



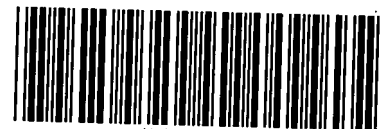
**CRP Print & Packaging Limited**

**Directors' report and financial  
statements**

**Registered number 02866696**

**31 December 2013**

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## Company information

**Registration number:** 02866696

**Registered office:** 201 Cooks Road  
Weldon North Industrial Estate  
Corby  
Northamptonshire  
NN17 5JT

**Directors:** C Bowers  
P McNeill  
E Fellows  
TH Lindop  
D Brahmachari  
CJ Buckenham

**Secretary:** CJ Buckenham

**Bankers:** Lloyds TSB Bank plc  
Wholesale Banking and Markets  
East Midlands  
Butt Dyke House  
33 Park Row  
Nottingham  
NG1 6GY

**Solicitors:** Howes Percival  
Oxford House  
Cliftonville  
Northampton  
NN1 5PN

**Auditors:** KPMG LLP  
Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE

## Strategic Report

CRP Print & Packaging Limited ("CRPP") is a wholly owned subsidiary of CRP Print & Packaging Holdings Limited ("CRPH"), a wholly owned subsidiary of Smurfit Kappa UK Ltd ("SKUK"), a subsidiary of Smurfit Kappa Group Plc ("SKG") a €7.3bn world leading packaging and paper group. SKUK acquired the entire shareholding of CRPH on 14 October 2013. The trade and assets of CRPP were hived up to SKUK from 1 January 2014.

The Company bid farewell to Peter Sangster from the role of Chairman who retired on completion of the sale to SKUK. The Board and all of the Company's employees wish Peter a well-earned retirement having spent his working career within the industry and having founded CRP in 1994; gave many an opportunity. Clive Bowers and Pat McNeill join the Board from 14 October as representatives of SKUK and bring with them a wealth of industry experience.

Through 2013 the Company has continued to invest in skills and product developments to further redefine the industry standards for speed to market and customer experience; whilst maintaining a competitive market position.

Margins through the year remained competitive and material prices increased over 2012 so despite Revenue growth of 5% over 2012; Gross Profit dropped back by 5%.

2013 was a non-promotional year in the Company's client portfolio whilst 2012 enjoyed the London Olympics and 2014 will see the Brazil Fifa world cup. Associated promotional product steams within the beer; wine and convenience food sectors are in no small part driven by such events and equally therefore affect the Company's work mix and margin structures. Despite this the Company exceeded its revenue budget in 2013 and profitability was maintained at the levels anticipated for the economic climate where consumer confidence remains fragile but improving.

2014 onwards brings a new wealth of opportunities for the Company as part of SKG. The wider European presence giving brands the confidence to use the skills and opportunities CRP brings supported by a robust infrastructure with a Pan-European capability. These provide opportunities for the Company and wider group.

Reporting of principal risks and uncertainties and key performance indicators have been undertaken at a group level and are disclosed in the group directors' report of CRP Print & Packaging Holdings Limited. There are no additional significant risks that relate to CRP Print & Packaging Limited.

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2013.

### Principal activities

The principal activity of the company is the design, manufacture and supply of corrugated materials for packaging and display. The company's major markets include the corrugated sector, food and confectionery markets and all areas involving decorative, heavy duty or display related print or corrugated products.

### Business review

The review of the business and likely future developments are dealt with in the Strategic Report on page 2.

The results for the year are set on in the Profit and Loss Account on page 7.

There was a profit for the year after taxation amounting to £1,326,000 (2012:£2,231,000). The directors paid an interim dividend of £1,400,000 (2012:£150,000), leaving losses of £74,000 (2012:profits of £2,081,000) to be transferred to reserves.

### Directors

The directors who held office during the year were as follows:

PJ Sangster	(Resigned 14 October 2013)
E Fellows	
TH Lindop	
D Brahmachari	
CJ Buckenham	
C Bowers	(Appointed 14 October 2013)
P McNeill	(Appointed 14 October 2013)

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**E Fellows**  
Director

Cooks Road  
Weldon North Industrial Estate  
Corby  
Northamptonshire  
NN17 5JT

## **Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report and the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **KPMG LLP**

Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE  
United Kingdom

### **Independent Auditor's Report to the members of CRP Print & Packaging Limited**

We have audited the financial statements of CRP Print & Packaging Limited for the year ended 31 December 2013 set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 Strategic Report and 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 CRP Print & Packaging 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.



