

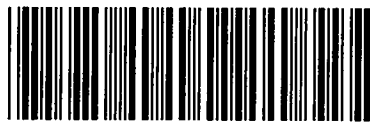
Company Registration No. 00518152

DS Smith Sudbrook Limited

Annual report and financial statements

For the year ended 30 April 2014

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DS Smith Sudbrook Limited

Annual report and financial statements For the year ended 30 April 2014

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DS Smith Sudbrook Limited

Annual report and financial statements For the year ended 30 April 2014

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

00518152 (England and Wales)

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

DS Smith Sudbrook Limited

Directors' report

The directors present their annual report with the audited financial statements of the Company for the year ended 30 April 2014.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The directors took advantage of the small companies' exemption from preparing a strategic report.

Principal activity

The principal activity of the Company in the year under review was that of a financing company for the DS Smith Plc Group. There has been no significant change in the Company's principal activity in the year under review. The directors are not aware, at the date of this report, of any likely significant changes in the Company's activities in the financial year.

Review of business

The profit after taxation for the year amounted to £1,734,000 (2013: loss £3,621,000). The Company will continue as a financing company within the DS Smith Plc group for the foreseeable future.

Dividends

The directors have not proposed or paid a dividend for the year ended 30 April 2014 (2013: £nil).

Directors

Directors who held office during the year, except as noted, were as follows:

S W Dryden	(resigned 28 June 2013)
M P Jowett	
D J Matthews	(resigned 16 January 2014)
A Steele	(appointed 28 June 2013)

Registered office

The registered office of the company moved from Beech House, Whitebrook Park, 68 Lower Cookham Road, Maidenhead SL6 8XY to 350 Euston Road, London NW1 3AX on 20 November 2013.

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 8. Due to the company being in a net current liability position, a letter of support has been received from the ultimate 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 has no exposure to risks outside the Group.

The directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

DS Smith Sudbrook Limited

Directors' report (continued)

Directors' and officers' liability insurance

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

Auditor

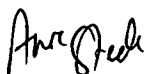
Each of the persons who is a director at the date of approval of this report confirms that:

- 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

16 October 2014

DS Smith Sudbrook 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 Sudbrook Limited

We have audited the financial statements of DS Smith Sudbrook Limited for the year ended 30 April 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. 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 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 financial statements

An audit involves obtaining evidence about the amounts and disclosures in the revised financial statements sufficient to give reasonable assurance that the revised 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 revised financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the revised 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 2014 and of its profit 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 auditor's report to the members of DS Smith Sudbrook Limited

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; or
- the directors were not entitled to take advantage of the small companies' exemption from preparing a strategic report or in preparing the directors' report.



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

16 October 2014

DS Smith Sudbrook Limited

Profit and loss account For the year ended 30 April 2014

	Notes	2014 £'000	2013 £'000
Operating income		-	2,255
Operating gain	3	-	2,255
Interest receivable and similar income		2,247	2,462
Profit on ordinary activities before taxation		2,247	4,717
Tax charge on profit on ordinary activities	5	(513)	(8,338)
Profit/(loss) for the financial year after taxation		<u>1,734</u>	<u>(3,621)</u>

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 Sudbrook Limited

Balance sheet As at 30 April 2014

	Notes	2014 £'000	2013 (Restated) £'000
Current assets			
Cash at bank		249	243
Debtors: amounts falling due within one year	6	310,291	308,051
Total assets		310,540	308,294
Current liabilities			
Creditors: amounts falling due within one year	7, 13	(324,340)	(323,828)
Net liabilities		(13,800)	(15,534)
Capital and reserves			
Called-up share capital	8	560	560
Profit and loss account	9	(14,360)	(16,094)
Shareholder's deficit	11	(13,800)	(15,534)

The financial statements of DS Smith Sudbrook Limited (registered number 00518152) were approved by the Board of Directors and authorised for issue on 16 October 2014.

