



Smurfit Kappa Foundation

**(A company limited by guarantee and
not having a share capital)**

Directors' Report and Financial Statements

for the year ended 31 December 2015

SMURFIT KAPPA FOUNDATION

DIRECTORS' REPORT AND FINANCIAL STATEMENTS for the financial year ended 31 December 2015

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SMURFIT KAPPA FOUNDATION

COMPANY INFORMATION

DIRECTORS

Gerard Fagan, Chairman
Marie Barrett
Gianluca Castellini
Juan Guillermo Castaneda
Jim Fitzharris, (appointed 28 January 2016)

SECRETARY

Jim Fitzharris

REGISTERED OFFICE

C/o Smurfit Kappa Group
Beech Hill
Clonskeagh
Dublin 4

COMPANY REGISTRATION NUMBER

504110

REGISTERED CHARITY NUMBER

CHY 19867

SOLICITORS

William Fry
2 Grand Canal Square
Dublin 2

BANKERS

Danske Bank
International House
3 Harbourmaster Place
IFSC
Dublin 1

Bank of Ireland
University Branch Montrose
Stillorgan Road
Dublin 4

AUDITORS

Ernst & Young
Chartered Accountants
Harcourt Centre
Harcourt Street
Dublin 2

CHAIRMAN'S FOREWORD

I, together with the Board of Directors have the pleasure in presenting the Directors' Report and Financial Statements for the year ended 31 December 2015.

Smurfit Kappa Foundation ('the Foundation') was formed in 2011 and supports sustainable projects in the countries where Smurfit Kappa Group has the privilege to operate, with the initial focus being on projects involving disadvantaged children in the areas of health and nutrition, basic care and early education. In 2015, the Foundation supported 10 such charities – we have continued to support projects in Ireland, UK, Netherlands, Mexico and we have also funded projects in Italy, Argentina and Chile which you can read about below.

PROJECTS FUNDED IN 2015

1. Barnardos service in Knocknaheeny, Co. Cork, Ireland, is a prevention and early intervention initiative aimed at supporting children in disadvantaged areas to achieve better social and educational outcomes by adopting a lifecycle approach of working with children and their families. The service provides a supportive framework for children's development and learning through the ages. The funding that Smurfit Kappa Foundation is providing will enable Barnardos to ensure that the service in Knocknaheeny continues to benefit the children and families who need support.
2. The Smurfit Kappa Foundation partnered with Smurfit Kappa Mexico as part of their social responsibility programme to create a link with the local Cerro Gordo community in Mexico by establishing a community centre in an area where no green areas are available and there is no possibility of sporting activities for the children of the area. The project has three key aims;
 - The development of a health and sports culture within the children of the community.
 - Create a link with the schools and the community.
 - Lead children away from crime by promoting sportsmanship, fitness and competition as fundamental parts of a healthy lifestyle.
3. La Casita Project Mexico seeks to create a therapy centre that will provide learning to young children who suffer from developmental problems. It will provide them with better learning opportunities, while also improving their attention span and motor skills during the early years of their lives in order to help them adapt to a normal way of life.
4. Fior di Loto (in partnership with Smurfit Kappa Italy), has implemented a project 'Il Gioco' which provides innovative therapy to children aged between 6 and 11 with mental disabilities and other developmental challenges. The project aim is to improve communication skills and self-confidence while also developing the knowledge and ability to live within a community. Funding was provided to expand the therapy centre by refurbishing a building with facilities and appropriate equipment namely laboratories, gym, canteen and other general facilities.

CHAIRMAN'S FOREWORD (continued)

5. The Pilares Foundation, Argentina, works with families living in shanty towns and their mission is to promote their personal development based on five pillars: health, education, work, social security and housing. The foundation required funds to finish the construction of an 'early childhood centre' for young children and families with activities targeting stimulation, nutritional advice and health care. The centre will benefit 75 families.
6. The Merseyside Forest - one of the UK's largest community forests with over 9 million trees planted so far, will work with children's centres and schools in deprived areas of Merseyside and Cheshire to deliver forest school education programmes. These help children to engage with the natural environment through natural play, mindfulness and adventure skills. These children very often live within inner city urban areas with limited access to green space.
7. The Irish Youth Foundation is partnering with the Musical Youth Foundation to offer disadvantaged children the benefits of a musical education. The Irish Youth Foundation's mission is to financially support projects and programmes that make a positive difference to children facing adversity in their lives.
8. Make-A-Wish International aims to give a moment of happiness to children battling life-threatening illnesses in order to enrich their lives and that of their families. Smurfit Kappa Foundation gave funding to that organisation's branch in Chile thereby enabling 30 such children and their families to have their greatest wish fulfilled.
9. The Richard Krajicek Foundation has committed itself to establishing playgrounds in disadvantaged urban areas in the Netherlands. The programme has proven to be a highly effective method to give children from disadvantaged neighbourhoods an opportunity to receive additional education. In exchange for their study fee, volunteers commit themselves for a minimum of 100 hours of voluntary work in their neighbourhood.
10. The Smurfit Kappa Foundation continued to support the Book Share Project in Nechells, Birmingham, UK. Children from that area have been involved in the Book Share Project which has been managed by a local charity, 'POD' in Nechells, for a number of years. This project provided one book per month to each of the children. The children read and enjoy the books with their parents, and can also build a library of books at home. We also worked with POD Nechells to provide a library of books in the school for older children so that they too continue to enjoy reading as they progress through the other classes.

