

ALLIANCE BOX COMPANY (MIDLANDS) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30TH APRIL 1975

Directors: B.R.Fairclough, L.C., T.D. - Chairman and Joint Managing Director
 A.W.H. Cowper - Vice Chairman and Joint Managing Director
 R. Donhue
 E.H. Marron
 A.M. Meades, F.C.A.
H. Percival.

The Directors submit herewith the Annual Accounts in respect of the year ended 30th April 1975.

The Net Profit, after providing for taxation, depreciation and Directors' remuneration amounted to £ 312,111

Which the Directors recommend should be appropriated as follows:-

Payment of a dividend of 100% of the Profits	<u>312,111</u>
	Nil
To be added to the balance brought forward from 30th April 1974	<u>112,228</u>
Leaving a balance to be carried forward to next year of	<u>£112,228</u>

The Close Company provisions of the Finance Act 1965 do not apply to this Company.

The Company is concerned mainly with the manufacture and sale of corrugated fibreboard packing cases and boxes. There has been no significant change in these activities during the year. The group parent Company is Alliance Alders Paper and Packaging Limited, incorporated in England.

Mr. W. H. Tripp resigned from the Board of Directors on 1st July 1974, otherwise there have been no changes in the Board during the year to 30th April 1975.

The Directors due to retire by rotation in accordance with the Articles of Association are Mr. A.M. Meades and Mr. B. R. Fairclough who, being eligible, offer themselves for re-election.

As at 30th April 1975 the Directors of the Company have declared their shareholdings and their family interest in the capital of Alliance Alders Paper and Packaging Limited (the Company's Holding Company) as indicated below:-

Directors' Shareholdings

	<u>Ordinary Shares 10p each</u>		<u>7½% Cum. Pref. Shares</u>	
	<u>1974</u>	<u>1975</u>	<u>1974</u>	<u>1975</u>
<u>Personal and Family Interest</u>				
B. R. Fairclough	177,250	184,243		
R. Donhue	7,012	7,012		
A. M. Meades	30,545	30,545		
A. W. H. Cowper	36,524	48,524		
<u>As Trustees</u>				
B. R. Fairclough	75,000	75,000	5,891	5,891
A. M. Meades	29,139	33,636		
A. W. H. Cowper	58,886	78,985	1,649	1,649

Continued.....

The average weekly number of persons employed by the Company during the year was 417 at an aggregate annual remuneration of £700,867.

No charitable donations in excess of £50 have been made and no donations have been made for political purposes.

Following the valuation of land and buildings owned by the Company at 30th April 1974 these values have been incorporated within the books of account and the surplus placed to Capital Reserve (See note 11 to the Accounts). Subsequent additions to land and buildings are at cost.

The auditors, Messrs. C. L. Dain & Co., Chartered Accountants, have expressed their willingness to continue in office as auditors of the Company.

Further information relating to the Company's activities during the year under review and other matters are included in the Accounts and the notes thereon.

BY ORDER OF THE BOARD

R. BUCK

Robert I. Buck
Secretary.

Lichfield Road,
Tamworth,
Staffs.

30th June 1975.

ALLIANCE BOX COMPANY (MIDLANDS) LIMITED
NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH APRIL 1975

1. SHARE CAPITAL

	<u>Authorised</u>	<u>Issued</u>
Ordinary Shares of £1 each	250,000	250,000

2. REVENUE RESERVE

Profit and Loss Account at balance at 1st May 1974		112,228
Undistributed Profits for the year to 30th April 1975		—
		£112,228

3. STOCKS

All Stocks and Work in Progress are valued on the same basis as last year, which is the lower of cost or realisable market value.

4. SALES

The Sales for the year were made up as under:-

	<u>1975</u>	<u>1974</u>
External Sales	4,436,063	3,517,787
Internal Sales to other Members of the Group	350,055	262,434
	£4,786,118	3,780,221

No direct Export Sales have been made but a large part of the sales are to customers who export their manufactures in the cases supplied by the Company and to Export Houses.

5. TRADING PROFIT

The Trading Profit has been arrived at after charging the following:-

	<u>1975</u>	<u>1974</u>
Depreciation	70,006	58,236
Audit Fees and Expenses	1,150	900
Emoluments of Directors of Alliance Box Co. (Midlands) Limited		
Fees	1,542	1,750
Other Emoluments	6,256	5,081

6. The emoluments of the Directors of Alliance Box Co. (Midlands) Limited were as follows:-

	<u>1975</u>	<u>1974</u>
Chairman	500	500
Highest Paid Director	6,506	5,081
4 Directors below £2,500	792	1,000

7. The Profit includes interest received of £8,112.

8. The Directors have approved at the Balance Sheet date, additions to Capital Expenditure not included in the Accounts amounting approximately to £34,750, for which contracts have been placed.

