Rule 4.3A

Appendix 4E

Preliminary Final Report

Name of entity	ABN
Colorpak Limited	**56 107 485 898**

Current reporting period:	Previous corresponding period:
Financial year ended 30 June 2011	Period ended 30 June 2010

Results for announcement to the market				**AUD'000s**
Revenues from ordinary activities	up / ~~down~~	57.6 %	to	127,369
Profit from ordinary activities after tax attributable to members	up / ~~down~~	147.5 %	to	15,875
Net profit for the period attributable to members	up / ~~down~~	147.5 %	to	15,875

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:
Refer to commentary on the Financial Performance on page 3 which explains the difference between the $7,060,000 underlying net profit and the reported net profit of $15,875,000.

For further explanations, see commentary on results below.

	Amount per security	Franked amount per security
Final dividend	1.75 cents	1.75 cents
Interim dividend	1.50 cents	1.50 cents
Record date for determining entitlements to the final and special dividends	8 September 2011	
Dividend reinvestment plan	not applicable	
	2011	2010
Net tangible assets per security	33.3 cents	17.6 cents

Commentary on Results: See separate report below	
Audit Statement: This report is based on the 2011 Annual Report of Colorpak Limited which is in the process of being audited. An unqualified audit report is expected.	
Entities over which control has been gained during the year	Nil
Entities over which control has been lost during the year	Nil
Details of associates	Nil
Details of joint venture entities	Nil
Annual General meeting will be held at: Place: Date: Time:	 The Westin, 205 Collins Street Melbourne Vic 3000 Friday, 28 October 2011 11.00 am

OPERATING AND FINANCIAL REVIEW

Financial Performance

Colorpak's financial performance in the year has been significantly impacted by the acquisition of Carter Holt Harvey's (CHH) folding carton operations in Australia and New Zealand. The company has recorded a $12,223,000 gain on acquisition which has arisen because the purchase price is substantially less than the value of the fixed assets and working capital that was acquired. These metrics are the result of the low profitability of the acquired businesses, which present both a challenge and an opportunity in returning those businesses financial performance to commercial levels. The company expects synergies to be achieved as a result of combining the purchased folding carton operations in Australia and New Zealand with the existing businesses.

Revenue from sale of goods amounted to $125,548,000, an increase of 56.6% on the previous year. A degree of integration has already occurred between the traditional Colorpak and the acquired sites and this means that clear segregation of the numbers between the two businesses is no longer possible, although the best information would suggest that revenues from the traditional Colorpak business have grown by around 5.5% and the acquired businesses have contributed the balance of the growth.

The underlying net profit after tax from continuing operations for the year, which excludes the impact of any acquisition related transactions (being acquisition and transaction costs, integration costs, gain on acquisition and impairment of intangibles), was a record NPAT of $7,060,000 and was up 10.1% from $6,413,000 in the prior year. The acquisition related transactions, impacted substantially by a gain on acquisition, increased the company's reported NPAT to $15,875,000.

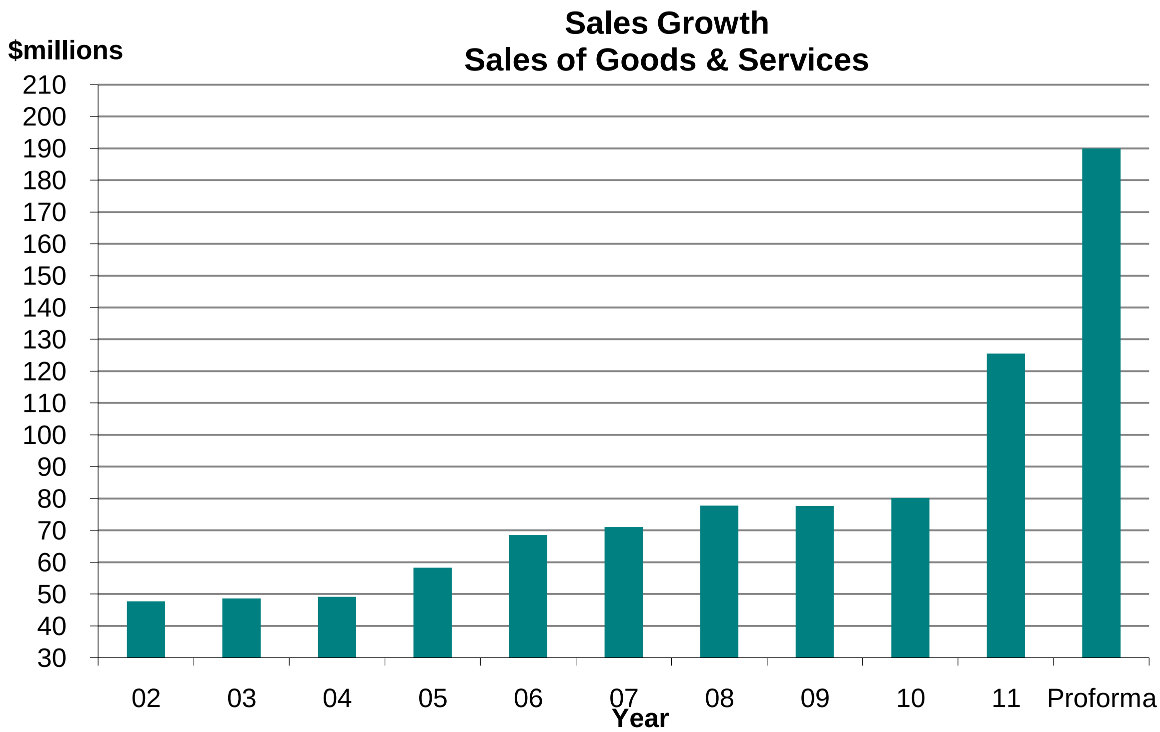
	NPBT	NPAT
	$000	$000
2011		
Reported result	18,297	15,875
Acquisition related transactions	8,077	8,815
Underlying result	10,220	7,060
2010	9,142	6,413

The increase in operating profit from the continuing operations (excluding acquisition related transactions) has raised EPS on the underlying result to 8.70 cents per share, which was 10.1% up from 7.90 cents per share in the previous year. Reported EPS (after the impact of acquisition related transactions) was 19.56 cents per share. This level of profitability is considered to be another solid achievement in the face of cost and competitive pressures in the current economic environment.

The improved NPAT was a result of increased revenues, improved factory efficiencies across most areas of the traditional Colorpak business as well as a small contribution from the acquired businesses.

The strong financial performance for the company met most of the established milestones for the senior executive incentive plan and an amount of $481,000 pre-tax has been included in the result for the year in respect of this plan.