**David Neale (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

23 May 2014

Chartered Accountants

Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE



**Profit and Loss Account**  
*for the year ended 31 December 2013*

	<i>Note</i>	<b>2013</b>	<b>2012</b>
		<b>£000</b>	<b>£000</b>
<b>Turnover</b>	<b>2</b>	<b>27,931</b>	26,608
Cost of sales		<b>(19,166)</b>	(16,872)
Gross profit		<b>8,765</b>	9,736
Administrative expenses		<b>(6,853)</b>	(6,556)
<b>Operating profit</b>		<b>1,912</b>	3,180
Net interest	<b>6</b>	<b>(202)</b>	(232)
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	<b>1,710</b>	2,948
Tax on profit on ordinary activities	<b>7</b>	<b>(384)</b>	(717)
<b>Profit for the financial year</b>		<b>1,326</b>	2,231

The results stated above are all derived from discontinued operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

The notes on pages 10 to 24 form part of these financial statements.

**Balance Sheet**  
**at 31 December 2013**

	Note	2013 £000	2012 £000
<b>Fixed assets</b>			
Intangible assets	8	1	1
Tangible assets	9	4,994	5,237
<b>Current assets</b>			
Stock	10	1,479	1,090
Debtors falling due after more than one year	11	7,586	5,517
Debtors falling due within one year	12	6,134	5,688
Cash at bank and in hand		1,449	750
<b>Creditors: amounts falling due within one year</b>	13	<b>16,648 (6,825)</b>	<b>13,045 (7,845)</b>
<b>Net current assets</b>		<b>9,823</b>	<b>5,200</b>
<b>Total assets less current liabilities</b>		<b>14,818</b>	<b>10,438</b>
<b>Creditors: amounts falling due after more than one year</b>	14	<b>(5,354)</b>	<b>(1,629)</b>
<b>Provisions for liabilities and charges</b>	15	<b>(1,223)</b>	<b>(424)</b>
<b>Net assets excluding pensions liability</b>		<b>8,241</b>	<b>8,385</b>
<b>Pensions liability</b>	24	<b>(722)</b>	<b>(995)</b>
<b>Net assets including pensions liability</b>		<b>7,519</b>	<b>7,390</b>
<b>Capital and reserves</b>			
Called up share capital	16	127	127
Capital redemption reserve	17	102	102
Share premium account	17	70	70
Other reserves	17	44	44
Profit and loss account	17	7,176	7,047
<b>Shareholders' funds</b>	18	<b>7,519</b>	<b>7,390</b>

The notes on pages 10 to 24 form part of these financial statements.

These financial statements were approved by the board of directors on 19 May 2014 and were signed on its behalf by:



**CJ Buckenham**  
Director

Company registered number: 02866696

**Statement of Total Recognised Gains and Losses**  
*for the year ended 31 December 2013*

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Profit for the financial year	<b>1,326</b>	<b>2,231</b>
Actuarial (losses) recognised in the pension scheme	<b>254</b>	<b>(165)</b>
Deferred tax asset/(liability) on actuarial (losses)/gains	<b>(51)</b>	<b>37</b>
	<hr/>	<hr/>
<b>Total recognised gains and losses relating to the financial year</b>	<b>1,529</b>	<b>2,103</b>
	<hr/>	<hr/>

The notes on pages 10 to 24 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial position of the company and its objectives, policies and processes for managing financial risk are described in the Strategic Report on page 2. The company has financial resources together with contracts with a number of customers and suppliers. As a consequence, the directors have determined that it is appropriate to prepare the accounts on a going concern basis.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent undertaking includes the company in its own published consolidated financial statements.

As of the company's voting rights are controlled within the group headed by CRP Print & Packaging Holdings Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of CRP Print & Packaging Holdings Limited, within which this company is included, can be obtained as detailed in note 27.

#### ***Going concern***

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report on page 2.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### ***Intangible assets and amortisation***

Intangible fixed assets purchased separately from a business are capitalised at their cost. Concessions, patents, licences and trademarks purchased by the Company are amortised to nil by equal annual instalments over their useful economic lives, generally their respective unexpired periods, of 20 years.