Signed on behalf of the Board of Directors



A Steele
Director

DS Smith Sudbrook Limited

Notes to the financial statements For the year ended 30 April 2014

1. Accounting policies

Basis of accounting

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Cash flow statements

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 UK corporation tax is provided 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 Plc Group, and receives payment for those tax losses at the rate of tax prevailing in the year.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Going concern

The financial position of the Company is as shown in the balance sheet on page 8. Due to the Company being in a net current liability position, a letter of support has been received from the ultimate 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 DS Smith Group has access to considerable financial resources which would be available to the Company if necessary. As a consequence, the directors believe the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have formed a judgement at the time of approving these financial statements, that there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they have continued to adopt the going concern basis in preparing these financial statements.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange for sterling 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.

DS Smith Sudbrook Limited

Notes to the financial statements (continued) For the year ended 30 April 2014

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 for the current or prior year. No staff were directly employed by the Company during the current or previous year.

3. Operating gain

The operating gain is stated after charging:

	2014 £'000	2013 £'000
Foreign exchange differences	-	2,255

The directors were remunerated by other group companies. No director has been remunerated specifically in respect of their services to the Company and no recharge is made. These circumstances also applied in the prior year.

4. Auditor's remuneration

The auditor's remuneration of £1,500 (2013: £1,500) for the statutory audit of the Company's financial statements for the current year has been borne and not recharged by another group undertaking. There is no non-audit remuneration paid in the current and prior year.

5. Taxation

Analysis of the tax charge

	2014 £'000	2013 £'000
The tax charge for the year was as follows:		
Current tax		
Current year	(513)	(1,128)
Adjustments in respect of prior years	-	(7,210)
	<u>(513)</u>	<u>(8,338)</u>

UK corporation tax has been charged at 22.83% (2013: 23.92%).

DS Smith Sudbrook Limited

Notes to the financial statements (continued) For the year ended 30 April 2014

5. Taxation (continued)

Tax reconciliation

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	2,247	4,717
Tax charge at 22.83% (2013: 23.92%)	(513)	(1,128)
Being:		
Prior year adjustment	-	(7,210)
Current tax charge for the year	(513)	(8,338)

Finance Act 2013 includes a reduction in the standard rate of corporation tax from 23% to 21%, effective from 1 April 2014, and a further reduction in the rate of corporation tax to 20%, effective from 1 April 2015, which were substantively enacted at the balance sheet date. There have been no further indications of potential future changes to the rate of corporation tax of 20%.

6. Debtors

	2014 £'000	2013 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	310,291	308,051
Aggregate amounts	310,291	308,051

7. Creditors

	2014 £'000	2013 (Restated) £'000
Amounts falling due within one year:		
Corporation tax	513	1,128
Amounts owed by group undertakings	323,827	322,700
	324,340	323,828

DS Smith Sudbrook Limited

Notes to the financial statements (continued) For the year ended 30 April 2014

8. Called-up share capital

	2014 £'000	2013 £'000
Allotted, issued and fully paid 560,002 ordinary £1 shares	560	560

9. Reserves

	Profit and loss account £'000
At 1 May 2013	(16,094)
Profit for the financial year	1,734
At 30 April 2014	(14,360)

10. Related party disclosures

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 Plc group or investees of the group qualifying as related parties.

11. Reconciliation of movements in shareholder's deficit

	2014 £'000	2013 £'000
Profit/(loss) for the financial year	1,734	(3,621)
Net reduction/(addition) to shareholder's deficit	1,734	(3,621)
Opening shareholder's deficit	(15,534)	(11,913)
Closing shareholder's deficit	(13,800)	(15,534)

12. Ultimate parent company

The immediate and ultimate holding company is DS Smith Plc, which is incorporated in the United Kingdom and registered in England and Wales. DS Smith Plc represents both the largest and smallest group of undertakings for which group financial statements are prepared and of which the company is a member.

Copies of the group financial statements are available from the Company Secretary of DS Smith Plc, 350 Euston Road, London, NW1 3AX, United Kingdom.

DS Smith Sudbrook Limited

Notes to the financial statements (continued) For the year ended 30 April 2014

13. Restatement and comparative figures

Certain reclassification has been made to the prior year's financial statements to enhance the comparability with the current year's financial statements. As a result, certain line items have been amended in the statement of financial position and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

	Previously reported <u>2013</u> £'000	After reclassification <u>2013</u> £'000
Balance sheet:		
Creditors: amounts falling due within one year	<u>(1,128)</u>	<u>(323,828)</u>
Creditors: amounts falling due after more than one year	<u>(322,700)</u>	<u>-</u>