Compound sales growth over the last 10 years has averaged 12.0% pa. Colorpak's revenue history is set out in the following table:



The pro-forma sales number reflects the seasonally adjusted sales had the acquired CHH businesses been held for the full 12 months.

Acquisition of Carter Holt Harvey's folding carton operations in Australia and New Zealand

Colorpak announced on 11 October 2010 its intention to acquire, subject to satisfactory due diligence, CHH folding carton operations in Australia and New Zealand. On 29 December 2010, Colorpak further announced that it had signed a sale agreement for the acquisition of this business, excluding the Smithfield operations which were to be purchased by another industry participant. This transaction was completed on 1 March 2011, with a final settlement payment for a working capital adjustment being made in mid July 2011.

Colorpak acquired businesses with additional annual revenues of around $125,000,000 but with negligible EBIT. Under the purchase agreement the acquired net assets were approximately $21,600,000 (after allowance for provisions in accordance with the accounting standards) and the purchase consideration was $9,327,000, being $5,000,000 paid for the base business and a $4,327,000 liability at 30 June 2011, in respect to working capital adjustments, that was settled in mid July. In addition to the purchase consideration, the company has incurred $1,444,000 in costs directly related to the acquisition as well as $2,192,000 in other transaction related integration activities. The company has also taken on $16,523,000 in liabilities that are set-out in note 17 and these liabilities include lease rentals that are not considered to be commercial in the current market as well as make good obligations under those premises leases and also some contracts with customers that are considered to be uneconomic.

Clearly the acquisition was of a distressed business and much needs to be done to make the acquisition EPS accretive, but based on a normalised basis this is expected in the 2012 financial year, being the first full year following acquisition. Considerable further potential is expected to be generated in efficiencies and in other areas.

Cash Flow

Cash generation from operations before acquisition, transaction and integration costs for the year saw an inflow of $6,199,000. Cash flows were adversely impacted by the delay of one day of $2,082,000 due to an oversight by a major customer. This money was received on 1 July 2011 and will boost cash from operations in the 2012 year.

The company incurred net capital expenditure of $5,580,000 for the year, with the single largest item being a cup and lid forming machine at the Braeside site that expands the company's product offering from the introduction of a Paper Cup Forming division. Net capital expenditure in 2012 is expected to be in the order of $6,000,000.

The major acquisition during the year has resulted in an increase in the debt from $22,750,000 to $34,186,000, whilst the company remains conservatively geared with gearing of 31.8%. Additional financial facilities were put in place with NAB and BNZ to fund the CHH acquisition and the company maintains adequate cash reserves and undrawn bank credit limits to meet foreseeable needs.

Operating Activities

2011 will be remembered as an historic year for Colorpak with the acquisition of the Carter Holt Harvey Folding Carton operations. Not only was this a major company changing event, but it re-shaped the sector with the view to restoring the industry to a position of long-term sustainability.

Global pressures and robust local competition remain a feature of the industry, but this did not distract the company from innovating with materials and pursuing production efficiencies so that once again the company has been able to produce an improved result. Growth in sales has been dramatic given the acquisition, with growth in underlying profitability from the continuing operations solid at 11% up on the previous corresponding period.

We are four months into the integration phase of the former CHH operations into Colorpak. The integration team in the first weeks post takeover worked diligently to fine tune the integration plan. The company is now well and truly into the implementation phase and progress is pleasing.

Newly acquired staff have been happy to join the Colorpak team and are strongly engaged in the company's strategy and direction. As part of bringing the two businesses together Colorpak has been rebranded and the Montage Graphics business has also been both rebranded and renamed as "Brandpack". The company' new corporate identity retains a link to its past, but is a more confident expression of who we aspire to be, now and into the future; "Australasia's stand out packaging partner". Brand launches have conducted both internally to the new staff, and also externally to customers and suppliers. It has all been very well received.

In late May, a new Paper Cup Forming division was commissioned, operating from a purpose built clean room facility at the Braeside (Victoria) operations. The new division adds another product capability to the portfolio. The foundation customers operate in the super premium ice cream segment of the market and contracts have been secured to underpin revenue growth of $5,000,000 to $6,000,000 per annum currently. Paper cup and lids have application beyond ice cream into such other products as biscuits, confectionary and many other fast moving consumer goods. A good portion of the company's net capital expenditure of $5,580,000 for 2011 was directed to this project.

The company's legacy customer base remains stable, but it is clear that they are feeling the impacts of globalisation and an aggressive retail sector. We are working closely with all customers to provide innovation and manufacturing efficiencies so that they can remain competitive and relevant. A focus on production flexibility is also key to ensuring that customers have speed to market in any of their product developments to enable them to capture and capitalise on increased market share.

Safety awareness and process remains a key focus and the acquired CHH divisions have excellent safety process and measurements in place.

Shareholder Returns

The company has delivered the following returns to shareholders:

	2011	2010	2009	2008	2007
Basic earnings per share (cents)	**19.56**[(1)]	7.90	6.94	7.72	6.28
Return on assets (%)	**9.9**	6.6	5.8	6.2	5.2
Return on equity (%)	**24.3**	11.2	10.5	12.0	10.4
Gearing (debt / debt+equity) (%)	**31.8**	27.3	33.0	34.9	39.3
Dividend payout ratio (%)	**16.7**[(1)]	53.8[(2)]	43.3	51.8[(2)]	43.8
Total shareholder return (%) [(3)]	**60.9**	22.5	(6.4)	(7.4)	14.8
Available franking credits ($000)	**7,087**	5,941	4,971	3,978	3,520

1. EPS on the underlying result, which excludes acquisition related gains and costs, was 8.70 cents and the dividend payout ratio was 37.5%.

2. Includes the 1.0 cent special dividends.

3. Includes dividends paid during the year only (excludes the final and special dividends). Based on the share price of $0.70 at 30 June 2011.

Asset and Capital Structure

	2011	2010
	$000	$000
Debt:		
Interest bearing loans and borrowings	**34,186**	22,750
Cash and cash equivalents	**(5)**	(37)
Net debt	**34,181**	22,713
Total equity	**73,275**	60,449
Total capital employed	**107,456**	83,162
Gearing (debt / debt+equity)	**31.8%**	27.3%

The company’s balance sheet remains strong as a consequence of consistent earnings performance and strong cash flows. The company does not have a firm established policy however a long term gearing range of 25% - 50% is considered appropriate.