SMURFIT KAPPA FOUNDATION

CHAIRMAN'S FOREWORD (continued)

A number of other projects are under active consideration for 2016 and some have already been approved. We hope to continue our geographical expansion in the coming years.

HOW TO APPLY FOR FUNDS

Please visit 'www.smurfitkappafoundation.com' to learn more about the projects we support and how to apply for funding. The process is quite simple and all applications are welcome, provided they comply with the conditions and are in line with the initial focus of the Foundation, that is, projects which involve young disadvantaged children in the areas of health and nutrition, basic care and early education.

We are particularly interested in projects in which Smurfit Kappa Group employees or their families are involved and where they would benefit from support from our Foundation. Any support we give is in addition to and not a substitute for funding such projects might already receive from the local Smurfit Kappa Group operations.

We are looking forward to hearing from you soon and helping to support projects in your region.



Gerard Fagan

Chairman

Dublin, Ireland

Date: 26 September 2016

SMURFIT KAPPA FOUNDATION

DIRECTORS' REPORT

The directors present herewith their report together with the audited financial statements for the year ended 31 December 2015. The directors confirm that the director's report and financial statements comply with the current statutory requirements of the company's governing documents.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Smurfit Kappa Foundation (the 'Foundation') was established on 26 September 2011 as a company limited by guarantee and not having a share capital. At 31 December 2015, the Foundation had seven members who, in the event of a winding up, have guaranteed the liabilities of the Company up to a maximum of €1 each. This guarantee continues in force for one year after membership ceases.

The Foundation is recognised by the Revenue Commissioners as having registered charity status.

OBJECTIVES AND ACTIVITIES

The Foundation was created with the aim of supporting sustainable projects in the areas where Smurfit Kappa Group has the privilege to operate. The initial focus of the Foundation's activities is on projects involving young disadvantaged children in the areas of health and nutrition, basic care and early education. The Foundation is particularly interested in projects in which Smurfit Kappa employees or their families are involved and where they would benefit from support.

The directors acknowledge the support provided to the Foundation by Smurfit Kappa Group plc ("SKG").

ACHIEVEMENTS AND PERFORMANCE

The aim of the Foundation is to fund projects in the communities in which we operate, particularly those which are sustainable and focus on helping young and disadvantaged children through education. The Chairman's Foreword gives details of 10 projects supported in 2015 in seven different countries: four in Europe and three in The Americas. All of these conformed to our stated aims and mission.

FINANCIAL REVIEW

The statement of financial activities is as set out on page 11. The movement in total funds in the year is as follows:

Charity funds at 31 December 2014	€ 2,575,306
Net Income for the financial year	487,470
Charity funds at 31 December 2015	<u>3,062,776</u>

REFERENCE AND ADMINISTRATION DETAILS

Details included on page 2.

DIRECTORS' REPORT (Continued)

DIRECTORS AND SECRETARY

The current directors and secretary are as shown on page 2. On 28 January 2016, Brendan Tuohy resigned as director and was replaced by Jim Fitzharris on the same date. Neither the directors or secretary, nor their immediate families, had a material interest in any contract of significance in relation to the business of the Foundation at 31 December 2015.

RESEARCH AND DEVELOPMENT

The company did not engage in any research and development during the year.

ACCOUNTING RECORDS

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, regarding accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are maintained at the company's registered office which is c/o Smurfit Kappa Group, Beech Hill, Clonskeagh, Dublin 4.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider the greatest risk and uncertainty to be that the source of charitable donations will cease. The directors regularly review and assess this risk.

The sole current provider of funds to the Company is SKG. While SKG has contributed consistently since the formation of the Company in 2011, there can be no guarantee that this funding will continue indefinitely or at the same level. For this reason, the directors currently spend only 50% of the annual grant from SKG with the balance being held in reserve in the event of a change in the current funding arrangement.

POLITICAL DONATIONS

The company did not make any political donations during the year.

POST BALANCE SHEET EVENTS

There were no significant events affecting the company since the year end.

