

Bowater Packaging Limited

Year Ended 31st December 1994

Registration No: 192236

Directors Report

The Directors present the accounts of the Company for the year ended 31st December 1994.

Activities

The principal activities comprise the manufacture and sale of corrugated fibreboard packaging, litho printed cartons, pharmaceutical packaging, liquid packaging and bag-in-box systems, foil and paper products, paper and plastic bags, blow moulded containers, fibre drums, flexible bulk containers, cast films and metallising and coating of plastic films.

The profit after tax for the year amounted to £29,044,000. The Directors have declared interim dividends of £19,147,000 and do not recommend the payment of a final dividend leaving a profit of £9,897,000 to be transferred to reserves.

Future Development

The Company will endeavour to develop profitable growth in each of its businesses.

Directors

D. E. A. Jones, W. P. Long, W. H. Moran and D. C. A. Simon held office throughout the year. S. M. Wallis resigned on 31st August 1994. K. A. Abbott was appointed a Director on the 1st February 1995. W. P. Long resigned 28th April 1995.

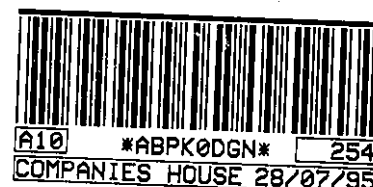
Directors Interests

The Directors of the Company who held office at the end of the year were interested (as defined in the Companies Act 1985 and according to the register maintained thereunder) in shares in Bowater plc as follows:

	Ordinary Shares of 50p each		Share Options SAYE Scheme	
	1.1.94	31.12.94	1.1.94	31.12.94
D. E. A. Jones	-	-	-	-
W. P. Long	2,133	2,133	6,541	6,541
W. H. Moran	-	-	12,219	12,219
D. C. A. Simon	8	3,786	8,667	6,821

	Share Options - Senior Executive **			
	1.1.94	Granted	Exercised	31.12.94
D. E. A. Jones	67,168	35,000	21,893	80,275
W. P. Long	86,397	19,000	-	105,397
W. H. Moran	117,167	2,750	66,936	52,981
D. C. A. Simon	93,503	20,000	22,730	90,773

** Further details can be found in the Accounts of Bowater plc.



Bowater Packaging Limited
Year Ended 31st December 1994

Fixed Assets

The movements of fixed assets are shown in Note 10 and 11 to the accounts.

Employees

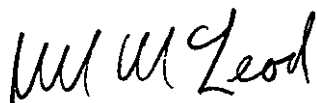
Bowater Packaging recognises the mutual benefits of communication, consultation and employee involvement at all levels. Each business has developed a communication network appropriate to its needs and there is no fixed pattern of style. During the last 12 months we have continued the flow of information to our employees and efforts are being made to improve the consultative process.

Disabled persons are employed and trained whenever their aptitudes allow and suitable vacancies are available. Where an employee becomes disabled an attempt is made to continue his or her employment and to arrange appropriate retraining or transfer if necessary.

Auditors

Ernst and Young have expressed their willingness to continue in office as Auditors.

By order of the Board.



I. M. McLeod
Secretary.

31 MAY 1995

Bowater Packaging Limited

Year Ended 31st December 1994

Directors Responsibilities

Preparation of the Accounts

This statement, which should be read together with the Report of the Auditors set out below, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the Auditors in relation to the accounts.

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that it is appropriate to use the going concern basis in preparing the accounts on pages 4 to 19. Appropriate accounting policies have been used, consistently applied and supported by reasonable and prudent judgements and estimates and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enables them to ensure that the accounts comply with the Companies Act 1985.

The directors 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 to the Members of Bowater Packaging Limited

We have audited the accounts on pages 4 to 19 which have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and long leaseholds and on the basis of the accounting policies set out on pages 7 and 8.

Respective Responsibilities of Directors and Auditors

As described above the Company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

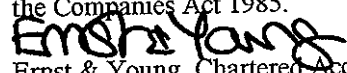
Basis of Opinion

We conducted an audit with Auditing Standards issued by the Auditing Practices Board. The audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 on the information in the accounts.