Treasury

A profile of the company's debt finance is as follows:

	2011	2010
	$000	$000
Current		
Bank overdraft	**3,178**	-
	3,178	-
Non-current		
Bank loans – secured by debenture security	**31,008**	22,750
	31,008	22,750
	34,186	22,750

The company had $15,489,000 in cash and immediately drawable overdraft and bill facilities at 30 June 2011. There are no debt repayment requirements before September 2013, at which time those facilities are expected to be renewed. The company continues to generate steady cash and the company's capacity to create business development opportunities continues to improve.

61.0% of the company's drawn debt was fixed at 30 June 2011 with a relatively even reduction in fixed debt exposures across the years 2012 to 2014. The company has a policy of reviewing and adjusting its level of debt that is subject to fixed interest rates periodically in response to prevailing market conditions.

Investments for Future Performance

The company's facilities are modern and efficient and the capital investment program since listing has substantially lifted capacity. Capital expenditures in 2012 are expected to be around $6,000,000 to support the expanded business and over the following few years are expected to align fairly closely with the annual depreciation charge.

Outlook

The results for the 2012 financial year will include the contribution from the acquired CHH folding carton operations. The company is well advanced in developing its integration plans, and whilst these are still incomplete they will involve further rationalisation costs to effect long run structural change.

Dividend

The company is pleased to announce a final dividend of 1.75 cents per share, fully franked, which will be paid on 4 October 2011.

This brings the full year dividend for 2011 to 3.25 cents per share, fully franked. The dividend payout ratio is 16.7% measured against reported NPAT and 37.5% measured against NPAT from continuing operations. Based on the share price at 30 June 2011 of 70.0 cents, this provides a dividend yield of 4.6%, fully franked.

Colorpak Limited
Consolidated Statement of Comprehensive Income
as at 30 June 2011

	Notes	2011 $000	2010 $000
Revenue	1	**127,369**	80,819
Other income		**137**	-
Changes in inventories of finished goods and work in progress		**629**	(98)
Raw materials and consumables used		**(55,161)**	(31,948)
Employee benefits expense	1	**(39,325)**	(23,675)
Depreciation and amortisation		**(3,104)**	(2,965)
Other indirect manufacturing costs		**(10,225)**	(5,523)
Occupancy costs		**(4,806)**	(2,699)
Other expenses		**(2,816)**	(2,314)
Profit before tax, acquisition related transactions and finance costs		**12,698**	11,597
Finance costs	1	**(2,478)**	(2,455)
Profit before income tax and acquisition related transactions		**10,220**	9,142
Acquisition related transactions:			
Impairment of intangibles		**(510)**	-
Gain on acquisition		**12,223**	-
Acquisition and transaction costs		**(1,444)**	-
Integration costs		**(2,192)**	-
Total acquisition related transactions:		**8,077**	-
Profit before income tax		**18,297**	9,142
Income tax expense from continuing operations		**(3,160)**	(2,729)
Income tax benefit on acquisition related transactions		**738**	-
Total income tax expense	2	**(2,422)**	(2,729)
Net profit for the period		**15,875**	6,413
Other comprehensive income			
Cash flow hedges			
Gain / (loss) taken to equity		**317**	467
Income tax expense on items of other comprehensive income		**(95)**	(140)
Foreign currency translation		**(92)**	-
Other comprehensive income for the period, net of tax		**130**	327
Total comprehensive income for the period		**16,005**	6,740
Earnings per share (cents per share)			
- Basic and diluted on profit for the year attributable to ordinary equity holders of the company	3	**19.56**	7.90

Colorpak Limited
Consolidated Statement of Financial Position
as at 30 June 2011

	Note	**2011 $000**	2010 $000
ASSETS			
Current Assets			
Cash and cash equivalents	5	**5**	37
Trade and other receivables	6	**38,221**	12,580
Inventories	7	**30,480**	10,248
Other current assets	8	**1,808**	596
Total Current Assets		**70,514**	23,461
Non-current Assets			
Property, plant and equipment	9	**40,582**	27,855
Goodwill and intangible assets	10	**46,134**	46,134
Deferred income tax asset	2	**3,835**	-
Total Non-current Assets		**90,551**	73,989
TOTAL ASSETS		**161,065**	97,450
LIABILITIES			
Current Liabilities			
Trade and other payables	11	**25,403**	8,620
Interest-bearing loans and borrowings	12	**3,178**	-
Income tax payable		**1,775**	790
Provisions	13	**11,673**	1,713
Derivative financial instruments	15	**170**	-
Total Current Liabilities		**42,199**	11,123
Non-current Liabilities			
Interest-bearing loans and borrowings	12	**31,008**	22,750
Deferred income tax liabilities	2	**-**	1,398
Provisions	13	**14,271**	931
Derivative financial instruments	15	**312**	799
Total Non-current Liabilities		**45,591**	25,878
TOTAL LIABILITIES		**87,790**	37,001
NET ASSETS		**73,275**	60,449
EQUITY			
Contributed equity	14	**39,484**	39,214
Retained profits		**34,220**	21,794
Reserves		**(429)**	(559)
TOTAL EQUITY		**73,275**	60,449

Colorpak Limited
Consolidated Statement of Cash Flow
for the year ended 30 June 2011

	Note	**2011 $000 Inflows/(Outflows)**	2010 $000 Inflows/(Outflows)
Cash flows from operating activities			
Receipts from customers		**131,583**	88,096
Payments to suppliers and employees		**(120,178)**	(75,767)
Interest received	1	**52**	23
Income taxes paid		**(2,625)**	(1,042)
Borrowing costs		**(2,633)**	(2,333)
Net cash flows from operating activities (before acquisition, transaction and integration costs)		**6,199**	8,977
Acquisition, transaction and integration costs		**(3,636)**	-
Net cash flows from operating activities	5	**2,563**	8,977
Cash flows from investing activities			
Purchase of business, net of cash acquired		**(5,000)**	-
Proceeds from sale of property, plant and equipment		**164**	42
Purchase of property, plant and equipment		**(5,744)**	(1,279)
Net cash flows used in investing activities		**(10,580)**	(1,237)
Cash flows from financing activities			
Repayment of finance lease principal		**-**	-
Proceeds of borrowings		**8,256**	-
Repayment of borrowings		**-**	(4,750)
Payment of dividends	4	**(3,449)**	(2,638)
Net cash flows used in financing activities		**4,807**	(7,388)
Net increase / (decrease) in cash and cash equivalents held		**(3,210)**	352
Cash and cash equivalents at the beginning of the year		**37**	(315)
Cash and cash equivalents at the end of the year	5	**(3,173)**	37

Colorpak Limited
Consolidated Statement of Changes in Equity
for the year ended 30 June 2011

