

IPACKCHEM LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019



IPACKCHEM LIMITED
COMPANY INFORMATION

Directors	Mr J P Morvan Mr M Schneller JPack International SAS
Secretary	Squire Patton Boggs (UK) LLP
Company number	02612195
Registered office	Gateway Crewe Cheshire United Kingdom CW1 6YA
Auditor	Ernst & Young LLP 2 St Peters Square Manchester M2 3EY United Kingdom

IPACKCHEM LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2-3
Independent auditor's report	4-5
Profit and loss account	6
Statement of changes in equity	7
Balance sheet	8
Notes to the financial statements	9-18

IPACKCHEM LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present their strategic report for the year ended 30 June 2019.

Review of the business

The principal activity of the company continued to be that of the design, manufacture, distribution and sale of barrier coated and standard plastic containers for liquids.

Total revenue for the year ended 30 June 2019 remained stable at £17,387,834. Operating profit for the year was £1,584,323, an increase of 40%. The company increased operating profit margin as a result of improved manufacturing efficiencies and cost reduction activities.

	2019	2018	Change
	£	£	%
Turnover	17,387,834	17,235,102	+0
Operating profit	1,584,323	1,127,834	+40
Retained profit	1,274,666	890,703	+43
Average Number of Employees	83	87	-5

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to competition from both large companies and local and regional producers, downturn in the target markets that the Company serves, loss of key personnel and future government regulations affecting the packaging industry. The Company manages risk by providing value added services to its customers, having fast response times not only in supplying products, but in handling customer queries, and by maintaining strong relationships with customers.

The directors have considered the risks to the business posed by the Covid-19 pandemic. With input from its parent organisation, this assessment has considered the ongoing safety and security of the company's operations with respect to its employees, customers, suppliers and other stakeholders as well as the support available from the parent. To date, the company has not experienced a material impact on the business including the level of orders and cash collection. Whilst there are a significant number of uncertainties associated with the pandemic, based on their assessment, the directors are satisfied that appropriate procedures to manage the identified risks have been put in place.

Financial risk management

The Company's principal financial assets are bank balances and trade receivables. The Company's credit risk is primarily attributable to its trade receivables. Policies and procedures exist to ensure that the trade debtors have an appropriate credit history. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

On behalf of the board



Mr M Schneller
Director

20 March 2020

IPACKCHEM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present their report and financial statements for the year ended 30 June 2019.

Directors

The directors who served in office and up to the date of signing the financial statements were as follows:

Mr J P Morvan
Mr M Schneller
JPack International SAS

Results and dividends

The results for the year are set out on page 6.

The directors recommend the payment of a dividend of £900,000 (2018 - £1,800,000) to be paid subsequent to the year end. No provision has been made for this within these financial statements.

Going concern

The company made a profit after tax in the year to 30 June 2019 of £1,274,666 and as at 30 June 2019 had cash of £2,357,020 with third party finance lease liabilities of £540,517. The company has continued to be cash generative from normal trading operations before payment of dividend.

The Board have reviewed the company's forecasts for an appropriate period, being at least 12 months from the date of this report, making due consideration of the associated risks and uncertainties and are confident that the company is in a strong position.

The directors believe with reasonable certainty that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly continue to adopt the going concern basis in preparing the financial statements.

Future Developments

The directors and management aim to continue working closely with existing and new customers to meet their requirements, whilst attempting to improve operating margins and managing the financial position of the company.

IPACKCHEM LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements.
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements, and
- 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.