#### ***Tangible fixed assets and depreciation***

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Plant, equipment and fixtures – 7 to 33½%

#### ***Stocks***

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

#### ***Taxation***

The charge for taxation is based on the profit/loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

## **Notes (continued)**

### **Accounting policies (continued)**

#### ***Turnover***

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

#### ***Foreign currencies***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or 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.

#### ***Research and development expenditure***

Expenditure on research and development is written off to the profit and loss account in the year in which it is incurred.

#### ***Leases***

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### ***Retirement benefits***

##### ***Defined Contribution Pension Scheme***

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

##### ***Defined Benefit Pension Scheme***

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

## Notes (continued)

### 2 Turnover

The turnover is attributable to the printing and supply of materials for packaging.

Materially all sales are made within the EU market.

### 3 Profit on ordinary activities before taxation

	2013 £000	2012 £000
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Auditors' remuneration		
- Audit of these financial statements	20	19
- Taxation services	4	4
Depreciation and other amounts written off tangible fixed assets:		
Owned	425	474
Leased	332	332
Hire purchase		-
Hire of plant and machinery – operating leases	87	85
Hire of other assets – operating leases	543	611
Net (gain) on foreign currency translation	(191)	(222)
Research and development expenditure	17	20
	<u>787</u>	<u>943</u>

### 4 Remuneration of directors

	2013 £000	2012 £000
Emoluments	764	920
Other pension costs	23	23
	<u>787</u>	<u>943</u>

The number of directors who accrued benefits under company pension schemes was 3 (2012: 3). The amounts set out above include remuneration in respect of the highest paid director of £219,692 (2012: £270,023).

## Notes (continued)

### 5 Staff numbers and costs

The average number of persons employed by the company (excluding directors) during the period, analysed by division for the current period only, was as follows:

	2013 Number	2012 Number
Sales	25	22
Production	156	139
Administration	31	33
	<hr/>	<hr/>
Total	212	194
	<hr/>	<hr/>

The aggregate payroll costs of these persons (including directors) were as follows:

	2013 £000	2012 £000
Wages and salaries	5,837	5,550
Social security costs	624	631
Other pension costs	98	100
	<hr/>	<hr/>
	6,559	6,281
	<hr/>	<hr/>

### 6 Net interest

	2013 £000	2012 £000
On bank borrowings	(70)	(29)
Finance charges in respect of finance leases	(114)	(155)
Interest on pension scheme liabilities	(203)	(196)
	<hr/>	<hr/>
	(387)	(380)
	<hr/>	<hr/>
Expected return on pension scheme assets	184	147
Other interest received	1	1
	<hr/>	<hr/>
Net interest payable	(202)	(232)
	<hr/>	<hr/>

## Notes (continued)

### 7 Taxation

#### Analysis of charge in period

	2013 £000	2012 £000
UK corporation tax on income for the period	401	668
Adjustment in respect of prior periods	(59)	-
Total current tax	342	668
<i>Deferred tax</i>		
Origination and reversal of timing differences	58	25
Adjustment in respect of prior periods	-	-
Effect of decreased tax rate	(16)	24
Total deferred tax	42	49
Total tax on profit on ordinary activities	384	717

#### Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2012: lower) than the standard rate of corporation tax in the UK (23.25%, 2012: 24.5%). The differences are explained below:

	2013 £000	2012 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	1,710	2,948
Current tax charge at 23.25% (2012: 24.5%)	398	721
<i>Effects of:</i>		
Expenses not deductible for tax purposes	219	10
Differences between capital allowances and depreciation	(34)	1
Impact of rate change	-	-
Other timing differences	(40)	(25)
Group relief	(142)	(39)
Adjustment in respect of prior periods	(59)	-
Total current tax charge (see above)	342	668



## Notes (continued)

### 8 Intangible fixed assets

	<b>Other £000</b>
<i>Cost</i>	
At 1 January 2013	2
Additions	-
	<hr/>
At 31 December 2013	2
	<hr/> <hr/>
<i>Depreciation</i>	
At 1 January 2013	1
Charge for year	-
	<hr/>
At 31 December 2013	1
	<hr/> <hr/>
<i>Net book value</i>	
At 31 December 2013	1
	<hr/> <hr/>
At 31 December 2012	1
	<hr/> <hr/>

