

**Company Registration No. 328480**

**St Regis International Limited**

**Report and Financial Statements**

**30 April 2009**

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# **St Regis International Limited**

## **Report and financial statements 2009**

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# **St Regis International Limited**

## **Report and financial statements 2009**

### **Officers and professional advisers**

#### **Directors**

C T Cattermole

A D Thorne

S W Dryden

#### **Secretary**

A Steele

#### **Registered Office**

Beech House

Whitebrook Park

68 Lower Cookham Road

Maidenhead

SL6 8XY

#### **Auditors**

Deloitte LLP

Chartered Accountants

London, United Kingdom

# **St Regis International Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 April 2009.

This directors' report has been prepared in accordance with the special provisions relating to small companies under sections 381 – 384 of the Companies Act 2006.

### **Company's activities**

The company's principal activity is to act as an intermediary holding company within the DS Smith Plc group.

### **Dividends and transfers to reserves**

During the year the company paid and proposed dividends of £nil (2008: £nil). The retained loss for the year amounted to £1,259,051 (2008: £1,431,047 loss).

### **Directors**

The following were directors of the company during the year:

C T Cattermole

A D Thorne

S W Dryden

### **Directors' and officers' liability insurance**

During the year the parent company maintained liability insurance for the directors and officers of the company.

### **Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the company is as shown in the balance sheet on page 9. As presented and described in note 7, the company is financed by loans of £26 million from its parent undertaking. They have no intention of calling on the loans for a period of at least 12 months from the date of signing these financial statements. There is also a bank overdraft facility from Royal Bank of Scotland which is repayable on demand. Additionally due to the company being in a net current liability position, a letter of support has been received from the parent company stating they intend to provide any financial support necessary to meet the company's financial obligations as they fall due for a period of at least 12 months from the date these financial statements are signed.

The company's ultimate parent company and controlling party is DS Smith Plc, whose financial statements include the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The company has access to considerable financial resources from across the DS Smith Group. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries and taking into consideration the profitability and financial position of the company, the directors have formed a judgement, at the time of approving these financial statements, that there is a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

# St Regis International Limited

## Directors' report (continued)

### Auditors

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 auditors are 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 auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

On 1 December 2008, Deloitte & Touche LLP changed its name to Deloitte LLP. Deloitte LLP have expressed their willingness to continue in office as auditors.

Elective resolutions to dispense with holding annual general meetings, the laying of accounts before the company in general meeting and the appointment of auditors annually are currently in force. The auditors, 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 report and accounts 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  
Secretary

1 December 2009

## **St Regis International Limited**

### **Statement of directors' responsibilities**

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; 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 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 auditors' report to the members of St Regis International Limited**

We have audited the financial statements of St Regis International Limited for the year ended 30 April 2009 which comprise the profit and loss account, the reconciliation of movements in shareholder's funds, the balance sheet and the related notes 1 to 11. 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 sections 495 and 496 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 auditors' report 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 auditors**

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 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the 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.

### **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 2009 and of its loss 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 requirements of the Companies Act 2006.

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

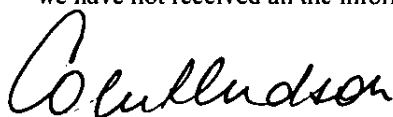
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the members of St Regis International Limited (continued)**

### **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.



Colin Hudson B Com, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom  
/ December 2009



## **St Regis International Limited**

### **Profit and loss account Year ended 30 April 2009**

	<b>Notes</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
Net interest payable	4	(1,758)	(2,039)
<b>Loss on ordinary activities before taxation</b>		<b>(1,758)</b>	<b>(2,039)</b>
Tax credit on loss on ordinary activities	5	499	608
<b>Loss on ordinary activities after taxation</b>		<b>(1,259)</b>	<b>(1,431)</b>
<b>Retained loss for the financial year</b>		<b>(1,259)</b>	<b>(1,431)</b>

There are no recognised gains or losses other than those detailed in the profit and loss account.

All of the above losses are derived from continuing activities.

## **St Regis International Limited**

### **Reconciliation of movements in shareholder's funds Year ended 30 April 2009**

	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
Loss for the financial year	(1,259)	(1,431)
Change in shareholder's funds	(1,259)	(1,431)
Opening shareholder's funds	7,715	9,146
Closing shareholder's funds	6,456	7,715

# St Regis International Limited

## Balance sheet 30 April 2009

	Notes	2009 £'000	2008 £'000
<b>Debtors</b>			
Debtors: amount falling due in less than one year	6	1,509	541
Debtors: amounts falling due after one year	6	49,368	61,846
		<u>50,877</u>	<u>62,387</u>
<b>Creditors: amounts falling due in less than one year</b>	7	<u>(26,146)</u>	<u>(54,672)</u>
<b>Total assets less current liabilities</b>		<u>24,731</u>	<u>7,715</u>
<b>Creditors: amounts falling due after more than one year</b>	7	<u>(18,275)</u>	<u>-</u>
<b>Net assets</b>		<u>6,456</u>	<u>7,715</u>
<b>Capital and reserves</b>			
Called up share capital	8	11,000	11,000
Share premium account	9	5,800	5,800
Profit and loss account	9	<u>(10,344)</u>	<u>(9,085)</u>
<b>Shareholder's funds</b>		<u>6,456</u>	<u>7,715</u>

These financial statements for St Regis International Limited, company number 328480 were approved by the Board of Directors on 1 December 2009.