	Attributable to equity holders of the company				
	Contributed equity $000	Retained profits $000	Cash flow hedge reserve $000	FX translation reserve $000	Total equity $000
At 1 July 2010	**39,214**	**21,794**	**(559)**	**-**	**60,449**
Profit for the period		**15,875**	**-**	**-**	**15,875**
Other comprehensive income	**-**	**-**	**222**	**(92)**	**130**
Total comprehensive income for the period	**-**	**15,875**	**222**	**(92)**	**16,005**
Transactions with owners in their capacity as owners:					
Shares issued	**270**	**-**	**-**	**-**	**270**
Dividends paid	**-**	**(3,449)**	**-**	**-**	**(3,449)**
At 30 June 2011	**39,484**	**34,220**	**(337)**	**(92)**	**73,275**
At 1 July 2009	39,214	18,019	(886)		56,347
Profit for the period	-	6,413	-		6,413
Other comprehensive income	-	-	327		327
Total comprehensive income for the period	-	6,413	327		6,740
Transactions with owners in their capacity as owners:					
Dividends paid	-	(2,638)	-		(2,638)
At 30 June 2010	39,214	21,794	(559)		60,449

1. REVENUES & EXPENSES

	Note	2011 $000	2010 $000
(a) Specific Items			
Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the company:			
(i) Revenue			
Sales to external customers		**125,548**	80,164
Interest from unrelated persons		**52**	23
Other revenues from external customers		**1,769**	632
		127,369	80,819
(ii) Expenses			
Finance costs			
Interest paid or payable to unrelated persons		**2,460**	2,443
Finance charges payable under finance leases and hire purchase contracts		**18**	12
Total finance costs expensed		**2,478**	2,455
Lease payments included in income statement			
Minimum lease payments – operating leases		**3,369**	1,907
Other expenses includes:			
Doubtful debts		**(9)**	69
Employee benefits expense includes:			
Superannuation		**2,603**	1,605
Senior executive incentive plan		**481**	574
Employee Share issues (included in Integration costs)	14(b)	**270**	-

2. INCOME TAX

The major components of income tax expense are:

Income Statement

	2011 $000	2010 $000
Current income tax		
Current income tax charge	**3,682**	2,468
Adjustments in respect of current income tax of previous years	**(1)**	(33)
Deferred income tax		
Relating to origination and reversal of temporary differences	**(1,259)**	294
Income tax expense reported in the income statement	**2,422**	2,729

Statement of changes in equity

Deferred income tax related to items charged or credited directly to equity		
Net gain on revaluation of cash flow hedges	**95**	140
Income tax expense reported in equity	**95**	140

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the company's applicable income tax rate is as follows:

Accounting profit before income tax	**18,297**	9,142
Tax expense at the company's statutory income tax rate (30%)	**5,489**	2,742
- Acquisition costs not allowable for income tax purposes	**342**	-
- Gain on acquisition not assessable	**(3,667)**	-
- Impairment of business name	**153**	-
- Change in tax rate of foreign subsidiary	**50**	-
- Adjustments in respect of current income tax of previous years	**(1)**	(33)
- Investment allowance	**-**	(14)
- Expenditure not allowable for income tax purposes	**56**	34
Income tax expense reported in the income statement	**2,422**	2,729

2. INCOME TAX (continued)

Deferred Income Tax

Deferred income tax at 30 June relates to:

	Balance sheet		*Income statement*	
	2011	2010	**2011**	2010
	$000	$000	**$000**	$000
Deferred income tax assets				
Doubtful debts	**17**	18	**(1)**	(29)
Inventory provisions	**61**	43	**20**	9
Employee benefits	**3,038**	793	**303**	32
Accruals	**4,570**	69	**(268)**	(35)
Acquisition costs	**11**	-	**11**	-
Restructure costs	**19**	34	**(15)**	(10)
Interest swaps (cash flow hedges)	**144**	240	**-**	-
Gross deferred income tax assets	**7,860**	1,197		
Deferred income tax liabilities				
Accelerated depreciation for tax purposes	**3,999**	2,595	**(273)**	(261)
Acquired debtors & inventory	**26**	-	**1,482**	-
Interest swaps (held for trading)	**-**	-	**-**	-
Gross deferred income tax liabilities	**4,025**	2,595		
Deferred income tax charge			**1,259**	(294)
Net deferred tax liabilities	**(3,835)**	1,398		

3. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2011	2010
Basic and diluted earnings per share (cents per share)	**19.56**	7.90
Weighted average number of ordinary shares used in the calculation of basic and dilutive earnings	**81,178,176**	81,155,151
Net profit used in the calculation of basic and diluted earnings per share ($000)	**15,875**	6,413

Subscription or issues after 30 June 2011

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

4. DIVIDENDS PAID AND PROPOSED

	Note	**2011 $000**	2010 $000
(a) Recognised amounts			
Declared and paid during the year:			
Dividends on ordinary shares:			
Final franked dividend for 2010: 1.75 cents (2009: 1.75 cents)		**1,420**	1,420
Special franked dividend for 2010: 1.00 cents (2009: nil cents)		**812**	-
Interim franked dividend for 2011: 1.50 cents (2010: 1.50 cents)		**1,217**	1,218
		3,449	2,638
(b) Unrecognised amounts:			
Dividends on ordinary shares:			
Final franked dividend for 2011: 1.75 cents (2010: 1.75 cents)		**1,427**	1,420
Special franked dividend for 2011: nil cents (2010: 1.00 cents)		**-**	812
		1,427	2,232
Franking credit balance:			
The amount of franking credits available for the subsequent financial year are:			
• franking account balance as at the end of the financial year at 30% (2010: 30%)		**7,087**	5,941
• franking credits that will arise / be lost from the payment / (receipt) of income tax payable / receivable as at the end of the financial year		**1,883**	790
Amount of franking credits available for future reporting periods		**8,970**	6,731
• impact on the franking account of dividends proposed or declared before the financial report was authorised for issue but not recognised as a distribution to equity holders during the period		**(612)**	(956)
		8,358	5,775

The tax rate at which paid dividends have been franked is 30%. Dividends proposed will be franked at the rate of 30%.

5. CASH AND CASH EQUIVALENTS

Cash at bank earns interest at floating rates based on daily bank deposit rates.

At 30 June 2011, the company had available $18,689,000 (2010: $12,124,000) of cash and undrawn committed borrowing facilities in respect of which conditions precedent had been met.