RELEVANT AUDIT INFORMATION

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the statutory auditors are unaware.

DIRECTORS' REPORT (Continued)

STATEMENT OF DIRECTORS RESPONSIBILITIES

The directors are responsible for preparing the Directors Report and the Financial Statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland). 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 assets, liabilities and financial position of the company as at the end of the financial year, and the profit or loss for the company for the financial year, and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

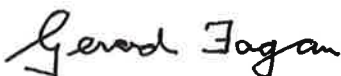
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the Financial Statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

AUDITORS

Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act, 2014.

On behalf of the board



Gerard Fagan
Director



Marie Barrett
Director

Date: 26 September 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMURFIT KAPPA FOUNDATION

We have audited the financial statements of Smurfit Kappa Foundation for the year ended 31 December 2015 which comprises the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 14. The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 7 and 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the 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 and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31 December 2015 and for its excess of income over expenditure for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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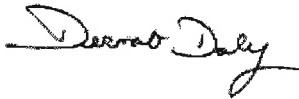
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMURFIT KAPPA FOUNDATION
(Continued)**

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of sections 305 to 312 of the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Dermot Daly
for and on behalf of Ernst & Young
Chartered Accountants and Statutory Audit Firm

Dublin

27 September 2016

SMURFIT KAPPA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

for the financial year ended 31 December 2015

	Note	2015 €	2014 €
Income from:			
Donations	2	1,000,000	1,000,000
Investments	3	8,942	9,835
Total Income		1,008,942	1,009,835
Expenditure on:			
Charitable activities	4	(516,538)	(911,618)
Administrative expenses	5	(4,934)	(5,047)
Total Expenditure		(521,472)	(916,665)
Net Income		487,470	93,170
Reconciliation of Funds			
Charity funds brought forward		2,575,306	2,482,136
Net Income		487,470	93,170
Charity funds carried forward		3,062,776	2,575,306

The company had no recognised gains and losses in either year other than those dealt with above and accordingly no statement of other comprehensive income has been prepared. All amounts above relate to continuing operations.

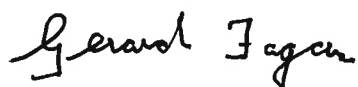
SMURFIT KAPPA FOUNDATION

BALANCE SHEET

at 31 December 2015

	Note	2015 Total Funds €	2014 Total Funds €
Current Assets			
Debtors	8	1,003,775	1,004,470
Cash at bank	9	2,063,921	1,575,756
Total current assets		3,067,696	2,580,226
Creditors: amounts falling due within one year	10	(4,920)	(4,920)
Net Current Assets		3,062,776	2,575,306
Total Assets less Current Liabilities		3,062,776	2,575,306
The Funds of the Charity			
Designated Funds	11	2,646,074	2,288,486
Undesignated Funds	11	416,702	286,820
Charity Funds		3,062,776	2,575,306

The notes on pages 14 to 19 form an integral part of these financial statements.



Gerard Fagan
Director



Marie Barrett
Director

Date: 26 September 2016

SMURFIT KAPPA FOUNDATION

CASH FLOW STATEMENT

for the financial year ended 31 December 2015

	2015	2014
	€	€
Cash flows from Operating Activities		
Net Cash flow provided by/(used in) operating activities	479,223	(922,759)
Cash Flows from Investing Activities		
Investment Income	8,942	9,835
Changes in Cash and Cash Equivalents for the reporting period	<u>488,165</u>	<u>(912,924)</u>
Reconciliation net income/(expenditure) to net cash inflow from operating activities		
Net income/(expenditure) for the reporting period	487,470	93,170
Investment Income	(8,942)	(9,835)
Decrease/(Increase) in other debtors	695	(1,001,174)
Decrease in creditors	-	(4,920)
Net Cash flow provided by/(used in) operating activities	<u>479,223</u>	<u>(922,759)</u>
Reconciliation of net cash flow to movement in net cash		
Cash at beginning of year	1,575,756	2,488,680
Net cash inflow/(outflow) for the year	488,165	(912,924)
Cash at end of year	<u>2,063,921</u>	<u>1,575,756</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Smurfit Kappa Foundation (the 'Foundation') was incorporated on 26 September 2011 as a company limited by guarantee and not having a share capital. The company's registered office is c/o Smurfit Kappa Group, Beech Hill, Clonskeagh, Dublin 4. The nature of the Foundation's operations are set out in the Chairman's Foreword on page 3. The entity financial statements have been prepared on the going concern basis and in accordance with applicable accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (Generally Accepted Accounting Practice in Ireland).

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise their judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 1.

Basis of preparation

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 the restatement of comparative items was required. There were no comparative adjustments required.

