

**UCB PACKAGING LIMITED**

**STATUTORY ACCOUNTS**

**FOR YEAR ENDING 314747**

**31st DECEMBER 1993**



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ED21RECEIPT DATE:16/07/94

## UCB PACKAGING LIMITED REPORT OF THE DIRECTORS

The Directors present their annual report and the financial statements for the year ended 31st December 1993.

During the year the company continued to carry on business as printers and converters of flexible packaging materials.

The profit on ordinary activities, before taxation, amounted to £939,000. After taking account of taxation of £11,000 and of a transfer from revaluation reserves of £9,000, this leaves a profit of £937,000 to be transferred to reserves. It is proposed that no ordinary dividend shall be paid.

Full details of the company's results are shown in the attached financial statements.

The company's policies for recruitment, training, re-training, career development, promotion and redundancy for all employees, including disabled persons, was applied fairly throughout the company, with no discrimination against disabled persons, provided they were able to do the job.

Elective resolutions exempting the Directors from the need to lay accounts and report before the company in General Meetings, exempting the company from holding Annual General Meetings and exempting the company from annually re-appointing its auditors remain in force.

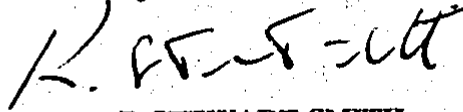
On the 14th January 1993, Mr de La Hamaide resigned as Managing Director of the company and Mr J I Foulkes was appointed Managing Director of the company with effect from the same date. Mr de La Hamaide continued as Chairman. On the same date, Mr A Reeve resigned as a Director of the company.

On the 22nd October 1993, Mr P Ibbotson resigned as a Director of the company.

The Directors of the company on the 31st December 1993, were Th de La Hamaide (Belgian), Chairman, J I Foulkes, Managing Director, J M Bloomfield, A E Kendall, I R Lister, R Stewart-Smith and F Thys (Belgian).

The sole ordinary shareholder of the company on the 31st December 1993 was UCB (Investments) Limited. The ultimate parent company is UCB S.A., incorporated in Belgium.

By Order of the Board



R STEWART-SMITH  
Secretary

28th January  
Star House,  
69 Clarendon Road  
Watford, Herts.  
WD1 1DJ

1994

**UCB PACKAGING LIMITED**  
**PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR END TO 31ST DECEMBER 1993**

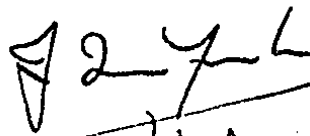

	Notes	<u>1993</u> £'000	<u>1992</u> £'000
Turnover	6	27,089	27,811
Cost of Sales		(24,100)	(23,997)
Gross Profit		<u>2,989</u>	<u>3,814</u>
Distribution Costs		(678)	(1,542)
Admin Expenses		<u>(1,430)</u>	<u>(2,143)</u>
Operating (loss)/profit	2	881	129
Exceptional Item	4	330	( 330)
Interest Payable	5	(272)	( 446)
Profit/(loss) on ordinary activities before tax		<u>939</u>	<u>( 647)</u>
Taxation	7	<u>(11)</u>	<u>-</u>
Profit/(loss) on ordinary activities after tax		<u>928</u>	<u>( 647)</u>
RESULT FOR THE YEAR	14	<u>928</u>	<u>( 647)</u>

All deductions are shown in brackets

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses or historical cost statement has been presented.

**UCB PACKAGING LIMITED**  
**BALANCE SHEET**  
**31st December 1993**

	Notes	1993 £'000	1992 £'000
<b>Fixed Assets</b>			
Tangible Assets	8	2,283	2,538
<b>Current Assets</b>			
Stocks	9	3,240	3,855
Debtors	10	4,451	3,116
Cash & Bank Balances		1,196	1,287
		<u>8,887</u>	<u>8,258</u>
<b>Less : Current Liabilities</b>			
Creditors - amounts falling due within one year	11	(5,883)	(5,982)
<b>Net Current Assets</b>		<u>3,004</u>	<u>2,276</u>
<b>Total assets less current liabilities</b>		<u>5,287</u>	<u>4,814</u>
<b>Less : Creditors - amounts falling due after more than one year</b>	11	(1,574)	(2,029)
<b>Net Assets</b>		<u>3,713</u>	<u>2,785</u>
<b>Capital and Reserves</b>			
Called up Share Capital	14	4,205	4,205
Revaluation Reserve	15	-	9
Profit & Loss Account	15	(492)	(1,429)
		<u>3,713</u>	<u>2,785</u>