Reconciliation to Statement of Cash Flow

		2011 $000	2010 $000
For the purposes of the Statement of Cash Flow, cash and cash equivalents comprise the following at 30 June:			
Cash on hand		**5**	3
Cash at bank – with overdraft facility	12	**(3,178)**	34
Closing cash balance		**(3,173)**	37

Reconciliation of net profit after tax to the net cash flows from operations

	2011	2010
Net profit	**15,875**	6,413
Adjustments for non-cash items:		
Depreciation of non-current assets	**2,850**	2,965
Impairment of intangibles	**510**	-
Net (profit) / loss on disposal of plant & equipment	**(137)**	62
Gain on acquisition	**(12,223)**	-
Shares issued under employee share plan	**270**	-
Changes in assets and liabilities:		
Decrease/(Increase) in assets:		
Trade and other receivables	**(8,247)**	(878)
Inventories	**(301)**	(1,419)
Prepayments [1]	**29**	96
Derivative financial instruments [2]	**-**	-
(Decrease)/Increase in liabilities:		
Trade payables	**(821)**	956
Provisions	**(27)**	108
Other payables	**4,989**	45
Income tax payable	**984**	336
Deferred income tax liabilities	**(1,188)**	293
Net cash from operating activities	**2,563**	8,977

(1) The movement in prepayments excludes $1,241,000 net movement on property, plant & equipment (2010: $10,000).
(2) The movement in Derivative Financial Instruments excludes $317,000 (2010: $467,000) interest swaps taken directly to reserves.

Disclosure of financing facilities - refer to note 12.

Disclosure of non-cash financing and investing activities - refer to note 9(ii).

6. TRADE AND OTHER RECEIVABLES (current)

	Note	2011 $000	2010 $000
Trade receivables		**36,731**	12,079
Allowance for impairment loss	(a)	**(81)**	(60)
		36,650	12,019
Other receivables		**1,571**	561
Total current receivables		**38,221**	12,580

(a) Allowance for impairment loss

Trade receivables are non-interest bearing and generally on 30 or 60 day terms. A provision for impairment loss is recognised when there is objective evidence that a trade receivable is impaired. Financial difficulties of the debtor as supported by an inability to pay over a prolonged period, the award of court judgment against the debtor or the debtor going in to administration or liquidation are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows. An impairment loss of $81,000 (2010: $60,000) has been recognised for specific debtors for which such evidence exists. The amount of the impairment loss has been measured as the difference between the carrying amount of the trade receivables and the estimated future cash flows expected to be received from the relevant debtors.

Movements in the provision for impairment loss were as follows:

	2011	2010
At 1 July	**60**	158
Charge for the year	**(9)**	69
Acquired in business acquisition	**56**	-
Foreign currency translation	**1**	-
Amounts written-off	**(27)**	(167)
At 30 June	**81**	60

At 30 June, the ageing analysis of trade receivables is as follows:

		2011	2010
0 – 30 days		**19,866**	6,811
31 – 60 days		**4,829**	2,391
31 – 60 days	Past due not impaired	**9,846**	1,910
61 – 90 days	Past due not impaired	**1,277**	565
90+ days	Past due not impaired	**833**	336
90+ days	Considered impaired	**81**	66
At 30 June		**36,732**	12,079

Receivables past due but not considered impaired are $11,956,000 (2010: $2,811,000). Payment terms on these amounts have not been re-negotiated although credit has been stopped until full payment is made in limited instances. The company has been in direct contact with the relevant debtor and is satisfied that payment will be received in full.

Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

7. INVENTORIES (Current)

	2011 $000	2010 $000
Raw materials and stores	**15,559**	5,645
Work in progress	**3,499**	1,126
Finished goods	**11,422**	3,477
Total inventories at the lower of cost and net realisable value	**30,480**	10,248

8. OTHER CURRENT ASSETS

	2011 $000	2010 $000
Prepayments	**515**	544
Deposits on plant & equipment	**1,293**	52
Total prepayments	**1,808**	596

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements $000	Computers & Office Equipment $000	Motor Vehicles $000	Plant & Equipment $000	Furniture, Fixtures & Fittings $000	Total $000
Year Ended 30 June 2011						
At 1 July 2010, net of accumulated depreciation and impairment	**211**	**788**	**75**	**26,645**	**136**	**27,855**
Assets acquired	**-**	**-**	**-**	**11,099**	**-**	**11,099**
Additions	**220**	**321**	**-**	**3,944**	**19**	**4,504**
Disposals	**-**	**(1)**	**-**	**(26)**	**-**	**(27)**
Impairment	**-**	**-**	**-**	**-**	**-**	
Depreciation charge for the year	**(58)**	**(366)**	**(31)**	**(2,374)**	**(20)**	**(2,849)**
At 30 June 2011, Net of accumulated depreciation	**373**	**742**	**44**	**39,288**	**135**	**40,582**
At 1 July 2010						
Cost	451	2,019	257	39,784	219	42,730
Accumulated depreciation and impairment	(240)	(1,231)	(182)	(13,139)	(83)	(14,875)
Net carrying amount	211	788	75	26,645	136	27,855
At 30 June 2011						
Cost	**671**	**2,339**	**257**	**54,749**	**238**	**58,254**
Accumulated depreciation and impairment	**(298)**	**(1,597)**	**(214)**	**(15,460)**	**(103)**	**(17,672)**
Net carrying amount	**373**	**742**	**43**	**39,289**	**135**	**40,582**
Year Ended 30 June 2010						
At 1 July 2009, net of accumulated depreciation and impairment	245	988	81	28,184	157	29,655
Additions	9	205	13	1,037	5	1,269
Disposals	-	(35)	-	(66)	(3)	(104)
Impairment	-	-	-	-	-	-
Depreciation charge for the year	(43)	(370)	(19)	(2,510)	(23)	(2,965)
At 30 June 2010, Net of accumulated depreciation	211	788	75	26,645	136	27,855
At 1 July 2009						
Cost	442	2,264	244	38,905	218	42,073
Accumulated depreciation and impairment	(197)	(1,276)	(163)	(10,721)	(61)	(12,418)
Net carrying amount	245	988	81	28,184	157	29,655
At 30 June 2010						
Cost	451	2,019	257	39,784	219	42,730
Accumulated depreciation and impairment	(240)	(1,231)	(182)	(13,139)	(83)	(14,875)
Net carrying amount	211	788	75	26,645	136	27,855

9. PROPERTY, PLANT AND EQUIPMENT (continued)

(i) All property, plant and equipment has been pledged as security under a fixed charge pursuant to a debenture security administered by National Australia Trustees Limited (see note 12). The terms of the security preclude assets:

1. being sold unless being replaced by an asset providing a similar function; and
2. being used as security for further mortgages,

without the prior approval of the lender.

