest payable	6,281	15,902
Hire purchase and finance lease charges	604	2,304
Interest on other loans	8,948	14,825
	<u>15,833</u>	<u>33,031</u>