

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)
Annual report and financial statements
for the year ended 31 December 2011

Registered number 3051244



Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Annual report and financial statements
for the year ended 31 December 2011

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**Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)**

**Directors and advisors
for the year ended 31 December 2011**

Directors

P McNeill

C Bowers

Secretary

N Pritchard

Registered office

3rd Floor
Cunard Building
Water Street
Liverpool
L3 1SF

Registered number

3051244

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Exchange House
Central Business Exchange
Midsummer Boulevard
Central Milton Keynes
MK9 2DF

Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

Directors' report for the year ended 31 December 2011

The directors present their annual report and audited financial statements of the company for the year ended 31 December 2011

Principal activities

The company's principal activity was previously the manufacture of corrugated board and corrugated board cases. On 1st January 2011 the trade, assets and liabilities of the company were hived up to Smurfit Kappa UK Limited at net book value. Since this date the company has been dormant.

Review of business

There was no trading in 2011 and no future trading is anticipated.

Results and Dividends

The profit for the year amounts to £63,000 (2010: profit of £877,000). During the year the directors approved a dividend of £25,046,999 (2010: 12,700,000).

Key performance indicators

The directors of Smurfit Kappa Group Plc manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Smurfit Kappa Corrugated Limited. The development, performance and position of the packaging segment of Smurfit Kappa Group Plc, which includes the company, are available in the Annual Report of Smurfit Kappa Group Plc which is available on the group website www.smurfitkappa.com together with key performance indicators for that segment.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The principal business risks and uncertainties affecting the company include volatility in recovered fibre and containerboard prices and fluctuating energy costs, which are mitigated as described in *Price Risk* below. Other principal business risks and uncertainties include:

- efficient plant capacity management
- competition from other paper manufacturers, including changes in paper production capacity in the UK

Directors

The following directors have held office during the year ended 31 December 2011 and up to the date of signing of the financial statements:

Pat McNeill
Clive Bowers

Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

Directors' report for the year ended 31 December 2011 (continued)

Directors' responsibilities statement

The directors are responsible for preparing 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 the directors have prepared 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 year. 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, 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.

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.

Disclosure of information to auditors

The directors confirm that in the case of each director in office at the date the directors' report is approved

- so far as each director is aware, there is no relevant audit information of which the company's auditors are not aware,
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

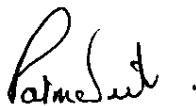
**Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)**

**Directors' report
for the year ended 31 December 2011 (continued)**

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the annual general meeting

On behalf of the Board


P McNeill
Director
28/09/12

Independent auditors' report to the members of Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

We have audited the financial statements of Smurfit Kappa Corrugated Limited for the year ended 31 December 2011 which comprise of the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. 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 31 December 2011 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

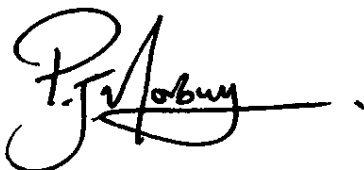
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) 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



Paul J Norbury (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Milton Keynes

18 September 2012

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Profit and loss account
for the year ended 31 December 2011

		31 December 2011	31 December 2010
	Notes	£'000	£'000
Turnover	2	-	74,192
Cost of sales		-	(57,805)
Gross profit		-	16,387
Net operating expenses	4	-	(15,437)
Operating profit	4	-	950
Interest receivable and similar income	5	-	5
Interest payable and similar charges	6	-	(15)
Profit on ordinary activities before taxation		-	940
Tax on profit on ordinary activities	7	63	(63)
Profit for the financial year	18	63	877

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents. All amounts relate to discontinued activities.

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Balance sheet
as at 31 December 2011

		31 December 2011		31 December 2010	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		-		21,266
Current assets					
Stocks	10	-		2,846	
Debtors	11	-		17,816	
Cash at bank and in hand		-		588	
			-		21,250
Creditors: amounts falling due within one year	12		-		(17,469)
Net current assets			-		3,781
Total assets less current liabilities			-		25,047
Provisions for liabilities	15		-		(63)
Net assets			-		24,984
Capital and reserves					
Called up share capital	17		-		8,519
Profit and loss account	18		-		(16,465)
Total shareholders' funds	22		-		24,984

These financial statements on pages 7 to 23 were approved by the Board of Directors on ~~(date)~~ and were signed on its behalf by 28/09/12

P McNeill
 Director 
 Smurfit Kappa Corrugated Limited
 Registered number 3051244

Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

Notes to the financial statements for the year ended 31 December 2011

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), applicable United Kingdom accounting standards and the Companies Act 2006. The company has applied UK Generally Accepted Accounting Practice authoritative pronouncements where the mandatory effective date of application is relevant to financial years commencing on 1 January 2011 or ending on 31 December 2011. The principal accounting policies, which have been consistently applied unless otherwise indicated, are set out below.