Signed on behalf of the Board of Directors



S W Dryden

Director

# **St Regis International Limited**

## **Notes to the accounts Year ended 30 April 2009**

### **1. Accounting policies**

#### **Accounting basis**

These financial statements have been prepared consistently under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

#### **Foreign exchange**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### **Related party transactions**

Under FRS 8 the company is exempt from the requirement to disclose related party transactions with DS Smith Plc and its associated undertakings on the grounds that it is a wholly owned subsidiary undertaking of DS Smith Plc.

#### **Cash flow**

Under Financial Reporting Standard 1 (revised 1996) 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, of UK corporation tax is provided for at amounts expected to be paid (or recovered) using the tax rate 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.

#### **Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report. The financial position of the company is as shown in the balance sheet on page 9. As presented and described in note 7, the company is financed by loans of £26 million from its parent undertaking. They have no intention of calling on the loans for a period of at least 12 months from the date of signing these financial statements. There is also a bank overdraft facility from Royal Bank of Scotland which is repayable on demand. Additionally due to the company being in a net current liability position, a letter of support has been received from the parent company stating they intend to provide any financial support necessary to meet the company's financial obligations as they fall due for a period of at least 12 months from the date these financial statements are signed.

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## **St Regis International Limited**

### **Notes to the accounts**

#### **Year ended 30 April 2009**

**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 this company (2008: nil). There were no staff directly employed by the company during the current year (2008: nil).

**3. Auditors' remuneration**

The auditors' remuneration of £1,500 for the statutory audit of the company's financial statements for the current and previous year have been borne and not recharged by another group undertaking.

**4. Net interest**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Interest receivable	49	128
Interest payable and other charges	(1,807)	(2,167)
	<u>(1,758)</u>	<u>(2,039)</u>

# St Regis International Limited

## Notes to the accounts Year ended 30 April 2009

### 5. Taxation

#### Tax on profit on ordinary activities

##### (a) Analysis of credit in the year

	2009 £'000	2008 £'000
UK corporation tax at 28% (2008: 29.83%) on the loss for the year	492	608
Over provision in respect of prior years	7	-
Total current tax	<u>499</u>	<u>608</u>

##### (b) Factors affecting current tax rate for the year

The difference between the tax assessed for the year and the standard rate of corporation tax in the UK of 28% (2008: 29.83%) is explained below:

	2009 £'000	2008 £'000
Loss before taxation	<u>1,758</u>	<u>2,039</u>
Tax credit at 28% (2008: 29.83%)	492	608
Effects of:		
Over provision in respect of prior years	7	-
Current tax credit for the year	<u>499</u>	<u>608</u>

There are no factors affecting future tax charges.

# St Regis International Limited

## Notes to the accounts Year ended 30 April 2009

### 6. Debtors

	2009 £'000	2008 £'000
<b>Amounts falling due within one year:</b>		
Taxation	934	456
Other debtors	575	85
	<u>1,509</u>	<u>541</u>
<b>Amounts falling due after more than one year:</b>		
Other debtors	-	1,015
Amounts owed by group undertakings	49,368	60,831
	<u>49,368</u>	<u>61,846</u>

Included within other debtors falling due within one year there is a debtor for £884,426 which is repayable in 2010 and is non-interest bearing.

### 7. Creditors:

	2009 £'000	2008 £'000
<b>Amounts falling due in less than one year:</b>		
Amounts owed to group undertakings	25,355	25,281
Bank overdraft	791	29,391
	<u>26,146</u>	<u>54,672</u>
<b>Amounts falling due after more than one year:</b>		
Amounts owed to group undertakings	<u>18,275</u>	<u>-</u>

Included in Amounts owed to group undertakings less than one year is Convertible Redeemable Loan Stock to DS Smith Plc with a face value of £25,280,000 which the company issued on 30 June 1997 in return for cash of £11,000,000.

On or at any time after 29 June 2007, the Convertible Redeemable Loan Stock is redeemable at par or convertible into fully paid Preference Shares at the option of each Loan Stock Holder. Every £1 of principal nominal amount of Loan Stock held converts into one Preference Share. The Loan Stock is non-interest bearing. At the date of the signing of these accounts this Loan Stock had not been converted.

# St Regis International Limited

## Notes to the accounts Year ended 30 April 2009

### 8. Share capital

	2009 £'000	2008 £'000
<b>Authorised</b>		
25,280,000 preference shares of £1 each	25,280	25,280
<b>Authorised, issued and fully paid</b>		
11,000,000 ordinary shares of £1 each	11,000	11,000

### 9. Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 May 2008	5,800	(9,085)
Retained loss for the year	-	(1,259)
At 30 April 2009	5,800	(10,344)

### 10. Contingent liabilities

As part of Group banking arrangements the company has jointly guaranteed overdrafts of companies within the DS Smith Plc Group of £115,062,031 (2008: £140,209,175).

### 11. Ultimate parent undertaking

The ultimate parent company and parent undertaking of the largest group of undertakings for which group financial statements are drawn up is DS Smith Plc, a company registered in England.

Copies of the group financial statements are available from the Company Secretary of DS Smith Plc, Beech House, Whitebrook Park, 68 Lower Cookham Road, Maidenhead SL6 8XY.