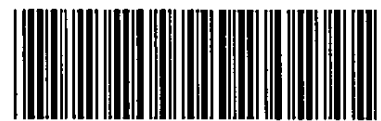


Registration number 02747977

**Hamilton Adhesive Labels Ltd**  
**Directors' report and financial statements**  
**for the year ended 31 October 2011**

TUESDAY



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31/07/2012  
COMPANIES HOUSE

## **Hamilton Adhesive Labels Ltd**

### **Company information**

|                                 |  |
|---------------------------------|--|
| Directors                       | C S Marsh<br>M A Lacey   |
| Secretary                       | A D Clay   |
| Company number                  | 02747977   |
| Registered office               | Unit B Interlink Way South<br>Bardon Hill Business Park<br>Bardon Hill<br>Leicestershire<br>LE67 1PG |
| Business Consultants & Advisors | Northline Business Consultants Ltd<br>38 Clarendon Road<br>Eccles<br>M30 9ES                         |
| Auditors                        | Liptrott & Woosey Limited<br>142A Chorley New Road<br>Heaton<br>Bolton<br>BL1 4NX                    |
| Bankers                         | National Westminster Bank Plc<br>Leicester City Branch<br>14-16 Haymarket<br>Leicester<br>LE1 3NT    |

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**Hamilton Adhesive Labels Ltd**

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**Hamilton Adhesive Labels Ltd**

**Directors' report  
for the year ended 31 October 2011**

The directors present their report and the financial statements for the year ended 31 October 2011

**Principal activity and review of the business**

The principal activity of the company is that of printing self-adhesive labels

**Results and dividends**

The results for the year are set out on page 5

**Financial risk management objectives and policies**

The business' principle financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments

**Directors**

The directors who served during the year are as stated below

C S Marsh

M A Lacey

**Statement of directors' responsibilities**

The directors are responsible for preparing 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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

**Hamilton Adhesive Labels Ltd**

**Directors' report  
for the year ended 31 October 2011**

continued

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 (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

Liptrott & Woosey Limited were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 26 July 2012 and signed on its behalf by



**C S Marsh  
Director**

**Independent auditor's report to the shareholders of  
Hamilton Adhesive Labels Ltd**

We have audited the financial statements of Hamilton Adhesive Labels Ltd for the year ended 31 October 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

**Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

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

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


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

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

- adequate accounting records have not been kept, 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

**Independent auditor's report to the shareholders of  
Hamilton Adhesive Labels Ltd**

continued



**H Liptrott (senior statutory auditor)  
For and on behalf of Liptrott & Woosey Limited**

**30 July 2012**

**142A Chorley New  
Road  
Heaton  
Bolton  
BL1 4NX**

**Hamilton Adhesive Labels Ltd**

**Profit and loss account  
for the year ended 31 October 2011**

|  |              | <b>Continuing operations</b> |             |
|--|--------------|------------------------------|-------------|
|  |              | <b>2011</b>                  | <b>2010</b> |
|  |              | <b>£</b>                     | <b>£</b>    |
|  | <b>Notes</b> |                              |             |
| <b>Turnover</b>                                      | <b>2</b>     | 7,163,428                    | 6,654,838   |
| Cost of sales  |              | (5,450,967)                  | (5,100,081) |
| <b>Gross profit</b>                                  |              | 1,712,461                    | 1,554,757   |
| Administrative expenses                              |              | (1,463,961)                  | (1,166,559) |
| <b>Operating profit</b>                              | <b>3</b>     | 248,500                      | 388,198     |
| Other interest receivable and similar income         | <b>5</b>     | 64                           | -           |
| Interest payable and similar charges                 | <b>6</b>     | (114,193)                    | (105,379)   |
| <b>Profit on ordinary activities before taxation</b> |              | 134,371                      | 282,819     |
| Tax on profit on ordinary activities                 | <b>9</b>     | (17,322)                     | (52,460)    |
| <b>Profit for the year</b>                           |              | 117,049                      | 230,359     |
| Retained profit brought forward                      |              | 617,313                      | 446,954     |
| Reserve Movements                                    |              | (85,000)                     | (60,000)    |
| <b>Retained profit carried forward</b>               |              | 649,362                      | 617,313     |

There are no recognised gains or losses other than the profit or loss for the above two financial years