Statement of disclosure to auditor

In the case of each director in office at the date of the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Reappointment of auditors

The auditors, Ernst & Young LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board



Mr M Schneller
Director

20 March 2020

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IPACKCHEM LIMITED

Opinion

We have audited the financial statements of Ipackchem Limited for the year ended 30 June 2019 which comprise the Profit and Loss Account, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The financial Reporting Standard applicable in the UK" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK"
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 3, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
-

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IPACKCHEM LIMITED

- the strategic report and directors' reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that give a true and fair view in accordance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Ernst & Young LLP

Julian Yates (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

20/3/20

IPACKCHEM LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Turnover	2	17,387,834	17,235,102
Cost of sales		(13,268,302)	(13,725,174)
Gross profit		4,119,532	3,509,928
Administrative expenses		(2,570,224)	(2,427,152)
Other operating income		35,015	45,058
Operating profit	3	1,584,323	1,127,834
Interest payable and similar charges	6	(14,344)	(27,125)
Profit on ordinary activities before taxation		1,569,979	1,100,709
Tax on profit on ordinary activities	8	(295,313)	(210,006)
Profit for the year		1,274,666	890,703

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There is no comprehensive income or losses in either year other than those passing through the profit and loss Account (2018: £nil).

IPACKCHEM LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Called up Share Capital	Profit and loss account	Total Equity
	£	£	£
At 1 July 2017	3,534,063	3,639,454	7,173,517
Profit for the year	-	890,703	890,703
Dividend paid	-	(1,800,000)	(1,800,000)
	<u>3,534,063</u>	<u>2,730,157</u>	<u>6,264,220</u>
At 30 June 2018	3,534,063	2,730,157	6,264,220
Profit for the year	-	1,274,666	1,274,666
Dividend paid	-	(900,000)	(900,000)
	<u>3,534,063</u>	<u>3,104,823</u>	<u>6,638,886</u>
At 30 June 2019	3,534,063	3,104,823	6,638,886

IPACKCHEM LIMITED

BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	9		3,111,898		3,364,667
Current assets					
Stocks	10	1,778,449		2,113,377	
Debtors – due within one year	11	3,150,712		3,366,845	
Debtors – due after one year	12	1,863		1,472	
Cash and cash equivalents		2,357,020		1,122,740	
		7,288,044		6,604,434	
Creditors: amounts falling due within one year	13	(3,287,644)		(3,101,043)	
Net current assets			4,000,400		3,503,391
Creditors: amounts falling due after one year	14	(400,910)		(534,195)	
Provisions for liabilities and charges	15	(72,502)		(69,643)	
Net assets			6,638,886		6,264,220
Capital and reserves					
Called-up share capital	18		3,534,063		3,534,063
Profit and loss account			3,104,823		2,730,157
Shareholders' funds			6,638,886		6,264,220

Approved by the Board and authorised for issue on 20 March 2020



Mr M Schneller
Director

Company Registration No. 02612195

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

Statement of compliance

Ipackchem Limited is a limited company incorporated in England and Wales. The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 30 June 2019.

Basis of preparation

The financial statements of Ipackchem Limited were authorised for issue by the Board of Directors on 20 March 2020. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £.

The financial statements are prepared under the historical cost convention.

Going concern

The directors believe with reasonable certainty that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly continue to adopt the going concern basis in preparing the financial statements.

Cash flow statement

Under the provisions of FRS 102 Section 7 *Statement of Cash Flows* and FRS 102 Section 3 *Financial Statement Presentation* paragraph 3.17(d), the company has not prepared a statement of cash flows. Its ultimate parent undertaking, JPack International S.A.S, has prepared group financial statements which include the results of the company and are available to the public. Please refer to note 20 for further details.

Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33 *Related Party Disclosures* paragraph 33.7 and has not disclosed transactions with group undertakings. There were no other related party transactions.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Where payments are received from customers in advance of goods delivered, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less amounts provided for depreciation.

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives using the following rates:

Buildings leasehold	5 - 10 years
Plant and machinery	5 - 10 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Accounting policies (continued)

Leasing

A lease is classified at the inception date as a finance lease or an operating lease.

Operating leases

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of comprehensive income. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Stock

Stock is stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity. Where necessary, provision is made for obsolete, slow moving and defective stock.

Net realisable value is the estimated selling price less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

Pensions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

Deferred tax

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- ▶ where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and
- ▶ unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

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.

Current tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

Foreign currency translation

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

Foreign exchange differences are taken to the profit and loss account in the period in which they arise.