(ii) The carrying value of plant and equipment held under finance leases and hire purchase contracts at 30 June 2011 is nil (2010: nil). Additions during the year include nil (2010: nil) of plant and equipment held under finance leases and hire purchase contracts. Leased assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase liabilities.

Impairment of property, plant and equipment

The company did not incur any impairment losses during the year.

10. GOODWILL AND INTANGIBLE ASSETS (non-current)

	Goodwill $000	Brand Name $000	Total $000
Year ended 30 June 2011			
At 1 July 2010, net of impairment losses	46,134	-	46,134
Additions – acquisition of business	-	510	510
Impairment losses	-	(510)	(510)
At 1 July 2011, net of impairment losses	46,134	-	46,134
At 30 June 2011			
Cost (gross carrying value)	46,134	510	46,644
Impairment	-	(510)	(510)
Net carrying value	46,134	-	46,134

The company acquired the brand name “Montage” as part of the acquisition of Carter Holt Harvey’s folding carton operations and ceased using this name in favour of a new name, “Brandpack” prior to 30 June 2011, resulting in an impairment to this intangible asset that has been recognised as a significant item in the Statement of Comprehensive Income.

11. TRADE AND OTHER PAYABLES (current)

	2011 $000	2010 $000
Unsecured liabilities		
Trade payables	**9,289**	5,243
Other payables	**16,114**	3,377
Total trade and other payables	**25,403**	8,620

(a) Fair value

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

12. INTEREST BEARING LOANS AND BORROWINGS

	Note	2011 $000	2010 $000
Current			
Secured liabilities			
Bank overdraft	(i)	**3,178**	-
Bank loan	(ii), (iii)	**-**	-
Obligations under finance leases and hire purchase contracts	16(b)	**-**	-
Total current interest bearing liabilities		**3,178**	-
Non-current			
Secured liabilities			
Bank loans	(ii), (iii)	**31,008**	22,750
Obligations under finance leases and hire purchase contracts	16(b)	**-**	-
Total non-current interest bearing liabilities		**31,008**	22,750

(i) Bank overdrafts are provided under facilities with the National Australia Bank Limited and the Bank of New Zealand, with an aggregate facility limit of $2,920,000 at 30 June 2011 (2010: $3,000,000). These facilities expire on 31 August 2012 and we anticipate that the facilities will be extended in the normal course of business. The average interest rate applicable at 30 June 2011 was 12.03% (2010: 10.98%) plus a line fee of 2.40%.

(ii) Bank loans are provided under facilities with the National Australia Bank Limited and the Bank of New Zealand, with an aggregate facility limit of $46,760,000 at 30 June 2011 (2010: $31,850,000). These facilities expire on 1 September 2013 and we anticipate that the facilities will be extended in the normal course of business. There is no ongoing repayment requirement on the loan facilities and it is the company's intention to extend these facilities upon expiry. The average interest rate payable at 30 June 2011 on the fixed and floating bills under these facilities was 9.17% (2010: 8.65%), inclusive of bank margins.

(iii) All interest-bearing liabilities are secured by a fixed and floating charge over the company's assets.

(a) Fair values

The carrying amount of the current and non-current borrowings approximate their fair value.

The company has potential financial liabilities which may arise from certain contingencies disclosed in note 16. However the directors do not expect those potential financial liabilities to crystallise into obligations and therefore financial liabilities disclosed in the above table are the directors estimate of amounts that will be payable by the company. No material losses are expected and as such, the fair values disclosed are the directors estimate of amounts that will be payable by the company.

12. INTEREST BEARING LOANS AND BORROWINGS (continued)

(b) Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities are:

	2011 $000	2010 $000
Current		
Floating Charge		
Cash and cash equivalents	**5**	37
Receivables	**38,221**	12,580
Inventories	**30,480**	10,249
Prepayments	**1,807**	596
Total current assets pledged as security	**70,513**	23,462
Non-current		
Floating charge		
Plant and equipment	**40,582**	27,855
Goodwill and intangible assets	**46,134**	46,134
Deferred income tax asset	**3,836**	-
Total non-current assets pledged as security	**90,552**	73,989
Total assets pledged as security	**161,065**	97,451

The terms and conditions relating to the financial assets are as follows:

Cash and cash equivalents are pledged against the bank overdraft on an ongoing floating basis for the term of the bank overdrafts maturity.

Receivables, inventories and plant and equipment are pledged against secured bank loans on a floating basis for the terms of the various secured loans.

12. INTEREST BEARING LOANS AND BORROWINGS (continued)

(c) Defaults and breaches

During the current and prior years, there were no defaults or breaches on any of the loans.

Financing facilities available

At reporting date, the following financing facilities had been negotiated and were available:

30 June 2011	**Accessible $000**	**Drawn down $000**	**Unused $000**
Hire purchase and leasing finance	**-**	**-**	**-**
Bank bills	**46,756**	**31,008**	**15,748**
Trade finance / equipment loan	**3,200**	**-**	**3,200**
Overdraft	**2,919**	**3,178**	**(259)**
Bank guarantees	**3,748**	**1,295**	**2,453**

30 June 2010	Accessible $000	Drawn down $000	Unused $000
Hire purchase and leasing finance	-	-	-
Bank bills	31,850	22,750	9,100
Trade finance / equipment loan	-	-	-
Overdraft	3,000	-	3,000
Bank guarantees	800	761	39

Security & Conditions

The facilities are secured by debenture security administered by National Australia Trustees Limited (see note 9(i)).

The company must comply with conditions based on the following criteria:

- a financial charges covenant;
- a leverage covenant;
- maintenance of a minimum level of shareholder funds; and
- maximum limit on dividend distributions without prior bank approval.

Facility Review

These facilities are provided by the National Australia Bank Limited and the Bank of New Zealand. Subject to annual review and unless otherwise extended, the bank bill facilities expire on 1 September 2013, the trade finance / equipment loan facility on 30 April 2014 and the other bank facilities expire on 31 August 2012.

13. PROVISIONS

	2011 $000	2010 $000
Current		
Employee leave benefits	**8,230**	1,713
Unfavourable contracts	**2,309**	-
Unfavourable leases	**1,134**	-
Total current provisions	**11,673**	1,713
Non-current		
Employee leave benefits	**2,561**	931
Unfavourable contracts	**4,450**	-
Unfavourable leases	**3,825**	-
Property make-good	**3,435**	-
Total non-current provisions	**14,271**	931

For a description of the nature and timing of cash flows associated with the above provisions, refer to section (b) below.