**The notes on pages 8 to 16 form an integral part of these financial statements.**

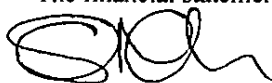


**Hamilton Adhesive Labels Ltd**

**Balance sheet  
as at 31 October 2011**

|  | Notes | 2011               |                  | 2010               |                  |
|--|-------|--------------------|------------------|--------------------|------------------|
|  |       | £                  | £                | £                  | £                |
| <b>Fixed assets</b>  |       |                    |                  |                    |                  |
| Tangible assets  | 10    |                    | 2,780,311        |                    | 2,392,733        |
| <b>Current assets</b>  |       |                    |                  |                    |                  |
| Stocks   | 11    | 221,353            |                  | 235,411            |                  |
| Debtors  | 12    | 1,316,638          |                  | 1,365,365          |                  |
| Cash at bank and in hand                                       |       | 39,339             |                  | 103,598            |                  |
|  |       |                    | <u>1,577,330</u> |                    | <u>1,704,374</u> |
| <b>Creditors: amounts falling due within one year</b>          | 13    | <u>(2,468,562)</u> |                  | <u>(2,439,807)</u> |                  |
| <b>Net current liabilities</b>                                 |       |                    | <u>(891,232)</u> |                    | <u>(735,433)</u> |
| <b>Total assets less current liabilities</b>                   |       |                    | 1,889,079        |                    | 1,657,300        |
| <b>Creditors: amounts falling due after more than one year</b> | 14    |                    | (1,180,155)      |                    | (980,425)        |
| <b>Provisions for liabilities</b>                              | 15    |                    | <u>(49,562)</u>  |                    | <u>(49,562)</u>  |
| <b>Net assets</b>  |       |                    | <u>659,362</u>   |                    | <u>627,313</u>   |
| <b>Capital and reserves</b>                                    |       |                    |                  |                    |                  |
| Called up share capital  | 17    |                    | 10,000           |                    | 10,000           |
| Profit and loss account  |       |                    | 649,362          |                    | 617,313          |
| <b>Shareholders' funds</b>                                     | 18    |                    | <u>659,362</u>   |                    | <u>627,313</u>   |

The financial statements were approved by the Board on 26 July 2012 and signed on its behalf by



**C S Marsh  
Director**

**Registration number 02747977**

**The notes on pages 8 to 16 form an integral part of these financial statements.**

**Hamilton Adhesive Labels Ltd**

**Cash flow statement  
for the year ended 31 October 2011**

|  | Notes | 2011<br>£          | 2010<br>£          |
|--|-------|--------------------|--------------------|
| <b>Reconciliation of operating profit to net cash inflow from operating activities</b> |       |                    |                    |
| Operating profit   |       | 248,500            | 388,198            |
| Depreciation   |       | 294,308            | 263,867            |
| Decrease in stocks   |       | 14,058             | (46,752)           |
| Decrease in debtors  |       | 48,727             | (104,615)          |
| Increase in creditors  |       | 37,151             | 108,222            |
| <b>Net cash inflow from operating activities</b>                                       |       | <u>642,744</u>     | <u>608,920</u>     |
| <br><b>Cash flow statement</b>   |       |                    |                    |
| Net cash inflow from operating activities  |       | 642,744            | 608,920            |
| Returns on investments and servicing of finance  | 21    | (114,129)          | (105,379)          |
| Taxation   | 21    | (63,386)           | (28,621)           |
| Capital expenditure  | 21    | (128,528)          | (399,244)          |
|  |       | <u>336,701</u>     | <u>75,676</u>      |
| Equity dividends paid  |       | (85,000)           | (60,000)           |
|  |       | <u>251,701</u>     | <u>15,676</u>      |
| Financing  | 21    | (315,959)          | -                  |
| <b>Increase in cash in the year</b>  |       | <u>(64,258)</u>    | <u>15,676</u>      |
| <br><b>Reconciliation of net cash flow to movement in net debt (Note 22)</b>           |       |                    |                    |
| <b>Increase in cash in the year</b>  |       | (64,258)           | 15,676             |
| Cash inflow from increase in debts and lease financing                                 |       | 315,959            | -                  |
|  |       | <u>(553,358)</u>   | <u>80,192</u>      |
| New finance leases and hire purchase contracts   |       | (553,358)          | 80,192             |
| <b>Net debt at 1 November 2010</b>   |       | <u>(1,751,724)</u> | <u>(1,847,592)</u> |
| <b>Net debt at 31 October 2011</b>   |       | <u>(2,053,381)</u> | <u>(1,751,724)</u> |

