

## **AFP (Europe) Limited**

### **Directors' report and financial statements**

30 June 1997

Registered number 3051270



## **Directors' report and financial statements**

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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 1997.

### Principal activities

The company has not traded since incorporation and acts as a holding company for investments in subsidiary undertakings.

### Issue of shares

13,550,000 ordinary shares of £1 each were issued during the year to fund further investment in subsidiaries.

### Directors and directors' interests

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

G R Ringwood	resigned 27 June 1997
G S James	
B F Pawley	
M J S Robertson	resigned 27 June 1997
E J Marshall	resigned 27 June 1997
C M Parsons	
C F Blackford	appointed 27 June 1997

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

By order of the board



**J M Gallagher**  
*Secretary*

Date 1 June 1998

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which 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 1985. 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.

## Report of the auditors, KPMG, to the members of AFP (Europe) Limited

We have audited the financial statements on pages 4 to 8.

### Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

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

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

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants  
Registered Auditors

37 Hills Road  
Cambridge  
CB2 1XL

Date 3 June 1998

**Profit and loss account**  
*for the year ended 30 June 1997*

	<i>Note</i>	<b>1997</b> <b>£000</b>	1996 £000
Exceptional charge	3	(27,946)	(49,891)
		<hr/>	<hr/>
<b>Loss on ordinary activities before and after taxation</b>		<b>(27,946)</b>	<b>(49,891)</b>
Retained loss brought forward		(49,891)	-
		<hr/>	<hr/>
<b>Retained loss carried forward</b>		<b>(77,837)</b>	<b>(49,891)</b>
		<hr/> <hr/>	<hr/> <hr/>

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

The accounts are prepared on an unmodified historical cost basis and the profit reported is based on historical cost.

**Balance Sheet**  
*at 30 June 1997*

	<i>Note</i>	<b>1997</b> <b>£000</b>	<b>1996</b> <b>£000</b>
<b>Fixed assets</b>			
Investments	2	52,861	62,297
<b>Creditors: amounts falling due within one year</b>	4	(4,998)	(38)
<b>Net current liabilities</b>		(4,998)	(38)
<b>Net assets</b>		47,863	62,259
<b>Capital and reserves</b>			
Called up share capital	5	125,700	112,150
Profit and loss account		(77,837)	(49,891)
		47,863	62,259

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

  
**G S James**  
*Director*

Date *1 June* 1998

## 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.

The immediate parent company, Amcor Packaging (Europe) Ltd, has undertaken to make sufficient funds available to enable the company to meet its liabilities as and when they fall due.

Group accounts have not been prepared as the company is a wholly owned subsidiary of Amcor Packaging (Europe) Limited and is included in the group accounts of that company. These financial statements present information about the company as an individual undertaking and not about its group.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as its ultimate parent undertaking is Amcor Limited (incorporated in Australia), and its cash flows are included within the consolidated cash flow statement of that company.

As AFP (Europe) Limited is a wholly owned subsidiary of Amcor Limited, advantage has been taken of the exemption in Financial Reporting Standard 8 to not disclose transactions or balances with entities which form part of the group. The consolidated financial statements of Amcor Limited can be obtained from the address given in note 6.

### 2 Fixed asset investments

	1997 £000
Shares in subsidiary undertakings	
<i>Cost</i>	
At beginning of year	111,227
Additional investment	13,550
	<hr/>
At end of year	124,777
	<hr/>
<i>Provisions</i>	
At beginning of year	(49,891)
Provided during the year	(22,948)
	<hr/>
At end of year	(72,839)
	<hr/>
Loans to subsidiary undertakings	
At beginning of year	961
Repayments in the year	(38)
	<hr/>
At end of year	923
	<hr/>
Net book value of investments	52,861
	<hr/>



**Notes (continued)**

**2 Fixed asset investments (continued)**

The principal companies in which the company's immediate interests at the year end is more than 10%, are as follows:

	Country of registration or incorporation	Principal activity	Class and percentage of shares held
Wallbray Limited	England and Wales	Holding company	Ordinary-100%
Willander (Holdings) Limited	England and Wales	Holding company	Ordinary-100%
Amcor Emballages SA	France	Holding company	Ordinary-52%
Amcor Verpackungen GmbH	Germany	Holding company	Ordinary-100%
Amcor Packaging (UK) Limited	England and Wales	Manufacture of fibre packaging	Ordinary-100%

A full list of the indirect subsidiary and associated undertakings is given in the consolidated accounts of Amcor Packaging (Europe) Limited

**3 Exceptional charges**

	1997 £000	1996 £000
Loss accrued on investment sold after the year end.	4,998	-
Increase in provision against fixed asset investments	22,948	49,891
	<u>27,946</u>	<u>49,891</u>

**4 Creditors: amounts falling due within one year**

	1997 £000	1996 £000
Other creditors	4,998	38
	<u>4,998</u>	<u>38</u>

**Notes (continued)**

**5 Called up share capital**

	1997 £000	1996 £000
<i>Authorised</i>		
Equity: Ordinary shares of £1 each	200,000	200,000
	<u>          </u>	<u>          </u>
<i>Allotted, called up and fully paid</i>		
Equity: Ordinary shares of £1 each	125,700	112,150
	<u>          </u>	<u>          </u>

**6 Post balance sheet event**

Pursuant to a contract dated 26 August 1997, the entire share capital of the subsidiary undertaking Amcor Verpackungen GmbH was sold to a third party.

**7 Ultimate parent company and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of Amcor Packaging (Europe) Limited registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Amcor Limited, incorporated in Australia. The consolidated accounts of this group are available to the public and may be obtained from Amcor Limited, Southgate Tower East, 40 City Road, South Melbourne, Victoria 3205, Australia. The smallest group in which they are consolidated is that headed by Amcor Packaging (Europe) Limited. The consolidated accounts of this group are available to the public and may be obtained from Amcor Packaging (Europe) Limited, Unit 8, Arden Court, Arden Road, Alcester, Warwickshire, B49 6HN.