9.

Continued.....

ALLIANCE BOX COMPANY (MIDLANDS) LIMITED
NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH APRIL, 1975 (Cont'd.)

9. FIXED ASSETS AND DEPRECIATION

	<u>Land and Buildings</u>		<u>Plant and Machinery etc.</u>	
	<u>1974/5</u>	<u>1973/74</u>	<u>1974/75</u>	<u>1973/74</u>
Cost at 1st May 1974	314,571	314,571	763,811	680,862
Increase in Revaluation	960,429	-	-	-
Additions during year	-	-	131,869	86,876
	<u>1,275,000</u>	<u>314,571</u>	<u>895,680</u>	<u>767,738</u>
<u>Less</u> Disposals and Assets scrapped at cost	-	-	15,601	3,927
	<u>£1,275,000</u>	<u>314,571</u>	<u>880,079</u>	<u>763,811</u>
Depreciation at 1st May 1974	64,757	58,466	450,025	401,887
<u>Less</u> Written back on Revaluation	<u>64,757</u>	-	-	-
Charged	<u>6,375</u>	<u>6,291</u>	<u>62,975</u>	<u>51,945</u>
On Disposals and Assets scrapped	<u>6,375</u>	<u>64,757</u>	<u>513,000</u>	<u>453,832</u>
	<u>£6,375</u>	<u>64,757</u>	<u>501,944</u>	<u>450,025</u>

10. TAXATION

The Taxation charge is made up as follows:-

Corporation Tax at 52% on profits of the year due 1st January 1977	295,500
<u>Add</u> Taxation Equalisation Account transfer in relation to the current year	<u>43,000</u>
	<u>£338,500</u>

The Taxation Equalisation Account represents the liability to Corporation Tax deferred, to an excess of Capital Allowances on Plant and Machinery and Motor Vehicles etc., as compared with the charge for depreciation. No provision of this nature has been made in respect of Industrial Buildings.

11. REVALUATION OF LAND AND BUILDINGS

As reported in the Directors' Report for the year to 30th April 1974 a professional revaluation of the freehold land and buildings was made at that date at existing use prices or at open market prices where appropriate.

The effect of the revaluation which has been incorporated into the accounts as follows:-

Valuation	" 1,275,000
Net book value 30th April 1974	<u>249,814</u>
Surplus placed to Capital Reserve	<u>£1,025,186</u>

ALLIANCE BOX COMPANY (MIDLANDS) LIMITED

BALANCE SHEET

30TH APRIL, 1975

	1974	1974	1974
	£	£	£
<u>SHARE CAPITAL - Authorised and Issued:</u>			
250,000 Shares of £1 each, fully paid	250,000	250,000	249,814
<u>INTER-GROUP LOAN ACCOUNT</u>			
Alliance Alders Paper and Packaging Limited	400,000	400,000	395,072
<u>CAPITAL RESERVE</u>	1,025,186		14,050
<u>REVENUE RESERVE</u>			4,998
Balance of Profit and Loss Account	112,228	112,228	563,600
	<u>1,787,414</u>	<u>762,228</u>	
<u>DEFERRED LIABILITIES</u>			
Corporation Tax payable	295,500	245,000	
1st January 1977	<u>141,000</u>	<u>98,000</u>	
Taxation Equalisation Reserve		436,500	
<u>CURRENT LIABILITIES</u>			
Sundry Creditors and Amounts Accrued	250,447	272,655	302,886
Bank Overdraft	9,876		
Inter-Group Current Accounts	430,210	192,317	216,145
Proposed Ordinary Dividend		249,276	
Provision for Corporation Tax	250,074	<u>137,534</u>	761,628
		940,607	14,064
			<u>1,517,761</u>
		£3,164,521	1,957,010
			<u>1,957,010</u>
			302,886
			216,145
			761,628
			14,064
			<u>1,517,761</u>
			<u>1,957,010</u>

TO THE MEMBERS OF ALLIANCE BOX COMPANY (MIDLANDS) LIMITED

In our opinion the above Balance Sheet and annexed Profit and Loss Account, together with the notes relating thereto give a true and fair view of the Company's affairs at 30th April 1975 and of its profit for the year ended 30th April 1975 and comply with the Companies Acts 1948 and 1967.

LICHFIELD, 13th June, 1975.

C. L. DAIN & CO.

CHARTERED ACCOUNTANTS.