Opinion

In our opinion, the accounts give a true and fair view of the state of affairs of the Company as at 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young, Chartered Accountants, Registered Auditor, London.

Bowater Packaging Limited
Year Ended 31st December 1994

Profit and Loss Account

		1994		1993	
	Note	£'000	£'000	£'000	£'000
Turnover					
Continuing		317,878		297,050	
Discontinued		-		1,331	
	(3)		317,878		298,381
Operating Expenses	(4)		285,411		268,740
Operating Profit					
Continuing		32,467		29,432	
Discontinued		-		209	
Operating Profit			32,467		29,641
Profit on sale of discontinued operations	(5)		-		788
Income from Group Undertakings			6,621		5,039
Interest - payable	(6)		(8,577)		(8,525)
Interest - receivable	(6)		758		767
Profit on Ordinary Activities before Taxation			31,269		27,710
Taxation	(7)		(2,225)		(2,014)
Profit for the financial year			29,044		25,696
Dividends			(19,147)		(47,093)
Transfer to Reserves	(22)		9,897		(21,397)

Bowater Packaging Limited
Year Ended 31st December 1994

Balance Sheet as at 31st December

	Note	1994 £'000	1993 £'000
Fixed Assets			
Tangible Assets	(10)	119,351	105,925
Investments	(11)	161,110	151,118
		<hr/>	<hr/>
		280,461	257,043
Current Assets		<hr/>	<hr/>
Stocks	(12)	31,526	22,017
Debtors	(13)	73,665	64,187
Properties surplus to requirements		1,145	1,713
Cash at bank and in hand		20,467	16,049
		<hr/>	<hr/>
		126,803	103,966
Creditors			
Amounts falling due within 1 year	(14)	(118,744)	(81,099)
		<hr/>	<hr/>
Net Current Assets		8,059	22,867
		<hr/>	<hr/>
Total Assets less Current Liabilities		288,520	279,910
Creditors			
Amounts falling due after more than 1 year	(14)	(97,101)	(98,388)
Provision for liabilities and charges	(17)	(513)	(483)
Deferred Income		(937)	(967)
Deferred Tax	(18)	(2,424)	(2,424)
		<hr/>	<hr/>
		187,545	177,648
		<hr/>	<hr/>
Capital and Reserves			
Equity Share Capital	(19)	8,833	8,833
Equity Reserves			
Share Premium	(20)	121,146	121,146
Revaluation Reserve	(21)	10,173	10,329
Profit and Loss Account	(22)	47,393	37,340
		<hr/>	<hr/>
		187,545	177,648
		<hr/>	<hr/>

Approved by a Board Resolution dated



D. E. A. Jones

31 MAY 1995

Bowater Packaging Limited
Year Ended 31st December 1994

Statement of Total Recognised Gains and Losses

	1994 £'000	1993 £'000
Profit for the financial year	29,044	25,696
Unrealised surplus on revaluations of properties	-	745
	<u>29,044</u>	<u>26,441</u>
Total recognised gains and losses relating to the year	<u><u>29,044</u></u>	<u><u>26,441</u></u>

Reconciliation of Movements in Shareholders Funds

Profit for the financial year	29,044	25,696
Dividends	(19,147)	(47,093)
	<u>9,897</u>	<u>(21,397)</u>
New share capital subscribed	-	123,199
Surplus on revaluations of properties	-	745
	<u>9,897</u>	<u>102,547</u>
Net change in shareholders funds	177,648	75,101
At 1st January	<u>187,545</u>	<u>177,648</u>
At 31st December	<u><u>187,545</u></u>	<u><u>177,648</u></u>

Note of Historical Cost Profits and Losses

Reported profit on ordinary activities before taxation	31,269	27,710
Realisation of property revaluation gains	-	1,056
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	156	157
	<u>31,425</u>	<u>28,923</u>
Historical cost profit on ordinary activities before taxation	<u><u>31,425</u></u>	<u><u>28,923</u></u>
Historical cost profit for the year retained after taxation and dividends	<u><u>10,053</u></u>	<u><u>(20,184)</u></u>

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

1. Accounting Policies

Basis of Preparation

The Accounts are prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings and long leaseholds, and in accordance with applicable accounting standards.