Financial assets

Financial assets are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition. Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Trade and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'.

Impairment of financial assets

Financial assets, other than those at fair value through the profit and loss account are assessed for indicators of impairment at the year end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Judgements and key sources of estimation uncertainty

Taxation

The Company establishes provisions based on reasonable estimates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 8.

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

2 Turnover

Turnover represents the amounts derived from the provision of goods which fall within the Company's principal activities, stated net of Value Added Tax. Turnover arises within the following geographical areas:

	2019	2018
	£	£
UK	12,373,105	11,370,046
Rest of World	5,014,729	5,865,056
	<u>17,387,834</u>	<u>17,235,102</u>

3 Operating profit

	2019	2018
	£	£
Operating profit is stated after charging/(crediting):		
Depreciation of tangible assets	764,598	741,317
Operating lease rentals		
- Plant and machinery	25,078	27,163
- Other assets	712,306	711,487
Auditors' remuneration	13,748	14,186
Loss/(profit) on foreign exchange transactions	72,139	40,895
	<u>764,598</u>	<u>741,317</u>

4 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	2019	2018
	Number	Number
Production	67	72
Selling & distribution	7	6
Administration	9	9
	<u>83</u>	<u>87</u>

Employment costs

	2019	2018
	£	£
Wages and salaries	2,404,018	2,244,874
Social security costs	227,901	208,969
Other pension costs	113,972	95,432
	<u>2,745,891</u>	<u>2,549,275</u>

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

5	Directors' remuneration	2019	2018
		£	£
	Remuneration for qualifying services	280,920	297,508
	Company pension contributions to defined contribution schemes	19,984	19,425
		<u>300,904</u>	<u>316,933</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 1). One director was remunerated by another company within the Group.

6	Interest payable and similar charges	2019	2018
		£	£
	On amounts payable to group companies	431	22,306
	Finance charges payable under finance leases	13,913	3,969
	Other interest payable	-	850
		<u>14,344</u>	<u>27,125</u>

7	Dividends	2019	2018
		£	£
	Final dividend paid in the year at 25.5p per share (2018: 50.9p per share)	900,000	1,800,000
		<u>900,000</u>	<u>1,800,000</u>

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

8 Taxation	2019	2018
	£	£
Current tax		
UK corporation tax on profits of the period	296,237	190,159
Adjustment in respect of previous periods	(3,392)	(94)
Total current tax	<u>292,845</u>	<u>190,065</u>
Deferred tax		
Origination and reversal of timing differences	2,260	22,198
Adjustment in respect of previous periods	446	80
Effect of changes in tax rates	(238)	(2,337)
Total deferred tax (see note 15)	<u>2,468</u>	<u>19,941</u>
Tax on profit on ordinary activities	<u>295,313</u>	<u>210,006</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>1,569,979</u>	<u>1,100,709</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2018 – 19%)	<u>298,296</u>	<u>209,135</u>
Effects of:		
Expenses not deductible	59	185
Losses not recognised	-	1,279
Adjustments from previous periods	(16)	(14)
Depreciation on ineligible assets	142	1,758
Movement in short term timing differences	(2,930)	(2,337)
Tax rate changes	(238)	-
Total tax charge for the year	<u>295,313</u>	<u>210,006</u>

At the Corporation Tax year end 2017, changes had been enacted to reduce the rate from 20% to 19% with effect from 1 April 2017 and then to 17% with effect from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

9 Tangible fixed assets

	Leased Plant & Machinery	Buildings leasehold	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 July 2018	708,702	369,862	14,736,165	15,814,729
Additions	-	35,315	476,514	511,829
Disposals	-	-	(216,631)	(216,631)
At 30 June 2019	708,702	405,177	14,996,048	16,109,927
Depreciation				
At 1 July 2018	76,776	227,704	12,145,582	12,450,062
Charge for the year	70,870	34,417	659,311	764,598
Disposals	-	-	(216,631)	(216,631)
At 30 June 2019	147,646	262,121	12,588,262	12,998,029
Net book value				
At 30 June 2019	561,056	143,056	2,407,786	3,111,898
At 1 July 2018	631,926	142,158	2,590,583	3,364,667

