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SMURFIT CORRUGATED CASES (TAMWORTH) LIMITED

NOTICE OF MEETING

Notice is hereby given that the twenty third annual general meeting of the members of Smurfit Corrugated Cases (Tamworth) Limited will be held at Lichfield Road, Tamworth on 26 April 1983.

- 1 To consider, approve and adopt the directors' report and accounts for the year ended 31 January 1983
- 2 To re-appoint the auditors
- 3 To authorise the directors to fix the remuneration of the auditors
- 4 To transact any other ordinary business of the company

By order of the board

R A Dowson

Secretary

Lichfield Road
Tamworth
Staffordshire

26 April 1983

COMPANIES REGISTRY
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OFFICE

DIRECTORS' REPORT

The directors submit the audited accounts for the year ended 31 January 1983.

RESULTS

The results for the year, as set out on page 4, reflects a profit after taxation for the year of £257,231. No final dividend is proposed by the directors.

No important events have occurred since the end of the financial year to affect the current trading of the company.

PRINCIPAL ACTIVITIES

The principal activity of the company is the manufacture of corrugated containers.

DIRECTORS

The directors at 31 January 1983 were as follows:

Mr A J Tucker
Mr E H Marron
Mr R A Dowson
Mr A McIntosh
Mr D Spencer (appointed on 1 February 1982)
Mr C C Fry (resigned on 1 February 1983)
Mr C A Mustard (resigned on 1 November 1982)

None of the directors had a direct beneficial interest in the shares of the company or in any other group company incorporated in Great Britain, either at the beginning or end of the year.

DISABLED PERSONS

It is the company's policy to give full consideration to suitable applications for employment by disabled persons.

Opportunities also exist for employees of the company who become disabled to continue in their employment or to be trained for other positions in the company's employment.

AUDITORS

Ernst & Whinney have expressed their willingness to continue in office as auditors and in accordance with Section 14 of the Companies Act 1976 a resolution proposing their re-appointment will be submitted at the annual general meeting.

By order of the board

R A Dowson



Secretary
Lichfield Road
Tamworth
Staffordshire

26 April 1983

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the accounts of Smurfit Corrugated Cases (Tamworth) Limited set out on pages 4 to 12. These have been prepared under the historical cost convention as explained in note 1(a). Our audit has been carried out in accordance with approved auditing standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 January 1983 and of the profit and changes in retained profits for the year then ended and comply with the Companies Acts 1948 to 1981.

The company has not complied with the requirement of Statement of Standard Accounting Practice No. 10 in that it has not presented a source and application of funds statement.

Ernst and Whinney
Manchester

26 April 1983

SMURFIT CORRUGATED CASES (TAMWORTH) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 1983

	Note	1983 £	1982 £
Net turnover	2	10,126,343	9,842,066
Cost of sales		8,501,670	8,390,723
GROSS PROFIT		<u>1,624,673</u>	<u>1,451,343</u>
Distribution costs		448,780	424,847
Administrative expenses		546,334	476,424
		<u>995,114</u>	<u>901,271</u>
OPERATING PROFIT	3	<u>629,559</u>	<u>550,072</u>
Interest payable	5	18,515	27,943
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>611,044</u>	<u>522,129</u>
Taxation	6	353,813	316,195
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>257,231</u>	<u>205,934</u>
Dividends	7	-	-
PROFIT FOR THE YEAR		<u>£257,231</u>	<u>£205,934</u>
STATEMENT OF RETAINED PROFITS			
Balance at 31 January 1982		1,046,434	840,500
Profit for the year		<u>257,231</u>	<u>205,934</u>
Balance at 31 January 1983		<u>£1,303,665</u>	<u>£1,046,434</u>

BALANCE SHEET - 31 JANUARY 1983

	Note	£	1983 £	1982 £
ASSETS EMPLOYED				
FIXED ASSETS				
Intangible assets			-	-
Tangible assets	8		1,449,201	1,542,180
Financial assets			-	-
CURRENT ASSETS				
Stocks	9	621,877		652,194
Debtors	10	2,086,655		2,735,050
Bank balances and cash		784,112		10,415
			<u>3,492,644</u>	<u>3,397,659</u>
CURRENT LIABILITIES	11	2,463,456		2,718,681
NET CURRENT ASSETS			<u>1,029,183</u>	<u>678,978</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£2,478,389</u>	<u>£2,221,158</u>
FINANCED BY:				
CREDITORS BECOMING DUE AND PAYABLE AFTER MORE THAN ONE YEAR				
PROVISIONS FOR LIABILITIES AND CHARGES	12		-	-
	13		-	-
CAPITAL AND RESERVES				
Called capital	14		250,000	250,000
Revaluation reserve	15		812,496	812,496
General revenue reserve	15		112,228	112,228
Profit brought forward	15		1,046,434	840,500
Retained profit for the year			257,231	205,934
			<u>£2,478,389</u>	<u>£2,221,158</u>