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

**1. Accounting policies**

**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company

**1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

**1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

|                                  |   |  |
|----------------------------------|---|--|
| Land and buildings               | - | Straight line over fifty years           |
| Plant and machinery              | - | 10% straight line & 20% reducing balance |
| Fixtures, fittings and equipment | - | 20% - 33% reducing balance               |
| Motor vehicles                   | - | 25% reducing balance                     |

**1.4. Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period

**1.5. Stock**

Stock is valued at the lower of cost and net realisable value

**1.6. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

continued

**1.7. 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

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

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

**2. Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

| 2011 | 2010 |
|------|------|
| £    | £    |

**3. Operating profit**

| 2011 | 2010 |
|------|------|
| £    | £    |

Operating profit is stated after charging

Depreciation and other amounts written off tangible assets

|         |         |
|---------|---------|
| 294,308 | 261,317 |
|---------|---------|

Loss on disposal of tangible fixed assets

|                   |                   |
|-------------------|-------------------|
| -                 | 2,550             |
| <u>          </u> | <u>          </u> |

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

continued

|  |                  |                  |
|--|------------------|------------------|
| <b>4. Auditors' remuneration</b>   | <b>2011</b>      | <b>2010</b>      |
|  | <b>£</b>         | <b>£</b>         |
| Auditors' remuneration - audit of the financial statements                                 | <u>3,500</u>     | <u>-</u>         |
| <br>   |                  |                  |
| <b>5. Interest receivable and similar income</b>   | <b>2011</b>      | <b>2010</b>      |
|  | <b>£</b>         | <b>£</b>         |
| Bank interest  | <u>64</u>        | <u>-</u>         |
| <br>   |                  |                  |
| <b>6. Interest payable and similar charges</b>   | <b>2011</b>      | <b>2010</b>      |
|  | <b>£</b>         | <b>£</b>         |
| Interest payable on loans less than 1 yr   | 80,870           | 81,796           |
| Hire purchase interest   | <u>33,323</u>    | <u>23,583</u>    |
|  | <u>114,193</u>   | <u>105,379</u>   |
| <br>   |                  |                  |
| <b>7. Employees</b>  |                  |                  |
| <b>Number of employees</b>   | <b>2011</b>      | <b>2010</b>      |
| The average monthly numbers of employees<br>(including the directors) during the year were |                  |                  |
| General Employees  | <u>38</u>        | <u>33</u>        |
| <br>   |                  |                  |
| <b>Employment costs</b>  | <b>2011</b>      | <b>2010</b>      |
|  | <b>£</b>         | <b>£</b>         |
| Wages and salaries   | 1,175,390        | 985,011          |
| Social security costs  | 128,444          | 106,540          |
| Pension costs-other operating charge   | <u>7,355</u>     | <u>7,001</u>     |
|  | <u>1,311,189</u> | <u>1,098,552</u> |

**Hamilton Adhesive Labels Ltd**  
**Notes to the financial statements**  
**for the year ended 31 October 2011**

continued

|   |                |                 |
|---|----------------|-----------------|
| <b>7.1. Directors' remuneration</b>   | <b>2011</b>    | <b>2010</b>     |
|   | <b>£</b>       | <b>£</b>        |
| Remuneration and other emoluments   | 147,998        | 91,400          |
| Pension contributions   | 7,355          | 7,001           |
|   | <u>155,353</u> | <u>98,401</u>   |
|   | <b>Number</b>  | <b>Number</b>   |
| Number of directors to whom retirement benefits are accruing under a money purchase scheme  | <u>1</u>       | <u>1</u>        |
| <br><b>8. Pension costs</b>   |                |                 |
| The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £7,355 (2010 - £7,001) |                |                 |
| <br><b>9. Tax on profit on ordinary activities</b>  |                |                 |
| <b>Analysis of charge in period</b>   | <b>2011</b>    | <b>2010</b>     |
|   | <b>£</b>       | <b>£</b>        |
| <b>Current tax</b>  |                |                 |
| UK corporation tax  | 17,322         | 63,386          |
| Total current tax charge  | <u>17,322</u>  | <u>63,386</u>   |
| <br><b>Deferred tax</b>   |                |                 |
| Timing differences, origination and reversal  | -              | (10,926)        |
| Total deferred tax  | <u>-</u>       | <u>(10,926)</u> |
| Tax on profit on ordinary activities  | <u>17,322</u>  | <u>52,460</u>   |