### 9 Tangible fixed assets

	<b>Plant, equipment and fixtures £000</b>
<i>Cost</i>	
At 1 January 2013	13,288
Additions	514
Disposals	-
	<hr/>
At 31 December 2013	13,802
	<hr/> <hr/>
<i>Depreciation</i>	
At 1 January 2013	(8,051)
Charge for year	(757)
On disposals	-
	<hr/>
At 31 December 2012	(8,808)
	<hr/> <hr/>
<i>Net book value</i>	
At 31 December 2013	4,994
	<hr/> <hr/>
At 31 December 2012	5,237
	<hr/> <hr/>

Included in the total net book value of plant, equipment and fittings is £2,107,897 (2012: £2,439,694) in respect of assets held under hire purchase contracts. Depreciation for the year on these assets was £331,797 (2012: £331,797).

## Notes (continued)

### 10 Stock

	2013 £000	2012 £000
Raw materials and consumables	1,104	719
Short-term work in progress	186	204
Finished goods	189	167
	<u>1,479</u>	<u>1,090</u>

### 11 Debtors falling due after more than one year

	2013 £000	2012 £000
Amounts due from parent undertaking	7,450	5,515
Other debtors	136	2
	<u>7,586</u>	<u>5,517</u>

### 12 Debtors falling due within one year

	2013 £000	2012 £000
Trade debtors	5,189	5,036
Amounts owed by group undertakings	360	-
Other debtors	177	15
Prepayments	408	637
	<u>6,134</u>	<u>5,688</u>

### 13 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Amounts owed under invoice discounting	-	1,079
Trade creditors	3,230	3,408
Amounts owed to group undertakings	228	-
Taxation and social security	752	764
Corporation tax	129	396
Other creditors	167	85
Accruals	1,945	1,555
Amounts due under finance leases	374	558
	<u>6,825</u>	<u>7,845</u>

**Notes** *(continued)*

**13 Creditors: amounts falling due within one year** *(continued)*

Amounts due under finance leases are secured against the assets to which they relate.

**14 Creditors: amounts falling due after more than one year**

	2013 £000	2012 £000
Amount due to parent undertaking	4,161	-
Other creditors	69	106
Amounts due under finance leases	1,124	1,523
	<u>5,354</u>	<u>1,629</u>

**Analysis of debt:**

	2013 £000	2012 £000
Debt can be analysed as falling due:		
In one year or less or on demand	374	1,637
Between one and two years	399	399
Between two and five years	725	1,124
Over 5 years	-	-
	<u>1,498</u>	<u>3,160</u>

## Notes (continued)

### 15 Provision for liabilities and charges

	Deferred taxation £000	Dilapidation £000	Total £000
<b>Company</b>			
At beginning of year	424	-	424
Charge/credit to the profit and loss for the year	(29)	-	(29)
Additional amounts provided	-	828	828
<b>At end of year</b>	<b>395</b>	<b>828</b>	<b>1,223</b>

A dilapidation provision of £828,000 was made for the reparation work expected at the end of property operating lease contracts on all sites terminating at various intervals throughout 2014 to 2022. There are no reimbursements expected. This dilapidation provision is in line with Smurfit Kappa UK Limited group policy.

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2013 has been calculated based on the rates of 20% and 21% substantively enacted at the balance sheet date.

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2013 £000	2012 £000
Accelerated capital allowances	395	424
Other timing differences	-	-
	<b>395</b>	<b>424</b>

A deferred tax asset of £166,000 (2012: Nil) has not been recognised in respect of timing differences relating to the dilapidation provision as the timing of the recoverability is uncertain.

### 16 Called up share capital

	2013 £000	2012 £000
<b>Allotted, called up and fully paid</b>		
78,803 'A' ordinary shares of £1 each	79	79
47,521 'B' ordinary shares of £1 each	48	48
	<b>127</b>	<b>127</b>

The (A) Ordinary share and (B) Ordinary shares rank pari passu.