 28-01-94  
 28-01-94  
 ) Directors  
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All deductions are shown in brackets.  
 The notes to the accounts are on pages

# UCB PACKAGING LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 1993

	Notes	1993 £'000	1992 £'000
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	1	1,818	2,237
<b>RETURNS OF INVESTMENT &amp; SERVICING OF FINANCE</b>			
Interest Paid		(274)	(424)
Interest Element of finance leases		-	(1)
Net Cash outflow from servicing of finance		(274)	(425)
<b>TAXATION</b>			
Group Relief		-	-
<b>INVESTING ACTIVITIES</b>			
Payments to acquire tangible fixed assets		(409)	(269)
Receipts from sale of plant & machinery		14	30
		(395)	(239)
Net Cash Inflow before financing		1,149	1,573
<b>FINANCING</b>			
Issue of own shares		-	800
Capital Element of finance lease		-	74
		-	874
Increase in cash and cash equivalent	2	1,149	2,447

### 1. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	1993 £'000	1992 £'000
Operating Profit/(Loss)	881	129
Depreciation	668	723
Decrease in Stocks	615	25
Decrease in Debtors	(1,335)	1,034
Increase in Creditors	1,003	419
Group Relief	Nil	Nil
Exceptional Items	Nil	Nil
Profit on Sale of Assets	(14)	(19)
Capital Element of Finance Leases	Nil	(74)
	1,818	2,237

### 2. Analysis of Changes in Cash and Cash Equivalent During the Year

	1993 £'000	1992 £'000	1991 £'000	Change in 1993 £'000	Change in 1992 £'000
Cash at Bank & in hand	1,196	1,287	3	(91)	1,284
Bank Loans & Overdrafts	(2,340)	(3,580)	(4,743)	1,240	1,163
	(1,144)	(2,293)	(4,740)	1,149	2,447

# **UCB PACKAGING LIMITED**

## **Notes to The Accounts**

**31st December 1993**

### **I. ACCOUNTING POLICIES**

#### **(a) Basis of Accounting**

The financial statements are prepared on the historical cost basis modified by the revaluation of certain tangible fixed assets and in accordance with applicable accounting standards.

#### **(b) Tangible Fixed Assets and Depreciation**

Depreciation is being charged by equal annual instalments, with the exception of the year in which the asset is first available for use when an amount proportionate to the period of the year for which the asset was in use is charged, so as to write off each asset's cost or valuation, less any residual value, over its anticipated economic life.

Government grants are treated as deferred credits and released to profit and loss account at the same rate as the depreciation charged on the corresponding fixed assets, in order to spread the benefit over the same period.

The following periods have been used in determining the amount of depreciation charged :-

Buildings	20 years
General Plant and Machinery	6 2/3 years
Motor Vehicles	4 years
Cylinder Blanks	4 years

#### **(c) Finance Leases**

Tangible fixed assets acquired under finance lease are capitalised at the estimated fair value at the date of inception of each lease. The total finance charges are allocated over the period of the lease in accordance with the annuity method.

#### **(d) Stocks**

Stocks have been valued at the lower of cost and net realisable value. Cost has been determined by the "first in, first out" method and is based on purchase price or production costs including related fixed and variable production overheads and depreciation. Net realisable value is based on estimated selling price less the costs of disposal.

#### **(e) Deferred Taxation**

Deferred taxation is provided, where applicable, on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

#### **(f) Foreign Currencies**

Transactions expressed in foreign currencies have been translated into sterling at the rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities have been translated at rates ruling at the Balance Sheet date. Exchange differences have been included in operating profit.

#### **(g) Research and Development**

Research and development expenditure is being charged against operating profit as it is incurred.

#### **(h) Pension Costs**

Contributions to the group's pension scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the group.

**UCB PACKAGING LIMITED****Notes to the Accounts  
(Continued)****31st December 1993****2. OPERATING PROFIT**

	<u>1993</u> £'000	<u>1992</u> £'000
Costs and expenses include the following :		
Depreciation : Owned Assets	668	666
Assets held under finance leases	-	57
Amount released from deferred credit for government grants	(15)	(19)
Operating leases - hire of plant and machinery	45	78
hire of other assets	113	73
Auditors' remuneration and expenses	6	10
The total amount charged against profits in respect of finance leases is (of which part is shown as depreciation and the balance is shown as interest payable in Note 5)	-	58

**3. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)**

(a)	Wages and Salaries	4326	4485
	Social Security Costs	350	352
	Other Pension Costs	366	369
		<u>5042</u>	<u>5206</u>
(b)	Average Number employed	241	249

All the directors were either members of the Board, managers or consultants or either intermediate or ultimate parent companies or fellow subsidiary undertakings, and were remunerated by those companies in respect of their services to the Group as a whole.