Emmanna

Mr Dawson)
Directors

Approved 26 April 1983

SMURFIT CORRUGATED CASES (TAMWORTH) LIMITED

NOTES ON THE ACCOUNTS - 31 JANUARY 1983

1 ACCOUNTING POLICIES

(a) Accounting convention and basis of preparation

The accounts have been prepared under the historical cost convention modified by the revaluation of freehold property, and in compliance with Section 149A of the Companies Act 1948 and Schedule 8A to that Act.

(b) Depreciation

Freehold land is not depreciated. The cost or valuation of fixed assets is written off over their expected useful lives as follows:

Freehold buildings	100 years
Plant and machinery	10 years
Motor vehicles	5 years
Fixtures and fittings	10 years
Office equipment	10 years

(c) Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, including where appropriate a proportion of overhead expenses. Full provision has been made for all damaged, deteriorated, obsolescent and unusable materials.

(d) Deferred taxation

Provision is made for deferred taxation, under the liability method on all material timing differences which are not expected to continue for the foreseeable future.

2 TURNOVER

Net turnover comprises the invoice value of goods supplied by the company, exclusive of VAT.

3 OPERATING PROFIT is stated after charging:

	1983 £	1982 £
Depreciation	109,020	115,273
Hire of plant and equipment	208,803	200,489
Auditors' remuneration	4,320	3,275
Profit on sale of fixed assets	-	-
Emoluments of directors of the company (note 4)	53,965	46,721
Redundancy and severance payments	5,809	-
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SMURFIT CORRUGATED CASES (TAMWORTH) LIMITED

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NOTES ON THE ACCOUNTS - 31 JANUARY 1983

4 EMOLUMENTS OF DIRECTORS

	1983 £	1982 £
Fees	-	-
Remuneration, including pension contributions	53,965	46,721
	<u>53,965</u>	<u>46,721</u>

The emoluments, excluding pension contributions, of directors of the company are detailed as follows:

	1983 £	1982 £
Chairman	-	-
Highest paid director	<u>21,250</u>	<u>19,692</u>
	Number of directors	
Other directors, in scale		
Not more than £5,000	4	3
£5,001 to £10,000	-	-
£10,001 to £15,000	2	2

5 INTEREST PAYABLE

	1983 £	1982 £
Bank interest	<u>£18,515</u>	<u>£27,943</u>

6 TAXATION

The charge based on the profit for the year comprises:

	1983 £	1982 £
Consideration payable at 52% for group relief	355,900	311,105
Adjustments for previous periods	(2,087)	5,090
	<u>£353,813</u>	<u>£316,195</u>

SMURFIT CORRUGATED CASES (TAMWORTH) LIMITED

NOTES ON THE ACCOUNTS - 31 JANUARY 1983

5 TAXATION (continued)

The charge for taxation has been increased by £25,000 (1982 charge increased by £21,230) as follows:

	1983 £	1982 £
Accelerated capital allowances	40,000	44,265
Stock relief	(15,000)	(23,035)
	<u>£25,000</u>	<u>£21,230</u>

7 DIVIDENDS

Dividends on the ordinary share capital were as follows:

	1983 £	1982 £
Paid	-	-
Proposed	-	-
	<u>£ -</u>	<u>£ -</u>

8 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 31 January 1982	1,050,010	1,311,206	26,763	2,387,979
Additions during year	-	9,689	-	9,689
Cost of disposals	-	(369)	(14,320)	(14,689)
Group transfers net	-	7,623	-	7,623
At 31 January 1983	<u>1,050,010</u>	<u>1,328,149</u>	<u>12,443</u>	<u>2,390,602</u>
Depreciation				
At 31 January 1982	25,775	794,517	25,507	845,799
Charge for year	6,500	100,895	1,255	108,650
Relating to disposals	-	-	(14,319)	(14,319)
Group transfers net	-	1,271	-	1,271
At 31 January 1983	<u>32,275</u>	<u>896,683</u>	<u>12,443</u>	<u>941,401</u>
Net book amounts at 31 January 1983	<u>£1,017,735</u>	<u>£431,466</u>	<u>£ -</u>	<u>£1,449,201</u>
Net book amounts at 31 January 1982	<u>£1,024,235</u>	<u>£516,689</u>	<u>£1,256</u>	<u>£1,542,180</u>

