

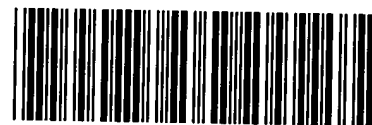
**Company Registration No. 00501594**

**DS Smith (UK) Limited**

**Annual Report and Financial Statements**

**For the year ended 30 April 2015**

TUESDAY



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# **DS Smith (UK) Limited**

## **Annual Report and Financial Statements For the year ended 30 April 2015**

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# **DS Smith (UK) Limited**

## **Annual Report and Financial Statements For the year ended 30 April 2015**

### **Officers and Professional Advisers**

#### **Directors**

M P Jowett  
A Steele

#### **Company Secretary**

A Steele

#### **Registered Office**

350 Euston Road  
London  
NW1 3AX  
United Kingdom

#### **Registered Number**

00501594 (England and Wales)

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London  
United Kingdom

# **DS Smith (UK) Limited**

## **Strategic Report**

The Directors present their Strategic Report for the year ended 30 April 2015.

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

### **Results and dividends**

The profit for the financial year is £nil (2014: £50 million). The Company paid an interim dividend of £nil (20134: £50 million) during the year.

### **Principal activities, principal risks and uncertainties, business review and future developments**

The principal activity of the Company is to act as a holding company. There has been no significant change in the Company's principal activity in the year under review.

The principal risk affecting the Company is that the businesses operated by DS Smith Packaging Limited and DS Smith Plastics Limited (its principal subsidiary companies) do not, over time, generate revenue streams that will be sufficient to provide a return to the Company on its investment and to support the value of the investment in the Company's financial statements.

This risk is managed through the DS Smith Group's overall management and governance processes.

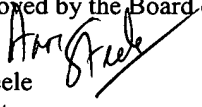
Business reviews of DS Smith Packaging Limited and DS Smith Plastics Limited are included within their respective financial statements. Copies of the Group financial statements are available from the Company Secretary of DS Smith Plc at 350 Euston Road, London, NW1 3AX, United Kingdom.

The Company is a wholly owned subsidiary of DS Smith Plc and operates as part of the DS Smith Group. The DS Smith Group manages its operations on a Group basis. For this reason, the Company's directors believe that further discussion of risks and uncertainties, key performance indicators and future plans on a company only basis are not appropriate for an understanding of the development, performance or position of the business. The performance of the DS Smith Group, which includes this Company, is discussed in the Group's Annual Report which does not form part of this report.

### **Financial risk management objectives and policies**

As the Company's main purpose is to act as an investment holding company, the financial risks the Company has are limited.

Approved by the Board of Directors and signed on behalf of the Board

  
A Steele  
Director

18 December 2015

# **DS Smith (UK) Limited**

## **Directors' Report**

The Directors present their Annual Report and the audited Financial Statements for the year ended 30 April 2015. Disclosures required by s416(4) which have been elevated to the strategic report:

- financial risk management objectives and policies.

### **Dividends**

The Directors paid an interim dividend of £nil (2014: £50 million) during the year under review.

### **Directors**

Directors who held office during the year and to the date of signing, except as noted, were as follows:

M P Jowett  
A Steele

### **Directors' and Officers' liability insurance**

During the year the parent company maintained liability insurance for the Directors and Officers of the Company.

### **Auditor**


Each of the persons who is a Director at the date of approval of this report confirms that:

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

Elective resolutions to dispense with holding annual general meetings, the laying of financial statements before the Company in general meeting and the appointment of an auditor annually are currently in force. The Auditor, Deloitte LLP, will therefore be deemed to have been reappointed at the end of the period of 28 days beginning with the day on which copies of this Annual Report and Financial Statements are sent to members, unless a resolution is passed to the effect that their appointment be brought to an end.

Approved by the Board of Directors and signed on behalf of the Board



A Steele  
Director

18 December 2015

## **DS Smith (UK) Limited**

### **Directors' Responsibilities Statement**

The Directors are responsible for preparing the Annual 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 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;
- state whether applicable UK Accounting Standards have been followed; 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 to 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.

## **Independent Auditor's Report to the members of DS Smith (UK) Limited**

We have audited the financial statements of DS Smith (UK) Limited for the year ended 30 April 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 auditor's report under those regulations and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the revised 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2015 and of its result 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 provisions of the Companies Act 2006.

## **Independent Auditor's Report to the members of DS Smith (UK) Limited (continued)**

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

In our opinion the information given in the Strategic Report and the Directors' Report 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.



Sukhbinder Kooner (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

18 December 2015



## **DS Smith (UK) Limited**

### **Profit and Loss Account For the year ended 30 April 2015**

	<b>Notes</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
Income from fixed asset investments	4	-	50,000
<b>Profit on ordinary activities before taxation</b>		-	50,000
Tax on profit on ordinary activities	5	-	-
<b>Profit on ordinary activities after taxation</b>		-	50,000
<b>Profit for the financial year</b>		-	50,000

The results shown above are from continuing operations.

There are no recognised gains or losses other than those detailed in the Profit and Loss Account, and therefore no Statement of Total Recognised Gains and Losses has been presented.