Cash Flow Statement

As the Company is a wholly owned subsidiary undertaking of Bowater plc which has prepared a cash flow statement in accordance with FRS1, the Company has not prepared a cash flow statement.

Turnover

Turnover is defined as the net amount receivable (excluding VAT) for goods supplied and services provided and includes sales to fellow subsidiary undertakings.

Interest

Interest is recorded in the profit and loss account on an accruals basis, except where it relates to payments made over an extended period of development of large capital projects. Such interest is added to the capital cost and amortised over the effective lives of those projects.

Tangible Fixed Assets

Tangible assets are stated at cost or valuation. Depreciation is calculated to write-off the book value of tangible assets over their expected lives by equal annual instalments, except that depreciation is not provided on freehold land or assets under construction.

Tangible assets are depreciated at the following rates:

Freehold buildings	2%
Long Leasehold Property	2%
Short Leasehold Property	Life of Lease
Plant, Machinery & Vehicles	5% to 50%

Investment Grants

Investment grants and regional development grants are credited to the profit and loss account at rates reflecting the expected life of the relevant assets, depreciation having been provided on the cost of assets before deducting grants. Other grants are credited to the profit and loss account to offset the matching expenditure.

Stocks

Stocks are stated at the lower of cost, including production overheads, and net realisable value.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the year end. Differences arising from fluctuations in exchange rates are taken to profit and loss account where they relate to items of a trading nature.

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

Deferred Taxation

Deferred taxation is provided at appropriate rates on any significant timing differences between accounting and taxable profits, except where it can be demonstrated with reasonable probability that a tax liability is unlikely to crystallise in the foreseeable future.

Leases

Assets acquired under finance leases are capitalised and the capital element of outstanding lease rentals is included in creditors. Operating lease rentals are charged in the profit and loss account on a straight line basis.

Pensions

The expected cost of providing pensions in respect of defined benefit schemes is charged to the profit and loss account over the estimated service lives of the employees in the schemes.

Properties Surplus to Requirements

Properties held for disposal are included in current assets at the lower of cost or net realisable value.

Research and Development

Research and development expenditure is written-off as incurred.

2. Ultimate Parent Undertaking

The ultimate parent undertaking is Bowater plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the Annual Report and Accounts of Bowater plc can be obtained by writing to Bowater plc, Bowater House, Knightsbridge, London, SW1X 7NN.

3. Turnover	1994 £'000	1993 £'000
By destination		
United Kingdom	280,723	260,302
Europe (Continental)	33,309	32,949
Americas	1,183	1,588
Asia	2,155	1,949
Australasia	279	656
Africa	229	937
	<hr/>	<hr/>
	317,878	298,381
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All of the Company's turnover and profit before taxation arises from the manufacture and sale of packaging materials. All of the company's operating assets are used for this purpose. All turnover and profit before taxation originates in the UK and all net assets are located in the UK.

Bowater Packaging Limited
Year Ended 31st December 1994 : Notes to the Accounts

	1994 £'000	1993 £'000
4. Operating Expenses		
Raw materials	162,714	151,136
Employee costs (Note 8)	84,110	78,418
Depreciation - owned	11,269	10,026
Depreciation - leased	2,167	2,191
Other operating charges	37,789	38,235
Research and development	634	709
Change in stocks of finished goods and work in progress	(3,461)	(2,827)
Own work capitalised	(466)	(755)
Government grants	(125)	(130)
Other operating income	(9,220)	(8,263)
	<u>285,411</u>	<u>268,740</u>
Other operating charges include		
Operating lease rentals - equipment	1,112	1,093
Operating lease rentals - other	1,588	1,651
Hire of plant, machinery and computers	802	580
Auditors remuneration	238	236
	<u> </u>	<u> </u>