Going concern

The financial statements have been prepared on the going concern basis. The company has received confirmation of the intention of Smurfit Kappa Treasury, a fellow subsidiary company wholly owned by Smurfit Kappa Group Plc, to provide continuing financial support to the company and other fellow UK group companies for a period of at least one year from the date of signing these accounts. Accordingly, the financial statements have been prepared on the going concern basis and all amounts due from fellow group companies are deemed recoverable.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement under the terms of FRS 1 (revised 1996) 'Cash Flow Statements', as it is a wholly owned subsidiary of Smurfit Kappa Group Plc, which is incorporated in Ireland, and prepares a consolidated cash flow statement which is publicly available.

Related party transactions

As a wholly owned subsidiary of Smurfit Kappa Group Plc the company has taken advantage of the exemption available within FRS 8 from disclosing transactions with wholly owned subsidiaries of the group.

Foreign currencies

Foreign currency transactions during the year have been translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the relevant year end exchange rates. The resulting profit and losses are dealt with in the profit and loss account.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

Notes to the financial statements for the year ended 31 December 2011 (continued)

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Where assets are acquired from other group undertakings, the company considers that it is more practical to recognise the original cost and accumulated depreciation of assets acquired, rather than the net cost to the company.

Depreciation has been provided on fixed assets on a straight line basis so as to write off the cost less estimated residual value of the asset over its estimated effective useful lives, as follows:

Freehold buildings	-	3% straight line per annum
Plant and machinery	-	5% to 33.3% straight line per annum

No depreciation is provided on freehold land. The company has taken advantage of the transitional provision of FRS15 Tangible Fixed Assets and retained the book amounts of certain freehold properties which were revalued prior to implementation of that standard. The properties were last valued at June 1997 by Jones Lang Wootton, licensed agents and approved valuers, on the basis of existing use and the valuations have not been formally updated.

Leasing

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership have passed to the company, are capitalised under tangible assets and depreciated in accordance with the depreciation policy. Repayments of finance leases are apportioned between the finance charge and a reduction of the outstanding finance lease creditor, with the total finance charge allocated over the term of the lease to produce a constant periodic rate of charge.

Assets leased under operating leases are not capitalised and payments under such leases are expensed over the period of the lease.

Where the group acts as lessor as a result of sub-leasing properties, the sub-lease is classified according to its substance, which is typically that of an operating lease. Sub-lease income is classified within the profit and loss account within administrative expenses.

Impairment of fixed assets

Fixed assets, including finance leases, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's net realisable value from sale and its value in use. Value in use is estimated using estimated future cash flows, based on management's latest approved budgets and forecasts and discounted at the weighted average cost of capital. Assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

Notes to the financial statements for the year ended 31 December 2011 (continued)

1 Accounting policies (continued)

Stock valuation

Stock is valued at the lower of average cost and net realisable value. Cost includes direct costs of raw materials and direct labour plus applicable factory and other relevant overheads. Net realisable value is the actual or estimated selling price less all applicable costs incurred or likely to be incurred in the realisation of such selling price. Full provision is made for all damaged, deteriorated, obsolete and unusable materials.

Financial instruments

The company has not adopted FRS 26 "Financial Instruments: Recognition and Measurement". It applies the amortised cost model in accounting for financial assets and liabilities after their initial recognition at fair value.

The company has complied with the presentation requirements of FRS 25, 'Financial Instruments: Disclosure and Presentation'.

Deferred taxation

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.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Pension costs

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 against profit represents the contributions payable to the scheme in the accounting period.

Smurfit Kappa Corrugated Limited (formerly Mondi Packaging (UK) Limited)

Notes to the financial statements for the year ended 31 December 2011 (continued)

1 Accounting policies (continued)

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and an estimate can be made of that obligation. Where the impact of discounting is material, provisions are discounted using a rate that reflects the time value of money adjusted for relevant risks in the underlying estimated cash flows.

Segmental reporting

The company's directors consider that the operations of the company are conducted in all material respects within a single class of business, being the manufacture and sale of paper-based packaging materials, and accordingly segmental disclosures under SSAP 25 "Segmental reporting" are not necessary or material to include in these financial statements.