# DS Smith (UK) Limited

## Balance Sheet As at 30 April 2015

	Notes	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Fixed asset investments	7	201,858	201,858
<b>Non-current assets</b>			
Debtors: amounts falling due after more than one year – amounts owed by group undertakings		127,404	127,404
<b>Net assets</b>		<u>329,262</u>	<u>329,262</u>
<b>Capital and reserves</b>			
Called-up share capital	8	128,297	128,297
Share premium	9	200,858	200,858
Other reserves	9	12	12
Profit and loss account	9	95	95
<b>Total shareholder's funds</b>	12	<u>329,262</u>	<u>329,262</u>

These financial statements for DS Smith (UK) Limited (registered number 00501594), were approved by the Board of Directors and authorised for issue on 18 December 2015.

Signed on behalf of the Board of Directors



A Steele  
Director

The accompanying notes are an integral part of these audited financial statements.

# **DS Smith (UK) Limited**

## **Notes to the Financial Statements For the year ended 30 April 2015**

### **1. Accounting policies**

#### **Basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### **Fixed asset investments**

Fixed asset investments are shown at their historical cost, less any provisions for impairment.

#### **Related party transactions**

The Company is also exempt under the terms of Financial Reporting Standard 8, 'Related party disclosures', from disclosing related party transactions with entities that are wholly owned by DS Smith Group or investees of the group qualifying as related parties.

#### **Cash flow**

Under Financial Reporting Standard 1(revised 1996), 'Cash flow statements', the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its published consolidated financial statements.

#### **Taxation**

Current tax, including UK corporation tax is provided for 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. In accordance with Group policy, the Company surrenders current year tax losses to other members of the DS Smith Group, and receives payment for those tax losses at the rate of tax prevailing in the year.

#### **Consolidated financial statements**

The Company is not required to prepare consolidated financial statements as defined by Section 400 of the Companies Act 2006, since it is a wholly owned subsidiary of a company registered in England and Wales.

# DS Smith (UK) Limited

## Notes to the Financial Statements (continued) For the year ended 30 April 2015

### 2. Directors' and employees' emoluments

The Directors are remunerated by other Group companies and no specific recharge is made in respect of their services to the Company (20134: £nil). There were no staff directly employed by the Company during the current or previous year.

### 3. Auditor's remuneration

The auditor's remuneration of £1,500 (20134: £1,500) for the statutory audit of the Company's Financial Statements for the current and previous year has been borne and not recharged by another group undertaking. There is no non-audit remuneration paid in the current and prior year.

### 4. Income from fixed asset investments

	2015 £'000	2014 £'000
Dividends from subsidiary undertakings	-	50,000

### 5. Taxation

	2015 £'000	2014 £'000
UK corporation tax at 20.92 % (20134: 22.83%) on the profit for the year	-	-

Factors affecting current tax rate for the year:

The tax assessed for the year is equal to the standard rate of corporation tax in the UK of 20.92% (20134: 22.83%). The differences are explained below:

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation	-	50,000
Tax at 20.92% (20134: 22.83%)	-	(11,415)
Effects of: Permanent differences	-	11,415
Current tax charge for the year	-	-

### 6. Dividends on equity shares

	2015 £'000	2014 £'000
Amounts recognised as distributions to equity holders in the year:		
Interim dividend for the year ended 30 April 2015 of £nil (20134: £0.38972) per ordinary share	-	50,000

## DS Smith (UK) Limited

### Notes to the Financial Statements (continued) For the year ended 30 April 2015

#### 7. Fixed asset investments

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 1 May 2014 and 30 April 2015	201,858

The Company's subsidiary undertakings, which are wholly-owned and incorporated in the United Kingdom and registered in England and Wales, are listed below:

	Nature of business	Percentage of issued ordinary share capital held by DS Smith (UK) Limited	Country of registration
DS Smith Packaging Limited	Corrugated Packaging	100%	England and Wales
DS Smith Plastics Limited	Plastic Packaging	100%	England and Wales
Priory Packaging Limited	Dormant company	100%	England and Wales

#### 8. Called-up share capital

	2015 £'000	2014 £'000
<b>Allotted, called-up and fully paid</b>		
128,297,395 (20134: 128,297,395) ordinary shares of £1 each	128,297	128,297

#### 9. Reserves

	Share Premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
At 1 May 2014 and 30 April 2015	200,858	12	95	200,965

## DS Smith (UK) Limited

### Notes to the Financial Statements (continued) For the year ended 30 April 2015

#### 10. Commitments and contingencies

The Company remains party to certain leases, the benefit and burden of which were transferred within the DS Smith Group on the sale of the company's former businesses to DS Smith Packaging Limited and DS Smith Plastics Limited in November 2004. The Company has been indemnified by DS Smith Packaging Limited and DS Smith Plastics Limited in respect of any obligations under these leases.

#### 11. Ultimate and immediate parent undertaking

The ultimate and immediate parent undertaking and controlling party is DS Smith Plc, a company incorporated in the United Kingdom and registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these Financial Statements.

Copies of the Group Financial Statements are available from the Company Secretary of DS Smith Plc at 350 Euston Road, London, NW1 3AX, United Kingdom.

#### 12. Reconciliation of movements in shareholder's funds

	2015 £'000	2014 £'000
Profit for the financial year	-	50,000
Net addition to shareholder's funds	-	50,000
Dividends paid during the year	-	(50,000)
Opening shareholder's funds	329,262	329,262
Closing shareholder's funds	329,262	329,262