The analysis of 1993 operating expenses for continuing and discontinued businesses is as follows:

	1993 £'000 Discontinued	1993 £'000 Continuing	1993 £'000 Total
Other Operating Income	-	(8,393)	(8,393)
Raw Materials	653	150,483	151,136
Other Operating Costs	184	35,178	35,362
Employee Costs	269	78,149	78,418
Depreciation	16	12,201	12,217
	<u>1,122</u>	<u>267,618</u>	<u>268,740</u>

Bowater Packaging Limited
Year Ended 31st December 1994 : Notes to the Accounts

5. Exceptional Item

The exceptional profit arose from the disposal of the Medical Packaging business.

6. Interest

	1994 £'000	1993 £'000
<i>Payable:</i>		
Long term loan - third party	2,172	-
Long term loan - ultimate parent undertaking	4,890	7,618
Finance Leases	149	329
Other short term borrowing:		
Fellow subsidiary undertakings	1,588	726
Other third party	-	94
Capitalised interest	(222)	(242)
	<hr/> 8,577	<hr/> 8,525
	<hr/> <hr/>	<hr/> <hr/>

Receivable:

Third party	580	434
Fellow subsidiary undertakings	178	333
	<hr/> 758	<hr/> 767
	<hr/> <hr/>	<hr/> <hr/>

7. Taxation

Corporation tax at 33%	5,466	5,621
Tax on franked investment income	250	330
Advance corporation tax surrendered by ultimate parent undertaking	(3,416)	(3,937)
Adjustment to prior years	(75)	-
	<hr/> 2,225	<hr/> 2,014
	<hr/> <hr/>	<hr/> <hr/>

8. Employees

a) Employee costs:

Wages and salaries	74,375	69,145
Social Security costs	6,358	5,881
Other pension costs	3,377	3,392
	<hr/> 84,110	<hr/> 78,418
	<hr/> <hr/>	<hr/> <hr/>

Bowater Packaging Limited
Year Ended 31st December 1994 : Notes to the Accounts

b) Pensions

The majority of employees belong to the Bowater Employee Benefit Plan, a pension scheme of the defined benefit type. The charge in these accounts represents contributions paid to the scheme.

The charge does not take full account of the surplus disclosed in the scheme by the last actuarial valuation which was carried out as at 6th April 1994 and details of which are disclosed in the consolidated accounts of Bowater plc. The prepayment arising in respect of the group as a whole under the scheme is also disclosed in those accounts.

c) Weekly average number of employees	1994	1993
Operatives	3,472	3,205
Staff	1,191	1,342
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	4,663	4,547
	<hr/>	<hr/>

9. Emoluments of Directors	1994	1993
	£'000	£'000
Directors emoluments including pension contributions by the company	596	494
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Directors emoluments excluding pension contributions:

Highest paid Director	139	112
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Directors received emoluments within the ranges stated below:

Nil - 5,000	1	-
95,001 - 100,000	1	2
105,001 - 110,000	-	1
110,001 - 115,000	-	1
130,001 - 135,000	1	-
135,001 - 140,000	2	-

Bowater Packaging Limited
Year Ended 31st December 1994 : Notes to the Accounts

10. Tangible Assets

	Land and Buildings	Plant, Machinery and Vehicles	Assets under Construction	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
1st January 1994	43,670	139,863	1,202	184,735
Additions/Reclassifications	7,342	16,953	2,132	26,427
Disposals	(125)	(4,323)	-	(4,448)
Transfers	-	2,471	-	2,471
31st December 1994	50,887	154,964	3,334	209,185
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
1st January 1994	1,541	77,269	-	78,810
Charge for the year	928	12,508	-	13,436
Disposals	(3)	(4,027)	-	(4,030)
Transfers	-	1,618	-	1,618
31st December 1994	2,466	87,368	-	89,834
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book amounts				
31st December 1994	48,421	67,596	3,334	119,351
31st December 1993	42,129	62,594	1,202	105,925