10 Stocks

	2019 £	2018 £
Raw materials and consumables	516,773	533,722
Finished goods and goods for resale	1,131,811	1,474,460
Spare parts	129,865	105,195
	<u>1,778,449</u>	<u>2,113,377</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

Stocks recognised as an expense in the period were £12,411,000 (2018 - £12,631,000)

11 Debtors – due within one year

	2019 £	2018 £
Trade debtors	2,676,178	2,657,915
Other debtors	175,889	214,751
Amounts due from fellow group undertakings	1,062	-
Prepayments and accrued income	297,583	494,179
	<u>3,150,712</u>	<u>3,366,845</u>

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

12 Debtors – due after one year	2019	2018
	£	£
Deferred tax asset (see note 15)	<u>1,863</u>	<u>1,472</u>
13 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	1,946,846	1,813,550
Amounts owed to parent company	124,668	262,364
Amounts owed to fellow subsidiary undertakings	8,077	19,450
Corporation tax	192,845	90,159
Other taxes and social security costs	264,163	71,132
Accruals and deferred income	611,438	709,671
Obligations under finance lease (see note 16)	<u>139,607</u>	<u>134,717</u>
	<u>3,287,644</u>	<u>3,101,043</u>
14 Creditors: amounts falling due after one year	2019	2018
	£	£
Obligations under finance lease (see note 16)	<u>400,910</u>	<u>534,195</u>
15 Provisions for liabilities and charges	2019	2018
	£	£
Deferred tax (see note 8)		
At 1 July	68,171	48,230
Adjustment in respect of prior years	446	80
Profit and loss account	<u>2,022</u>	<u>19,861</u>
At 30 June	<u>70,639</u>	<u>68,171</u>
The deferred tax asset has been recognised in the financial statements, as based on forecast trading it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of these timing differences can be deducted.		
	2019	2018
	£	£
Accelerated capital allowances	72,502	69,643
Short term timing differences – trading	(1,863)	(1,472)
Losses	-	-
	<u>70,639</u>	<u>68,171</u>
Represented by:		
Debtors – due after one year (see note 12)	(1,863)	(1,472)
Provisions for liabilities and charges	<u>72,502</u>	<u>69,643</u>
	<u>70,639</u>	<u>68,171</u>

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

16 Obligations under finance leases

Analysis of amounts due under finance leases:

	2019	2018
	£	£
Amounts payable within one year	150,453	148,693
Amounts payable in two to five years	413,747	557,601
	564,200	706,294
Less: finance charges allocated to future periods	(23,683)	(37,382)
At 30 June	540,517	668,912

17 Pension

Defined contribution pension scheme

Some employees participated in a defined contribution scheme.

	2019	2018
	£	£
Contributions payable by the company for the period	113,714	95,432
Contributions payable to the fund at the year end and included in creditors	15,935	11,527

18 Share capital

Allotted, called-up and fully paid

3,534,063 ordinary shares of £1 each

2019	2018
£	£
3,534,063	3,534,063

IPACKCHEM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

19 Financial commitments

At 30 June 2019 the company was committed to making the following future minimum rentals payable under non-cancellable operating leases:

	2019	2018
	£	£
Not later than one year	3,048	-
Later than one year but not later than five years	85,219	57,846
Later than five years	3,200,364	3,981,216
	<u>3,288,632</u>	<u>4,039,062</u>
At 30 June	<u>3,288,632</u>	<u>4,039,062</u>

20 Parent undertaking

As at the balance sheet date the ultimate parent undertaking was JPack International S.A.S. Ipackchem Limited has no subsidiaries. The enclosed financial results of Ipackchem Limited are included in the consolidated results of JPack International S.A.S. Copies of the accounts of JPack International S.A.S. may be obtained from JPack International S.A.S., 73 Boulevard Haussmann, 75008 Paris, France.