**4. EXCEPTIONAL ITEMS**

Termination Payments and Restructuring	<u>(330)</u>	<u>406</u>
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# UCB PACKAGING LIMITED

## Notes to the Accounts (Continued)

### 5. INTEREST PAYABLE

	<u>1993</u> £'000	<u>1992</u> £'000
Interest to banks	272	253
Interest charged by fellow subsidiary	-	192
Finance Leases	-	1
	<u>272</u>	<u>446</u>

### 6. ANALYSIS OF TURNOVER

	<u>1993</u> £'000	<u>1992</u> £'000
Geographically :		
UK	24,299	25,737
Rest of Europe	728	734
Africa and Asia	2,062	1,340
	<u>27,089</u>	<u>27,811</u>

### 7. TAXATION

	<u>1993</u> £'000	<u>1992</u> £'000
Corporation Tax Credit at 33.0% (1992 33%)	11	-

Ordinary Activities

Unabsorbed losses of the company of £891,000 (1992 £1,651,000) are available against future profits.

### 8. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u> £'000	<u>Plant and Machinery</u> £'000	<u>Total</u> £'000
At 31st December 1992	1,553	6,577	8,130
Additions	56	357	413
Disposals	-	(203)	(203)
At 31st December 1993	<u>1,609</u>	<u>6,731</u>	<u>8,340</u>
At cost	<u>860</u>	<u>6,731</u>	<u>7,591</u>
At valuation	749	-	749
	<u>1,609</u>	<u>6,731</u>	<u>8,340</u>
DEPRECIATION			
At 31st December 1992	919	4,673	5,592
Charge for year	39	629	668
Disposals	-	(203)	(203)
	<u>958</u>	<u>5,099</u>	<u>6,057</u>
NET BOOK AMOUNT 31st December 1993	<u>651</u>	<u>1,632</u>	<u>2,283</u>



**UCH PACKAGING LIMITED****Notes to the Accounts****(Continued)****8. TANGIBLE FIXED ASSETS (Continued)**

The net book amount of fixed assets includes no assets held under finance leases.

The fixed assets were revalued at 31st December 1981. Plant and specialised buildings were valued by the directors on a depreciated replacement cost basis. Other properties were valued on an open market basis by the directors based on professional valuation at 31st December 1980.

If there had been no revaluations, the historical cost figures would have been shown as :-

	<u>Freehold Land and Buildings</u>		<u>Plant and Machinery</u>	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
	£'000	£'000	£'000	£'000
Cost	1,152	1,088	8,642	8,487
Depreciation	501	462	7,010	6,584
Net Book Amount	<u>651</u>	<u>626</u>	<u>1,632</u>	<u>1,903</u>

**9. STOCKS**

	<u>1993</u>	<u>1992</u>
	£'000	£'000
Raw Materials and Consumables	1,373	1,581
Work In Progress	218	110
Finished Goods and Good for Resale	1,649	2,164
	<u>3,240</u>	<u>3,855</u>

Replacement cost is not materially different from historical cost.

**10. DEBTORS**

	<u>Amounts Falling Due Within One Year</u>		<u>Amounts Falling Due After more than One Year</u>	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
	£'000	£'000	£'000	£'000
Trade Debtors	4,251	2,877	-	-
Amounts owed by parent company and fellow subsidiary undertakings	-	26	-	-
Other Debtors	66	11	-	-
Prepayments and Accrued Income	132	202	2	-
	<u>4,449</u>	<u>3,116</u>	<u>2</u>	<u>-</u>

# UCB PACKAGING LIMITED

## Notes to the Accounts (Continued)

### 11. CREDITORS

	<u>Amount Falling Due Within One Year</u>		<u>Amounts Falling Due After more than One Year</u>	
	<u>1993</u> £'000	<u>1992</u> £'000	<u>1993</u> £'000	<u>1992</u> £'000
Bank loans & overdrafts	790	1,590	1,550	1,990
Trade Creditors	2,835	2,368	-	-
Amounts owed to parent company and fellow subsidiary undertakings	286	185	-	-
Taxation and Social Security	522	568	-	-
Other Creditors	202	214	-	-
Accruals and deferred income	1,248	1,057	24	39
Finance Leases	-	-	-	-
	<u>5,883</u>	<u>5,982</u>	<u>1,574</u>	<u>2,029</u>

### 12. COMMITMENTS UNDER OPERATING LEASES

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the ensuing year :-

	<u>1993</u>		<u>1992</u>	
	<u>Land &amp; Buildings</u> £'000	<u>Other</u> £'000	<u>Land &amp; Buildings</u> £'000	<u>Other</u> £'000
Expiring :				
Within 1 year	-	14	-	26
Within 2 - 5 years	-	106	-	27
Over 5 years	41	-	41	-
	<u>41</u>	<u>120</u>	<u>41</u>	<u>53</u>

All leases of land and buildings are subject to rent review.