## Notes (continued)

### 17 Share premium account and reserves

	Share premium account £000	Capital redemption reserve £000	Other reserves £000	Profit and loss account £000
At beginning of year	70	102	44	7,047
Profit for the year	-	-	-	1,326
Dividends on shares classified in shareholders' funds	-	-	-	(1,400)
Actuarial gain recognised in the pension scheme	-	-	-	254
Deferred tax arising on gains in the pension scheme	-	-	-	(51)
<b>At end of year</b>	<b>70</b>	<b>102</b>	<b>44</b>	<b>7,176</b>

### 18 Reconciliation of movements in shareholders' funds

	2013 £000	2012 £000
<b>Profit for the year</b>	<b>1,326</b>	<b>2,231</b>
Dividends on shares classified in shareholders' funds	(1,400)	(150)
<b>Other recognised gains and losses relating to the year</b>	<b>(74)</b>	<b>2,081</b>
	<b>203</b>	<b>(128)</b>
Net increase in shareholders' funds	129	1,953
Shareholders' funds at 1 January 2013	7,390	5,437
<b>Closing shareholders' funds</b>	<b>7,519</b>	<b>7,390</b>

### 19 Dividends

The aggregate amount of dividends comprises:

	2013 £000	2012 £000
Interim dividend in respect of the current year	1,400	150

The dividend is in respect of the (B) Ordinary shares owned by the ultimate parent undertaking CRP Print & Packaging Holdings Limited.

## Notes (continued)

### 20 Leasing commitments

Annual commitments under non-cancellable operating leases are as follows:

	2013		2012	
	Land and buildings £000	Other £000	Land and Buildings £000	Other £000
Operating leases which expire:				
Within one year	159	100	-	68
In the second to fifth years inclusive	127	113	274	152
Over five years	319	-	318	-
	<u>605</u>	<u>213</u>	<u>592</u>	<u>220</u>

### 21 Capital commitments

	2013 £000	2012 £000
Contracted for but not provided in these financial statements	-	95

### 22 Contingent liabilities

There is a cross guarantee and debenture between the company and CRP Print & Packaging Holdings Limited and Howper 485 Limited. The maximum liability relating to this year was £nil (2012: £nil).

### 23 Related party transactions

The controlling related party was the board of directors of Smurfit Kappa UK Limited, who gained control on purchase of the shares in CRP Print & Packaging Holdings Ltd on 14 October 2013.

There is continuing trade with Smurfit Kappa UK Ltd in the normal course of business.

## Notes (continued)

### 24 Pension scheme

#### *Defined contribution pension scheme*

The company operates a defined contribution pension scheme for the benefit of employees who are not eligible to join the defined benefit pension scheme. The assets of the scheme are administered by trustees in a fund independent from those of the company. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £85,000 (2012: £89,000).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

#### *Defined benefit scheme*

The company operates a defined benefit pension scheme based on final pensionable pay for the benefit of the directors and employees. On 31 December 2005 the defined benefit pension scheme was closed to future accrual of benefits. Existing benefits earned within the scheme were converted to paid-up form.

The assets of these schemes are administered by trustees in funds independent from those of the company.

The latest full actuarial valuation was carried out at 1 January 2011 and was updated for FRS 17 purposes to 31 December 2012 and 31 December 2013 by a qualified independent actuary. The next full actuarial valuation is due at 1 January 2014, the implementation thereof is currently in progress..

	2013 £000	2012 £000
Fair value of plan assets	3,559	2,949
Present value of funded defined benefit obligations	(4,462)	(4,247)
Deficit	(903)	(1,298)
Related deferred tax asset	181	303
Net liability	(722)	(995)

#### Movements in present value of defined benefit obligation

	2013 £000	2012 £000
At 1 January	4,247	3,841
Interest cost	203	196
Actuarial loss / (gain)	112	320
Benefits paid	(100)	(110)
At 31 December	4,462	4,247

## Notes (continued)

### 24 Pension scheme (continued)

#### Defined benefit scheme (continued)

Movements in fair value of plan assets:

	2013 £000	2012 £000
At 1 January	2,949	2,598
Expected return on plan assets	184	147
Actuarial gain/ (loss)	366	155
Contributions by employer	160	159
Benefits paid	(100)	(110)
	<hr/>	<hr/>
At 31 December	3,559	2,949
	<hr/>	<hr/>

Expense recognised in the profit and loss account:

	2013 £000	2012 £000
Interest on defined benefit pension plan obligations	(203)	(196)
Expected return on defined benefit pension plan assets	184	147
	<hr/>	<hr/>
	(19)	(49)
	<hr/>	<hr/>