(a) Movements in provisions

Movements in each class of provision during the financial year, other than provisions related to employee benefits, are set-out below:

	Unfavourable Contracts $000	Unfavourable Leases $000	Property Make-good $000	Total $000
At 1 July 2010	-	-	-	-
Acquisition of business (note 17)	6,407	6,685	3,435	16,527
Utilised	(1,003)	(371)	-	(1,374)
At 30 June 2011	5,404	6,314	3,435	15,153
Current 2011	2,059	1,384	-	3,443
Non-current 2011	3,345	4,930	3,435	11,710
	5,404	6,314	3,435	15,153

(b) Nature and timing of provisions

Unfavourable contracts

The Carter Holt Harvey folding carton operations acquired during the year and explained in note 21 held contracts with various customers for periods of up to 4 years. As at the acquisition date, the prices on some of these contracts were considered to be uneconomic. As part of the business combination accounting, these unfavourable customer contracts were assigned a fair value of $6,407,000 and recognised as a liability.

13. PROVISIONS (continued)

(b) Nature and timing of provisions (continued)

Unfavourable leases

The purchased folding carton operations held contracts with various landlords at fixed prices for a certain period. As at the acquisition date, these prices were not at market rates and were considered unfavourable. As part of the business combination accounting, these unfavourable lease contracts were been assigned a fair value of $6,685,000 and recognised as a liability. The leases have terms of up to six years to run.

Property make-good

In accordance with lease agreements on the acquired properties, the group must restore, at the end of each lease term, the respective leased premises to their conditions at the commencement of those leases. A provision of $3,435,000 was raised upon acquisition of the folding carton operations acquired during the year and explained in note 21.

Because of the long term nature of the liability, the greatest uncertainty in estimating the provision is the costs that will ultimately be incurred.

14. CONTRIBUTED EQUITY AND RESERVES

This note should be read in conjunction with the Statement of Changes in Equity shown on page 11 of this Appendix 4E.

	2011 $000	2010 $000
(a) Issued and paid-up capital:		
Ordinary shares	**39,484**	39,214
Total contributed equity	**39,484**	39,214

Effective 1 July 1997, the Corporations Legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the company does not have authorised capital nor par value in respect of its issued shares.

(b) Movements in ordinary shares on issue:

The company issued 382,000 fully paid ordinary shares on 9 June 2011, being 500 shares issued to each employee of the company and its wholly owned subsidiary (for nil consideration) pursuant to the Colorpak Employee Share Ownership Plan. The weighted average share price for the 5 trading days prior to allotment was $0.7069.

(c) Shares under escrow

As at 30 June 2011, there were no ordinary shares subject to voluntary escrow.

(d) Terms and conditions of contributed equity

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

(e) Nature and purpose of reserves

Cash flow hedge reserve

This reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge.

Foreign currency translation

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record gains and losses on hedges of the net investments in foreign operations.

14. CONTRIBUTED EQUITY AND RESERVES (continued)

(f) Capital management

When managing capital, the company's objective is to ensure that it continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The company also aims to maintain a capital structure that ensures a relatively low cost of capital available to the company.

The company considers periodically adjusting the capital structure to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, the company may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

During 2011, the company paid dividends of $3,449,000 (2010: $2,637,000), of which $3,449,000 (2010: $2,638,000) was satisfied in cash and nil (2010: nil) in shares under the dividend reinvestment plan.

The company has no current plans to issue further shares on the market.

The company monitors capital through the gearing ratio (net debt / debt + equity). The target for the company's gearing ratio is between 25% to 50%. The gearing ratios at 30 June 2011 and 30 June 2010 were as follows:

	2011	2010
	$000	$000
Interest bearing loans and borrowings	**34,186**	22,750
Cash and cash equivalents	**(5)**	(37)
Net debt	**34,181**	22,713
Total equity	**73,374**	60,449
Total capital employed	**107,555**	83,162
Gearing (debt / debt+equity)	**31.8%**	27.3%

The company is not subject to any externally imposed capital requirements.

15. DERIVATIVE FINANCIAL INSTRUMENTS

	2011	2010
	$000	$000
Current liabilities		
Interest rate swap contracts – cash flow hedges	**170**	-
	170	-
Non-current liabilities		
Interest rate swap contracts – cash flow hedges	**312**	799
	312	799

15. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(a) Instruments used by the company

Derivative financial instruments are used by the company in the normal course of business in order to hedge exposure to fluctuations in interest rates.

Interest rate swaps - cash flow hedges

Interest bearing loans of the company currently bear a variable interest rate of 4.96%. In order to protect against rising interest rates the company has entered into interest rate swap contracts under which it has a right to receive interest at variable rates and to pay interest at fixed rates. Swaps in place cover approximately 61% (2010: 84%) of the principal outstanding and are timed to expire at selected dates over the next 4 years, with the earliest expiry being June 2012. The fixed interest rates range between 5.7% and 7.6% (2010: 5.7% and 7.6%) and the comparable variable rate based on the 90 day bank bill rate at balance date was 4.96% (2010: 4.8%). In addition, a margin over the bill and fixed rates are payable to the banks.

At 30 June 2011, the notional principal amounts and period of expiry of the interest rate swap contracts are as follows:

	2011 $000	2010 $000
0 – 1 years	**6,000**	-
1 – 2 years	**6,000**	4,500
2 – 3 years	**7,000**	7,500
3 – 5 years	**-**	7,000
5+ years	**-**	-
	19,000	19,000

The interest rate swaps require settlement of net interest receivable or payable each 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt. All swaps are matched directly against the appropriate loans and interest expense and as such are considered highly effective. They are settled on a net basis. The swaps are measured at fair value and all gains and losses attributable to the hedged risk are taken directly to equity and re-classified into profit and loss when the interest expense is recognised.

Movement in cash flow hedge reserve

	2011 $000	2010 $000
Opening balance	**(559)**	(886)
Transferred to interest expense	**-**	-
Charged to Equity:		
Increase in value of interest swaps	**317**	467
Deferred tax on change in value of interest swaps	**(95)**	(140)
Closing balance	**(337)**	(559)

The company has entered into interest rate swap contracts that are timed to expire at selected dates over the next 3 years, with the earliest expiry being June 2012. The interest rates relevant to these swaps are set out above under the heading, *interest rate swaps - cash flow hedges*.

Variable interest rates on bank bills have remained fairly neutral over the past 12 months and with shortening term to maturity on the interest swaps held, this has resulted in a $222,000 reduction in the value of the reserve held at 30 June 2011.

15. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(b) Credit risk

Credit risk arises from the potential failure of counterparties to meet their obligations under the contracted arrangements. The company's maximum credit risk exposure in relation to these is limited to the fair value of the interest rate swap agreements, which at the reporting date was $481,000 (2010: $799,000).