### 13. RECONCILIATION OF SHAREHOLDERS FUNDS

	<u>1993</u> £'000	<u>1992</u> £'000
Profit/(Loss) for the financial year	928	(647)
Share Issue	0	800
	<u>928</u>	<u>153</u>
Net addition to shareholders funds	928	153
Opening shareholders funds	2,785	2,632
	<u>3,713</u>	<u>2,785</u>
Closing shareholders funds	3,713	2,785

# UCB PACKAGING LIMITED

## Notes to the Accounts

(Continued)

### 14. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, Called Up and Fully Paid</u>	
	<u>No. of Shares</u>	<u>£'000</u>	<u>No. of Shares</u>	<u>£'000</u>
<u>1993</u>				
£1 Ordinary Shares	<u>4,205,000</u>	<u>4,205</u>	<u>4,205,000</u>	<u>4,205</u>
<u>1992</u>				
£1 Ordinary Shares	<u>4,205,000</u>	<u>4,205</u>	<u>4,205,000</u>	<u>4,205</u>

### 15. RESERVES

	<u>£'000</u>
<u>Revaluation Reserve</u>	
At 31st December 1992	9
Release in respect of depreciation and disposal of revalued assets	(9)
At 31st December 1993	-
<u>Profit and Loss Account</u>	
At 31st December 1992	(1429)
Retained profit for year	928
Transfer from revaluation reserve	9
At 31st December 1993	(492)

### 16. DEFERRED TAXATION

The potential liability for deferred taxation, based on a corporation tax rate of 33 % (1992 33%) is as follows :

	<u>1993</u>	<u>1992</u>
Accelerated Capital Allowances	100	133
Unrelieved Taxation Losses	(100)	(133)
	-	-

**UCB PACKAGING LIMITED**  
**Notes to the Accounts**  
**(Continued)**

**17. FUTURE CAPITAL EXPENDITURE**

	<u>1993</u> £'000	<u>1992</u> £'000
Contracted but not provided for in the accounts	34	-
Authorised but not contracted for	61	88

All figures are shown before deducting Government Grants.

**18. PARENT COMPANIES**

The company is a wholly owned subsidiary of UCB (Investments) Limited which is registered in England. The ultimate parent company of UCB (Investments) Limited is UCB S.A., which is incorporated in Belgium.

**19. PENSION SCHEME**

The company participates in a UK group pension scheme, the UCB British Pension Scheme (formerly the British Sidac Group Pension Scheme), details of which are given in the financial statements of UCB (Investments) Limited. The scheme is a contributory, funded, defined benefit scheme. Contributions are based on pension costs over the UK group as a whole and benefits are based on final pensionable pay. Contributions are assessed in accordance with the advice of a qualified actuary and those paid by the company amounted to the year to £428,000 (1992 £369,000). The most recent actuarial review of the scheme was on 1st January 1991.

Contributions totalling £58,000 (1992 £57,000) were payable to the scheme at the year end and are included in the Creditors.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial year which 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 those financial statements we are required to :

- select suitable accounting policies and apply them consistently ;
- make reasonable and prudent judgements and estimates ;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements ;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for :

- keeping proper accounting records ;
- safeguarding the company's assets ;
- taking reasonable steps for the prevention and detection of fraud.

*28<sup>th</sup> January* 1994

By order of the board

*K. S. S. S. S. S.*

## AUDIT REPORT

Auditors' report to the shareholders of UCB Packaging Limited.

We have audited the financial statements on pages 2 to 11 which have been prepared under the accounting policies set out on page 5.

### Respective responsibilities of directors and auditors

As described on page 12 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In confirming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1993 and of its profit (loss) for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Address : 20/26 Lumbard Street, London EC4A 1HY  
Date : 28 January 1994

*Kidsons Impey*  
Kidsons Impey  
Registered Auditors  
Chartered Accountants