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

continued

| 10. Tangible fixed assets | Land and<br>buildings<br>freehold<br>£ | Plant and<br>machinery<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£       |
|---------------------------|--|-----------------------------|---|------------------------|------------------|
| <b>Cost</b>               |  |                             |   |                        |                  |
| At 1 November 2010        | 1,582,725                              | 2,289,701                   | 440,547                                     | 92,966                 | 4,405,939        |
| Additions                 | -                                      | 628,991                     | 52,895                                      | -                      | 681,886          |
| At 31 October 2011        | <u>1,582,725</u>                       | <u>2,918,692</u>            | <u>493,442</u>                              | <u>92,966</u>          | <u>5,087,825</u> |
| <b>Depreciation</b>       |  |                             |   |                        |                  |
| At 1 November 2010        | 102,712                                | 1,597,313                   | 286,447                                     | 26,734                 | 2,013,206        |
| Charge for the year       | 31,654                                 | 205,748                     | 40,348                                      | 16,558                 | 294,308          |
| At 31 October 2011        | <u>134,366</u>                         | <u>1,803,061</u>            | <u>326,795</u>                              | <u>43,292</u>          | <u>2,307,514</u> |
| <b>Net book values</b>    |  |                             |   |                        |                  |
| At 31 October 2011        | <u>1,448,359</u>                       | <u>1,115,631</u>            | <u>166,647</u>                              | <u>49,674</u>          | <u>2,780,311</u> |
| At 31 October 2010        | <u>1,480,013</u>                       | <u>692,388</u>              | <u>154,100</u>                              | <u>66,232</u>          | <u>2,392,733</u> |

Included above are assets held under finance leases or hire purchase contracts as follows

| Asset description   | 2011              |                        | 2010              |                        |
|---------------------|-------------------|------------------------|-------------------|------------------------|
|                     | Net<br>book value | Depreciation<br>charge | Net<br>book value | Depreciation<br>charge |
|                     | £                 | £                      | £                 | £                      |
| Plant and machinery | 616,062           | 64,760                 | 226,225           | 29,142                 |
| Motor vehicles      | 41,225            | 22,651                 | 36,903            | 8,745                  |
|                     | <u>657,287</u>    | <u>87,411</u>          | <u>263,128</u>    | <u>37,887</u>          |

| 11. Stocks                    | 2011<br>£      | 2010<br>£      |
|-------------------------------|----------------|----------------|
| Raw materials and consumables | <u>221,353</u> | <u>235,411</u> |

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

continued

| <b>12. Debtors</b>             | <b>2011</b>      | <b>2010</b>      |
|--------------------------------|------------------|------------------|
|                                | <b>£</b>         | <b>£</b>         |
| Trade debtors                  | 1,290,263        | 1,341,400        |
| Other debtors                  | 6,413            | 4,900            |
| Prepayments and accrued income | 19,962           | 19,065           |
|                                | <u>1,316,638</u> | <u>1,365,365</u> |

| <b>13. Creditors: amounts falling due within one year</b>        | <b>2011</b>      | <b>2010</b>      |
|--|------------------|------------------|
|  | <b>£</b>         | <b>£</b>         |
| Invoice Discounting  | 727,498          | 786,642          |
| Net obligations under finance leases and hire purchase contracts | 185,068          | 88,256           |
| Trade creditors  | 1,394,127        | 1,301,492        |
| Corporation tax  | 17,322           | 63,386           |
| Other taxes and social security costs                            | 102,864          | 87,584           |
| Directors' accounts  | -                | 38,314           |
| Other creditors  | (702)            | 682              |
| Accruals and deferred income                                     | 42,385           | 73,451           |
|  | <u>2,468,562</u> | <u>2,439,807</u> |

Obligations under finance leases and hire purchase contracts are secured by fixed charges on the assets concerned

| <b>14. Creditors: amounts falling due after more than one year</b> | <b>2011</b>      | <b>2010</b>    |
|--|------------------|----------------|
|  | <b>£</b>         | <b>£</b>       |
| Bank loan  | 785,917          | 857,665        |
| Net obligations under finance leases and hire purchase contracts   | 394,238          | 122,760        |
|  | <u>1,180,155</u> | <u>980,425</u> |

The company's bankers hold as security a debenture dated 15 March 2007 which incorporates a fixed & floating charge on all current and future assets of the company. The company's invoice financiers also hold fixed & floating charge on assets dated 8 March 2007.