Bowater Packaging Limited
Year Ended 31st December 1994 : Notes to the Accounts

10. Tangible Assets (continued)

Net Book Amounts	1994 £'000	1993 £'000
Freeholds	45,042	38,785
Long leaseholds	1,158	1,377
Short leaseholds	2,221	1,967
	<u>48,421</u>	<u>42,129</u>
Finance lease - plant and machinery	<u>8,244</u>	<u>10,429</u>
<i>All freehold and long leasehold land and buildings were revalued at 31st December 1992</i>		
Revalued land and buildings at historic cost at 31st December	<u>19,328</u>	<u>19,328</u>
Accumulated depreciation based on cost as at 31st December	<u>5,151</u>	<u>4,828</u>
Value of land not subject to depreciation		
Costs as at 31st December	<u>23,528</u>	<u>17,539</u>
Interest capitalised in net book value is £554,000 (1993 : £332,000)		

11. Investments

Investments in subsidiary undertakings

Shares		
At 1st January	151,118	138,744
Acquisitions	9,992	12,692
Disposals	-	(318)
At 31st December	<u>161,110</u>	<u>151,118</u>

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

11. Investments (continued)

The subsidiary undertakings at 31st December 1994 which, unless otherwise stated are wholly owned are as follows:

Bowater Containers North West Ltd
Bowater Containers North East Ltd
Bowater Containers Scotland Ltd
Bowater Containers South East Ltd
Bowater Containers South West Ltd
Bowater Containers Heavy Duty Ltd
Polyfabrik Ltd
Bowater PKL Ltd (70%)
Bowater Liquid Packaging Ltd
Bowater Polysystems Ltd
Bowater Foil and Paper Products Ltd
Bowater Drums Ltd
Bowater Bulk Packaging Ltd
John Dunhill & Co. Ltd
Chapman Packaging Ltd
John Horn Ltd
McCorquodale Scotland Ltd
Causton Cartons Ltd
Bowater Labels Ltd
Viking Packaging Ltd
Sevon Holdings Ltd
Sevon Recycling Ltd
Ledbury Packaging Ltd
Camvac (Europe) Ltd
Harcostar Ltd
Welton Packaging Ltd
Mulox IBC Ltd
DRG Medical Packaging Ltd
DRG Medical Packaging Supplies Flexpak Ltd
DRG Medical Packaging Supplies Ltd
DRG Medical Packaging Supplies Malago Ltd
DRG Plastics Ltd
DRG Rexham Ltd
J. Arthur Dixon Ltd
TBS Engineering Ltd
Ken Stokes Printing Ltd

All subsidiary undertakings are registered in England and Wales and are involved in the manufacture and sale of packaging materials. Group accounts have not been prepared since the company is a subsidiary undertaking of a company established under the law of a member state of the European Community. Group accounts have been filed by the parent undertaking, Bowater plc.

The Directors are of the opinion that the aggregate value of its investments in subsidiary undertakings, which are stated at cost, is not less than the balance sheet amount.

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

12. Stocks	1994 £'000	1993 £'000
Raw materials	13,578	7,485
Work in progress	5,980	3,993
Finished products	9,734	8,260
Wholesaling and merchanting goods	2,234	2,279
	<u>31,526</u>	<u>22,017</u>
 13. Debtors		
<i>Receivable within 1 year</i>		
Trade debtors	59,935	50,667
Amount due from fellow subsidiary undertakings	3,166	5,618
Amount due from subsidiary undertakings	778	2,732
Other debtors	4,158	2,984
Dividends from subsidiary undertakings	5,628	2,186
	<u>73,665</u>	<u>64,187</u>
 14. Creditors		
<i>Amounts falling due within one year</i>		
Loan capital (Note 16)	28,238	472
Obligations under finance leases (Note 15)	1,136	1,701
Trade creditors	55,602	43,079
Amount due to ultimate parent undertaking	1,386	-
Amount due to fellow subsidiary undertakings	1,265	2,175
Amount due to subsidiary undertakings	-	4,654
Taxation	2,383	1,791
Indirect taxation and Social Security	4,434	4,747
Fixed asset creditor	2,122	2,382
Other creditors	6,945	7,621
Dividends	15,233	12,477
	<u>118,744</u>	<u>81,099</u>