The financial statements cover the year ended 31 December 2015. They are presented in euro (€).

Incoming resources

Donations are recognised when the charity is entitled to the money and the amount receivable is virtually certain that it will be received and the income can be quantified with reasonable certainty. Income is shown gross before deduction of associated costs. No amounts are included for services donated by volunteers.

Resources expended

Expenditure is analysed between expenditure on charitable activities and administrative expenses. Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the expense items to which it relates.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2015 (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

Designated funds are those which are immediately available for use at the discretion of the directors in furtherance of the objectives of the Foundation. If part of a designated fund is earmarked for a particular project, it may be classified as a separate fund, but the classification has an administrative purpose only, and does not legally restrict the company's discretion to apply the fund. The Foundation sets aside half of the funding it receives each year for the future and ongoing life of the charity but the directors still have complete control over how it is spent. It also sets aside funding for projects it has already committed too.

Undesignated funds are those funds which have not been specifically committed at the balance sheet date.

Support costs

Support costs are those functions that assist the work of the company but do not directly undertake Charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's programmes and activities.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any, are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost. Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the company financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SMURFIT KAPPA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the financial year ended 31 December 2015 (Continued)

2. Income from donations	2015	2014
	€	€
Smurfit Kappa Group plc (2014)	-	1,000,000
Smurfit Kappa Group plc (2015)	1,000,000	-
	1,000,000	1,000,000
3. Investment Income	2015	2014
	€	€
Bank interest	8,942	9,835
4. Expenditure on Charitable Activities	2015	2014
<i>Charitable expenditure includes donations to:</i>	€	€
El Caracoli	-	250,000
Barnardos	100,000	100,000
Mexico Community Centre	88,486	
La Casita Mexico	73,194	-
Fior di Loto	60,000	-
Pilares	50,296	-
Merseyside Forest UK	50,000	-
Irish Youth Foundation Music Program	30,000	-
Make a Wish, International/Ireland	22,733	80,000
Richard Krajicek Foundation	22,500	37,500
Nechells POD Project	19,329	30,000
Fledglings	-	62,000
The Early learning Initiative	-	50,000
ISPCC	-	80,500
Stichting De Joris Kring	-	25,000
Lebenshilfe HPZ	-	50,443
Stichting Ark	-	10,000
ECL Foundation	-	75,000
Little hands that speak	-	61,175
	516,538	911,618

SMURFIT KAPPA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the financial year ended 31 December 2015 (Continued)

5. Governance and Support Costs	General Support €	Governance €	Total €
Charitable Activities 2015			
Bank fees	14	-	14
Auditors' remuneration	-	4,920	4,920
	14	4,920	4,934
Charitable Activities 2014			
Bank fees	127	-	127
Auditors' remuneration	-	4,920	4,920
	127	4,920	5,047

6. Directors Emoluments

The foundation does not pay any remuneration or expenses to the volunteer board of directors.

7. Taxation

As a result of the company's charitable status no charge to corporation tax arises.

8. Debtors	2015 €	2014 €
Donations receivable from Smurfit Kappa Group plc	1,000,000	1,000,000
Deposit Interest receivable	3,775	4,470
	1,003,775	1,004,470

All amounts are receivable within one year.

9. Cash at Bank	2015 €	2014 €
Cash on deposit	1,509,598	1,500,000
Cash and bank balance	554,323	75,756
	2,063,921	1,575,756

SMURFIT KAPPA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the financial year ended 31 December 2015 (Continued)

10. Creditors (amounts falling due within one year)	2015	2014
	€	€
Accruals	4,920	4,920
11. The Funds of the Charity	2015	2014
	€	€
Designated	2,646,074	2,288,486
Undesignated	416,702	286,820
Total funds	3,062,776	2,575,306
12. Designated Funds	2015	2014
	€	€
Funding - 50% set aside each year	2,500,000	2,000,000
Barnardos	100,000	200,000
Fior di Loto	30,000	-
Pilares	16,074	-
Cerro Gordo facility – Mexico (\$100,000)	-	88,486
Total designated funds	2,646,074	2,288,486

Smurfit Kappa Foundation has committed to donate a further €146,074 in 2016 to projects the directors have already agreed too. It also sets aside half of the funding received each year (€500,000) to ensure the future sustainability of the charity as set out above.

13. Related Party Transactions

The Foundation is a related party of its funder Smurfit Kappa Group plc.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

14. Movement in Charity Funds	2015	2014
	€	€
At the beginning of the year	2,575,306	2,482,136
Net income	487,470	93,170
At the end of the year	3,062,776	2,575,306

15. Approval of Financial Statements

The Board of Directors approved and authorised for issue the financial statements of the company in respect of the financial year ended 31 December 2015 on 26 September 2016.