Significant estimates

The company makes estimates and assumptions concerning future events. The resulting accounting estimates will seldom precisely equal the related actual results. The company applies its best endeavours in setting accounting estimates and uses historical experience and other factors, including input from experienced and specialist management. Estimates and assumptions are continually re-evaluated and the resulting accounting balances updated, as new information including actual outcomes become apparent.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Deferred tax

The company assesses whether it is appropriate to recognise, at the balance sheet date, deferred tax assets resulting from historical trading losses. The amount of deferred tax recognised is based on estimates of the timing and amount of future taxable profits of the company, which in turn relies upon estimates of future operating profits and the occurrence, timing and tax treatment of significant items of income and expenditure including contributions to pension schemes. Further disclosures relating to the effect on the profit and loss account of the recognition of deferred tax assets are included in note 7, and the amount of deferred tax asset recognised and other relevant disclosures are included in note 14.

Smurfit Kappa Corrugated Limited **(formerly Mondi Packaging (UK) Limited)**

Notes to the financial statements **for the year ended 31 December 2011 (continued)**

2 Turnover

The turnover and profit before taxation are attributable to the one principal activity of the company

The company recognises revenue from the direct sale of its goods when it has transferred to the buyer the significant risks and rewards of ownership, which is usually at the point of delivery of goods to a customer and/or acceptance of risk by the customer or third party courier. Revenue is measured at the fair value of the consideration received or receivable net of discounts, rebates, value added tax, and other sales related taxes

3 Staff costs

	2011	2010
	£'000	£'000
Wages and salaries	-	9,988
Social security costs	-	1,020
Other pension costs	-	334
	-	11,342

The average monthly number of employees during the year was

	2011	2010
	Number	Number
Sales and administration	-	91
Production	-	244
	-	335

The directors' emoluments are paid out of Smurfit Kappa UK Limited and as such are disclosed within that company. It is not practical to allocate emoluments between services for this group company and other members of the group and costs have not been recharged.

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

4 Operating profit

The operating profit is stated after charging/(crediting)

	2011	2010
	£'000	£'000
Other operating leases	-	284
Depreciation - owned assets	-	3,245
Profit on disposal of fixed assets	-	(3)
Fees payable to the company's auditors for the audit of the company's annual accounts	-	80
Restructuring costs	-	70
Foreign exchange (gains)/losses	-	(6)

There are no fees payable to the company's auditors in relation to non-audit services. Audit fees of £4,000 (2010: £4,000) were borne by other group companies.

Net operating expenses are analysed as follows

	2011	2010
	£'000	£'000
Distribution costs	-	5,063
Administrative expenses	-	10,641
Other operating income	-	(267)
Net operating expenses	-	15,437

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

5 Interest receivable and similar income

	2011	2010
	£'000	£'000
Interest receivable from group undertakings	-	5

6 Interest payable and similar charges

	2011	2010
	£'000	£'000
Interest payable to group undertakings	-	15

7 Tax on profit on ordinary activities

Analysis of tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	2011	2010
	£'000	£'000
Current tax		
UK corporation tax	-	-
Adjustment in respect of prior years	-	-
	-	-
Deferred tax (note 14)		
Change in tax rate	-	(2)
Adjustments in respect of prior year	(63)	-
Origination and reversal of timing differences	-	65
Total tax (credit)/charge on profit on ordinary activities	(63)	63

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

7 Tax on profit on ordinary activities (continued)

Factors affecting the tax (credit)/charge

The tax assessed for the year is equal to (2010 lower than) the standard rate of corporation tax in the UK of 26.5% (2010 28%). The differences are explained below

	2011	2010
	£'000	£'000
Profit on ordinary activities before tax	-	940
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.5% (2010 28%)	-	263
Effects of		
Movements in general provisions	-	(23)
Capital allowances for the year less than depreciation	-	540
Utilisation of tax losses not previously recognised	-	(898)
Expenses not deductible for tax purposes	-	118
Current tax charge	-	-

No future trading is expected therefore there is no impact due to changes in the current UK tax legislation in the UK

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

8 Dividends

	2011	2010
	£'000	£'000
Equity - ordinary		
Final paid £25,046,999 (2010 £1 49) per share	25,047	12,700

9 Tangible fixed assets

	Freehold property	Plant and machinery	Total
	£'000	£'000	£'000
Cost			
At 1 January 2011	13,767	53,308	67,075
Disposals	(13,767)	(53,308)	(67,075)
At 31 December 2011	-	-	-
Depreciation			
At 1 January 2011	4,985	40,824	45,809
Eliminated on disposal	(4,985)	(40,824)	(45,809)
At 31 December 2011	-	-	-
Net book amount			
At 31 December 2011	-	-	-
At 31 December 2010	8,782	12,484	21,266