The expense is recognised in the following line items in the profit and loss account:

	2013 £000	2012 £000
Net interest	(19)	(49)
	<hr/>	<hr/>
	(19)	(49)
	<hr/>	<hr/>

The amount to be recognised under FRS 17 in the statement of total recognised gains and losses is:

	2013 £000	2012 £000
Actual return less expected return on pension scheme assets	366	155
Experience gains and losses arising on the scheme liabilities	-	(51)
Changes in the assumptions underlying the present value of the scheme's liabilities	(112)	(269)
	<hr/>	<hr/>
Total (loss)/gain	254	(165)
	<hr/>	<hr/>

Scheme assets

The assets valued below comprise an insurance policy invested in unit-linked Managed Funds with the Scottish Life. The value has been taken as the value of units at bid price on 31 December 2013.



## Notes (continued)

### 24 Pension scheme (continued)

#### Defined benefit scheme (continued)

The fair value of the plan assets and the return on those assets were as follows:

	Rate of return %	2013 Value £000	Rate of return %	2012 Value £000	Rate of return %	2011 Value £000
Unitised and managed funds	4.6	3,559	5.0	2,949	7.1	2,598
Total market value of assets		3,559		2,949		2,598

The major assumptions used in this valuation were:

	2013 %	2012 %	2011 %
Rate of increase in salaries	n/a	n/a	n/a
Rate of increase for pensions in payment	3.4	2.9	2.9
Discount rate	4.6	4.8	5.2
Inflation (RPI – increases to pension payment)	3.4	2.9	2.9
Inflation (CPI – increases to defined benefits during deferment)	2.4	2.1	2.2

In valuing the liabilities of the pension fund at 31 December 2013, mortality assumptions have been made as indicated below.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables (SIPA series year of birth tables) and include an allowance for future improvements in longevity (medium cohort projections). The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

- Current pensioner aged 65: 20.2 years (male), 22.4 years (female).
- Future retiree upon reaching 65: 21.6 years (male), 24.0 years (female).

As a result of changes in Government legislation, where there is no legal or constructive obligation to pay RPI increase for certain benefits of the Company's schemes, these are now linked to increases in the CPI rather than the RPI.

#### Balance sheet

	2013 £000	2012 £000	2011 £000	2010 £000	2009 £000
Present value of scheme liabilities	(4,462)	(4,247)	(3,841)	(3,890)	(3,933)
Fair value of scheme assets	3,559	2,949	2,598	2,693	2,309
Deficit	(903)	(1,298)	(1,243)	(1,197)	(1,624)

## Notes (continued)

### 24 Pension scheme (continued)

#### Defined benefit scheme (continued)

Experience adjustments	2013 £000	2012 £000	2011 £000	2010 £000	2009 £000
Experience adjustments on scheme liabilities	-	(51)	(32)	22	-
Experience adjustments on scheme assets	366	155	(361)	167	299

The company expects to contribute approximately £160,000 to its defined benefit scheme in the next financial year (2012: £160,000).

### 25 Related parties

PJ Sangster, a director of the company retained a loan to the ultimate parent undertaking CRP Print & Packaging Holdings Limited during the year of £500,000 (2012: £500,000). This loan was repaid in September 2013.

### 26 Post balance sheet events

On 1 January 2014 the trade and assets of CRP Print and Packaging Limited were hived up into Smurfit Kappa UK Ltd.

### 27 Ultimate holding company

At 31 December 2013 the immediate parent undertaking is CRP Print and Packaging Holdings Ltd, a company registered in England and Wales and Howper 485 Limited, a company registered in England and Wales.

The smallest group in which the results of the company were consolidated was that headed by CRP Print & Packaging Holdings Limited. These group accounts are available to the public from Companies House and from the Registered Office given on page 1.

The ultimate parent undertaking and controlling party is Smurfit Kappa Group Plc, a company incorporated in Ireland. Smurfit Kappa Group Plc is the parent undertaking of the largest and the smallest group of companies for which group financial statements are prepared and of which the company is a member. Copies of the financial statements for Smurfit Kappa Group Plc may be obtained from Smurfit Kappa Group Plc, Beech Hill, Clonskeagh, Dublin 4, Ireland and on the group website at [www.smurfitkappa.com](http://www.smurfitkappa.com).