16. COMMITMENTS AND CONTINGENCIES

(a) Capital expenditure commitments

At 30 June 2011 the company has commitments contracted for but not recognised as liabilities of $nil (2010: nil).

(b) Hire purchase commitments

At 30 June 2011 the company has commitments contracted for but not recognised as liabilities for future minimum lease payments under hire purchase contracts of $nil (2010: nil).

(c) Operating lease commitments

The company has entered into operating leases as a means of acquiring access to warehouse and office space and to lease motor vehicles. Rental payments are generally fixed subject to inflation escalation clauses. Operating leases over premises typically contain renewal options appropriate for the nature of the business conducted. Operating leases contain no restrictions on financing or other leasing activities.

Operating leases are non-cancellable, contracted for, but not capitalised in the financial statements.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	2011	2010
	$000	$000
– not later than one year	**6,338**	1,961
– later than one year but not later than five years	**19,368**	5,044
– later than five years	**420**	1,681
Aggregate operating lease expenditure contracted for at reporting date	**26,126**	8,686

(d) Remuneration commitments

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities, payable:		
– within one year	**1,115**	921
– after one year but not later than five years	**138**	820
Aggregate remuneration commitments contracted for at reporting date	**1,253**	1,741

Amounts disclosed as remuneration commitments include commitments arising from executive director and executive service contracts that are not recognised as liabilities and are not included in the directors' or executives' remuneration. The contracts for Mr A. Commins and Mr H. Commins expire on 31 August 2012 and the contract for Mr P. Commins expires on 31 March 2012.

(e) Guarantees and Indemnities

The company has the following guarantees at 30 June 2011:

An indemnity agreement has been entered into with each officer of the company in respect of expenses and liabilities they incur in their official capacities. No monetary limit applies to this agreement, and no known obligations have emerged as a result of this agreement.

Bank guarantees under premises leases total $1,295,000 (2010: $762,000).

17. BUSINESS COMBINATIONS

Colorpak announced on 11 October 2010 its intention to acquire, subject to satisfactory due diligence, Carter Holt Harvey's (CHH) folding carton operations in Australia and New Zealand. On 29 December 2010, Colorpak further announced that it had signed a sale agreement for the acquisition of this business, excluding the Smithfield operations which will be purchased by another industry participant. This acquisition completed on 1 March 2011.

Initial consideration of $5,000,000 was paid in cash on completion. A further $4,327,000 owing as at 30 June 2011 pursuant to a working capital adjustment formula in the acquisition agreement was paid in cash on 18 July 2011.

The fair values of the identifiable assets and liabilities of the purchased folding carton operations in Australia and New Zealand as of the date of acquisition were:

	Consolidated Fair value at acquisition date
	$000
Plant and equipment	**11,190**
Deferred tax asset	**4,140**
Trade and other receivables	**17,395**
Inventories	**19,930**
Brand name [1]	**510**
Existing customer contracts and lists	**400**
	53,565
Trade payables	**(4,867)**
Other payables	**(3,334)**
Employee entitlements	**(7,291)**
Provision for unfavourable contracts	**(6,407)**
Provision for unfavourable leases	**(6,685)**
Provision for make good	**(3,431)**
	(32,015)
Provisional fair value of identifiable net assets	**21,550**
Gain arising on acquisition	**(12,223)**
	9,327
Acquisition-date fair-value of consideration transferred:	
Cash paid	**5,000**
Liability outstanding at 30 June 2011	**4,327**
Consideration transferred	**9,327**
Direct costs relating to the acquisition (included in significant items)	**1,444**
The cash outflow on acquisition is as follows:	
Cash paid	**5,000**
Cash still to be paid	**4,327**
Net consolidated cash outflow	**10,771**

[1] The brand name "Montage" was dropped in favour of a new name, "Brandpack" prior to 30 June 2011, resulting in an impairment to this intangible asset that has been recognised as a significant item in the Statement of Comprehensive Income.

17. BUSINESS COMBINATIONS (continued)

A precise measure of the contributions to revenues and profit of the acquired folding carton operations in Australia and New Zealand is not possible because integration activities commenced shortly after acquisition. As an approximation, the consolidated statement of comprehensive income includes sales revenue and net profit from operations (excluding the impact of acquisition, transaction and integration costs and the gain on acquisition) for the year ended 30 June 2011 of around $40,900,000 and $400,000 respectively. The full impact of this acquisition if it had occurred at the beginning of the reporting period, is not reliably known.

A $12,223,000 gain on acquisition has arisen because the purchase price is substantially less than the value of the fixed assets and working capital acquired, which in turn is a factor of the low profitability of the acquired businesses. The company expects synergies to be achieved as a result of combining the purchased folding carton operations in Australia and New Zealand with the existing businesses. The gain recognised is not assessable for income tax purposes.

The purchased folding carton operations in Australia and New Zealand held contracts with various landlords at fixed prices for a certain period. As at acquisition date these prices were not at market rates and were considered unfavourable. As part of the business combination accounting, these unfavourable lease contracts, including make-good obligations, have been assigned a fair value and recognised as a liability. The leases have terms of up to six years to run.

The purchased folding carton operations in Australia and New Zealand held contracts with various customers for periods of up to 4 years. As at acquisition date the prices on some of these contracts were considered to be uneconomic. As part of the business combination accounting, these unfavourable customer contracts have been assigned a fair value and recognised as a liability.

Included in the business acquired were receivables with a gross contractual and fair value of $17,395,000 resulting from trade sales with customers. Management expects these amounts to be collected in full and converted to cash consistent with customer terms.

18. EVENTS AFTER THE BALANCE SHEET DATE

On 18 July 2011, the company settled $4,327,000 in liabilities owing to Carter Holt Harvey in accordance with the working capital adjustment formula under the acquisition of the CHH carton operations.

On 29 July 2011, the company entered into a Deed of Variation with each of the National Australia Bank Limited and the Bank of New Zealand to reduce the Australian bank bill facility by $2,400,000 and to increase the New Zealand facility by the same amount.

19. INFORMATION RELATING TO COLORPAK LIMITED

	2011	2010
	$	$
Current assets	**61,163**	23,461
Total assets	**148,553**	97,450
Current liabilities	**33,305**	11,123
Total liabilities	**78,011**	37,001
Issued Capital	**39,484**	39,214
Retained earnings	**31,395**	21,794
Reserves	**(337)**	(429)
	70,542	73,374
Profit or loss of parent entity	**13,050**	6,413
Total comprehensive income of the parent entity	**13,272**	6,740