SMURFIT CORRUGATED CASES (TAMWORTH) LIMITED

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NOTES ON THE ACCOUNTS - 31 JANUARY 1983

8 TANGIBLE FIXED ASSETS (continued)

LAND AND BUILDINGS

	Freehold land £	Freehold buildings £	Total £
At valuation			
Year 1978	400,000	650,000	1,050,000
At cost	10	-	10
	<u>£400,010</u>	<u>£650,000</u>	<u>£1,050,010</u>

At 31 January 1983 the directors have authorised future capital expenditure which, without taking account of Government grants, amounts to:

	1983 £	1982 £
Contracted	29,000	-
Not contracted	-	-
	<u>£29,000</u>	<u>£ -</u>

9 STOCK AND WORK IN PROGRESS

	1983 £	1982 £
Raw materials	290,150	318,383
Work in progress	40,865	33,875
Finished goods	211,485	215,670
Consumables	79,377	84,266
	<u>£621,877</u>	<u>£652,194</u>

10 DEBTORS

	1983 £	1982 £
Trade debtors	1,811,965	1,659,240
Amounts owed by affiliated undertakings	186,087	19,030
Amounts owed by participating interests	-	1,038,429
Other debtors	950	2,045
Prepayments	87,653	16,306
	<u>£2,086,655</u>	<u>£2,735,050</u>

NOTES ON THE ACCOUNTS - 31 JANUARY 1983

11 CURRENT LIABILITIES

	1983 £	1982 £
Trade creditors	918,898	753,285
Amounts owed to affiliated undertakings	364,532	248,524
Amounts owed to participating interests	653,785	779,796
Other creditors including tax and social security	495,451	837,207
Accruals	30,790	99,869
	<u>£2,463,456</u>	<u>£2,718,681</u>

12 CREDITORS BECOMING DUE AND PAYABLE AFTER MORE THAN ONE YEAR

	1983 £	1982 £
Future taxation	<u>£ -</u>	<u>£ -</u>

13 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

No provision for deferred taxation at 31 January 1983 is required. Potential tax liabilities, which are not expected to crystallise in the future exist in respect of:

	1983 £	1982 £
Accelerated capital allowances	<u>£297,000</u>	<u>£343,049</u>

No provision has been made for any liability to taxation on chargeable gains which would arise on land and buildings being sold at their book value which includes a revaluation increment.

14 CALLED CAPITAL

	Authorised		Issued and fully paid	
	1983 £	1982 £	1983 £	1982 £
Ordinary shares of £1 each	<u>£250,000</u>	<u>£250,000</u>	<u>£250,000</u>	<u>£250,000</u>

NOTES ON THE ACCOUNTS - 31 JANUARY 1983

15 RESERVES

	Revaluation reserve £	General revenue reserve £	Retained Profit Brought forward £	Profit For the year £
At 31 January 1982	812,496	112,228	840,500	205,934
Retained profit for the year transferred	-	-	205,934	(205,934)
Retained profit for the year	-	-	-	257,231
At 31 January 1983	<u>£812,496</u>	<u>£112,228</u>	<u>£1,046,434</u>	<u>£257,231</u>

16 PENSION OBLIGATIONS

The group's pension fund was restructured on 1 April 1978 and the current rate of contributions is considered to be sufficient to provide the benefits presently attributable to employees under the modified scheme.

17 CONTINGENT LIABILITIES

The company, together with certain fellow subsidiaries has guaranteed bank overdrafts, loans of group companies and certain lease commitments which at 31 January 1983 totalled £1,400,000.

18 EMPLOYEES AND STAFF COSTS

The average number of employees of the company in each week in the year was as follows:

Manufacturing	236
Administration	45
	<u>281</u>

Aggregate staff costs are analysed as follows:

	1983 £	1982 £
Wages and salaries	1,945,931	1,871,761
Social Security and pension costs	216,215	261,748
	<u>£2,162,146</u>	<u>£2,133,509</u>

NOTES ON THE ACCOUNTS - 31 JANUARY 1983

19 LEASING COMMITMENTS

The future lease commitments in respect of plant and machinery at 31 January 1983 were as follows:

	£
Year ending 31 January	
1984	134,448
1985	67,224
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	£201,672

20 HOLDING COMPANY

The ultimate holding company is Jefferson Smurfit Group Limited, a company incorporated in the Republic of Ireland.