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

14. Creditors (continued)	1994 £'000	1993 £'000
<i>Amounts falling due after more than 1 year:</i>		
Loan capital (Note 16)	97,000	97,000
Obligations under finance leases (Note 15)	101	1,388
	<u>97,101</u>	<u>98,388</u>
	<u><u>97,101</u></u>	<u><u>98,388</u></u>
 15. Lease Obligations		
<i>Obligations under finance leases are payable</i>		
Within 1 year	1,136	1,701
Between 2 and 5 years	101	1,388
	<u>1,237</u>	<u>3,089</u>
	<u><u>1,237</u></u>	<u><u>3,089</u></u>
 <i>Operating lease rental payable in 1995 relate to commitments expiring</i>		
Land and buildings:		
Within 1 year	414	6
Between 2 and 5 years	331	-
After 5 years	999	1,765
	<u>1,744</u>	<u>1,771</u>
	<u><u>1,744</u></u>	<u><u>1,771</u></u>
 <i>Other</i>		
Within 1 year	215	54
Between 2 and 5 years	388	364
After 5 years	92	18
	<u>695</u>	<u>436</u>
	<u><u>695</u></u>	<u><u>436</u></u>
 16. Loan Capital		
<i>Unsecured loans from fellow subsidiary undertakings and subsidiary undertakings having no fixed rate of interest.</i>		
Payable within 1 year	28,238	472
Payable between 2 and 5 years	17,000	97,000
<i>Third party</i>		
Unsecured loan repayable 2009 with a fixed interest rate of 10.22%	80,000	-
	<u>125,238</u>	<u>97,472</u>
	<u><u>125,238</u></u>	<u><u>97,472</u></u>

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

17. Provisions for Liabilities and Charges	1994 £'000	1993 £'000
At 1st January	483	752
Provided	366	587
Utilised	(336)	(773)
Released	-	(83)
At 31st December	513	483
Provisions comprise:		
Reorganisation costs	110	100
Other	403	383
	513	483

18. Deferred Tax

Provision for deferred tax

At 1st January	2,424	-
Acquired from subsidiary and fellow subsidiary undertakings	-	2,424
At 31st December	2,424	2,424

The full potential deferred tax calculated at the long term corporation tax rate of 33% is as follows:

Capital allowances in excess of depreciation	11,581	9,406
Short term timing differences	1,182	194
	12,763	9,600

No provision has been made for additional taxation which would accrue if revalued properties were to be disposed of since it is not the intention to dispose of any of the properties at the present time.

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

19. Equity Share Capital	1994 £'000	1993 £'000
Ordinary shares of £1 each		
Authorised	10,000	10,000
	<hr/>	<hr/>
Allotted, called up and fully paid	8,833	8,833
	<hr/>	<hr/>
20. Share Premium		
At 1st January	121,146	-
Shares issued	-	121,146
	<hr/>	<hr/>
At 31st December	121,146	121,146
	<hr/>	<hr/>
21. Revaluation Reserve		
At 1st January	10,329	10,797
Movement	-	745
Transfer to profit and loss account reserve	(156)	(1,213)
	<hr/>	<hr/>
At 31st December	10,173	10,329
	<hr/>	<hr/>
22. Profit and Loss Account		
At 1st January	37,340	57,524
Balance from Profit and Loss Account	9,897	(21,397)
Transfer from revaluation reserve	156	1,213
	<hr/>	<hr/>
At 31st December	47,393	37,340
	<hr/>	<hr/>

Bowater Packaging Limited

Year Ended 31st December 1994 : Notes to the Accounts

23. Capital Expenditure Commitments	1994	1993
	£'000	£'000
For which contracts have been placed	8,200	2,674
Authorised but not contracted	9,043	10,348

24. Contingent Liabilities

As a member of the Bowater United Kingdom Group for VAT purposes the Company has joint and several liabilities for all amounts due to Customs and Excise under this arrangement.