**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

continued

**15. Provisions for liabilities**

|                    | <b>Deferred<br/>taxation<br/>(Note 16)<br/>£</b> | <b>Total<br/>£</b> |
|--------------------|--|--------------------|
| At 1 November 2010 | 49,562   | 49,562             |
| At 31 October 2011 | <u>49,562</u>                                    | <u>49,562</u>      |

**16. Provision for deferred taxation**

|                                | <b>2011<br/>£</b> | <b>2010<br/>£</b> |
|--------------------------------|-------------------|-------------------|
| Accelerated capital allowances | 49,562            | 49,562            |
| Provision for deferred tax     | <u>49,562</u>     | <u>49,562</u>     |
| Provision at 1 November 2010   | 49,562            |                   |
| Provision at 31 October 2011   | <u>49,562</u>     |                   |

**17. Share capital**

|  | <b>2011<br/>£</b> | <b>2010<br/>£</b> |
|--|-------------------|-------------------|
| <b>Allotted, called up and fully paid</b><br>10,000 Ordinary shares of £1 each | <u>10,000</u>     | <u>10,000</u>     |
| <b>Equity Shares</b><br>10,000 Ordinary shares of £1 each                      | <u>10,000</u>     | <u>10,000</u>     |

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
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continued

| <b>18. Reconciliation of movements in shareholders' funds</b> | <b>2011</b>    | <b>2010</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| Profit for the year   | 117,049        | 230,359        |
| Dividends   | (85,000)       | (60,000)       |
|   | <u>32,049</u>  | <u>170,359</u> |
| Opening shareholders' funds                                   | 627,313        | 456,954        |
| Closing shareholders' funds                                   | <u>659,362</u> | <u>627,313</u> |

**19. Transactions with directors**

**Advances to directors**

The following directors had interest free loans during the year. The movements on these loans are as follows

|           | <b>Amount owing</b> |             | <b>Maximum<br/>in year</b> |
|-----------|---------------------|-------------|----------------------------|
|           | <b>2011</b>         | <b>2010</b> |                            |
|           | <b>£</b>            | <b>£</b>    | <b>£</b>                   |
| C S Marsh | <u>1,513</u>        | <u>-</u>    | <u>1,513</u>               |

**20. Controlling interest**

The company is controlled by the Directors C S Marsh and M A Lacey who own 95% of the called up share capital

**Hamilton Adhesive Labels Ltd**

**Notes to the financial statements  
for the year ended 31 October 2011**

continued

**21. Gross cash flows**

|   | 2011<br>£        | 2010<br>£        |
|---|------------------|------------------|
| <b>Returns on investments and servicing of finance</b>        |                  |                  |
| Interest received   | 64               | -                |
| Interest paid   | (114,193)        | (105,379)        |
|   | <u>(114,129)</u> | <u>(105,379)</u> |
| <b>Taxation</b>   |                  |                  |
| Corporation tax paid  | (63,386)         | -                |
| Corporation tax repaid  | -                | (28,621)         |
|   | <u>(63,386)</u>  | <u>(28,621)</u>  |
| <b>Capital expenditure</b>                                    |                  |                  |
| Payments to acquire tangible assets                           | (128,528)        | (414,144)        |
| Receipts from sales of tangible assets                        | -                | 14,900           |
|   | <u>(128,528)</u> | <u>(399,244)</u> |
| <b>Financing</b>  |                  |                  |
| New long term bank loan                                       | (71,748)         | -                |
| Repayment of other short term loans                           | (59,143)         | -                |
| Capital element of finance leases and hire purchase contracts | (185,068)        | -                |
|   | <u>(315,959)</u> | <u>-</u>         |

**22. Analysis of changes in net funds**

|  | Opening<br>balance<br>£ | Cash<br>flows<br>£ | Other<br>changes<br>£ | Closing<br>balance<br>£ |
|--|-------------------------|--------------------|-----------------------|-------------------------|
| Cash at bank and in hand                   | 103,598                 | (64,259)           |                       | 39,339                  |
| Debt due within one year                   | (786,641)               | 59,143             | -                     | (727,498)               |
| Debt due after one year                    | (857,665)               | 71,748             | -                     | (785,917)               |
| Finance leases and hire purchase contracts | (211,016)               | 185,068            | (553,358)             | (579,306)               |
|  | <u>(1,855,322)</u>      | <u>315,959</u>     | <u>(553,358)</u>      | <u>(2,092,721)</u>      |
| <b>Net funds</b>                           | <u>(1,751,724)</u>      | <u>251,700</u>     | <u>(553,358)</u>      | <u>(2,053,382)</u>      |