Included in cost of land and buildings is freehold land of £nil (2010 £1,300,000) which is not depreciated

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

10 Stocks

	2011	2010
	£'000	£'000
Raw materials	-	1,791
Work in progress	-	64
Finished goods	-	491
Engineering spares	-	500
	-	2,846

There is no material difference between the balance sheet value of stocks and their replacement value

11 Debtors

	2011	2010
	£'000	£'000
Trade debtors	-	14,708
Other debtors	-	128
Amounts owed by group undertakings	-	2,710
Prepayments and accrued income	-	270
	-	17,816

Amounts owed by group undertakings include loans to which do not bear interest. These loans are unsecured and have no fixed terms for repayment and so are considered repayable on demand.

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

12 Creditors: amounts falling due within one year

	2011	2010
	£'000	£'000
Trade creditors	-	7,850
Amounts owed to group undertakings	-	6,969
Social security and other taxes	-	1,558
Other creditors	-	404
Accruals and deferred income	-	688
	-	17,469

Amounts owed to group undertakings include loans to which do not bear interest. Loans are unsecured and have no fixed terms for repayment and so are considered repayable on demand.

13 Operating lease commitments

Annual obligations under non-cancellable operating leases are

	Other operating leases	
	2011	2010
	£'000	£'000
Expiring		
Within one year	-	52
Between two and five years	-	227
	-	279

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

14 Deferred taxation

The provision for deferred tax comprises

	2011	2010
	£'000	£'000
Accelerated capital allowances	-	89
Tax losses carried forward	-	-
Other short term timing differences	-	(26)
	-	63

	2011	2010
	£'000	£'000
At 1 January	63	-
Deferred tax charge in profit and loss account	(63)	63
At 31 December	-	63

15 Provisions for liabilities

	2011	2010
	£'000	£'000
Deferred tax provision	-	63

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

16 Disposals

The trade and assets of the company were hived up to Smurfit Kappa UK Limited on 1st January 2011 at net book value. No profit or loss on disposal was created

	NBV £'000
Fixed assets	21,266
Stock	2,846
Debtors	17,816
Cash	588
Creditors	(17,469)
Net assets of the company	25,047
Consideration	(25,047)
Profit on disposal	-

17 Called up share capital

	2011 £	2010 £
Allotted, issued and fully paid		
Ordinary shares of £1 each	1	8,519,000

On 13th December 2011 the Directors passed a special resolution, pursuant to Chapter 2 of Part 13 of the Companies Act 2006, that the issued share capital of the company be reduced by cancelling and extinguishing 8,518,999 of the issued ordinary shares

Smurfit Kappa Corrugated Limited **(formerly Mondi Packaging (UK) Limited)**

Notes to the financial statements **for the year ended 31 December 2011 (continued)**

18 Profit and loss account

	Profit and loss account
	£
At 1 January 2011	16,465,000
Profit for the year	63,000
Share capital reduction	8,518,999
Dividend paid to Smurfit Kappa UK Limited	(25,046,999)
At 31 December 2011	-

During the year the directors approved a dividend of £25,046,999 (2010 12,700,000)

19 Pension commitments

The company operates a defined contribution scheme. The pension cost charge for the year represents contributions payable by the company to the fund and amount to £nil (2010 £334,040). There were no accrued contributions at the end of the year.

20 Ultimate parent company

The company's 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 annual 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.

The company's immediate parent undertaking is Smurfit Kappa UK Limited.

21 Related party disclosures

As a wholly owned subsidiary of Smurfit Kappa Group plc, the company is exempt from the requirements of FRS8 to disclose transactions with other members of the group headed by Smurfit Kappa Group plc.

Smurfit Kappa Corrugated Limited
(formerly Mondi Packaging (UK) Limited)

Notes to the financial statements
for the year ended 31 December 2011 (continued)

22 Reconciliation of movements in shareholders' funds

	2011	2010
	£	£
Profit for the financial year	63,000	877,000
Dividend paid	(25,046,999)	(12,700,000)
Net reduction to shareholders' funds	(24,983,999)	(11,823,000)
Opening shareholders' funds	24,984,000	36,807,000
Closing shareholders' funds	1	24,984,000

23 Contingent liabilities

There are no contingent liabilities (2010 nil) in existence which will have a material effect on the company's financial position