

R Faerch Packaging Limited
(Registered Number 2307443)

Directors' Report And Accounts

31 December 1997



R Faerch Packaging Limited

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R Faerch Packaging Limited

Directors' Report

The directors present their report and accounts for the year ended 31 December 1997.

Results and Principal Activity

The company did not trade during the year and incurred neither profit nor loss.

In the opinion of the Directors the annexed accounts give a fair view of the business position at the end of the year.

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 and loss of the Company 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;
- state whether applicable 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 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 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.

Directors

The directors who served during the year were as follows:

J Iannidinardo

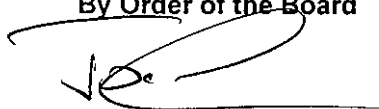
H L Kusch

PM Andersen (appointed 25 March 1997)

Directors' Interest

The directors have no interests which are required to be recorded in the register maintained by the company under Section 325 of the Companies Act 1985.

By Order of the Board



J Iannidinardo

13 February 1998

Price Waterhouse



Auditors' Report to the Shareholders of R Faerch Packaging Limited

We have audited the financial statements on pages 3 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 1 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 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse
Chartered Accountants
and Registered Auditors

13 February 1998

R Faerch Packaging Limited

Profit and Loss Account For the Year Ended 31 December 1997

The Company did not trade during the year and therefore incurred neither profits or losses.

Statement of Total Recognised Gains and Losses

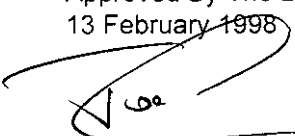
There were no recognised gains or losses in the year to 31 December 1997.

R Faerch Packaging Limited

Balance Sheet as at 31 December 1997

	1997 £	1996 £
Current Assets		
Debtors (Note 3)	20,000	20,000
	20,000	20,000
Creditors - Amounts Falling Due Within One Year	-	-
Net Current Assets	20,000	20,000
Creditors - Amounts Falling Due After More Than One Year	-	-
Net Assets	20,000	20,000
Capital And Reserves		
Called up share capital (Note 4)	20,000	20,000
Shareholders' Funds (Note 2)	20,000	20,000

Approved By The Board
13 February 1998



J Iannidinardo
Director

R Faerch Packaging Limited

Notes to the Accounts - Year Ended 31 December 1997

1 Accounting Policies

The accounting policies adopted by the company are as follows:

(1) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

2 Result for the Year

The Directors did not receive any emoluments in their capacity as Directors of R Faerch Packaging Limited.

The company has no employees (1996: nil)

The auditors' remuneration is borne by the parent company, Harrison Europac Limited.

There was no movement in shareholders funds during the year.

3 Debtors

	1997 £	1996 £
Due within one year:		
Amounts due from group undertakings	20,000	20,000

4 Share Capital

	1997 £	1996 £
Authorised:		
20,000 Ordinary shares of £1 each	20,000	20,000
Allotted and fully paid:		
20,000 Ordinary shares of £1 each	20,000	20,000

5 Ultimate Parent Undertaking

The company is a wholly owned subsidiary of Harrison Europac Limited a company incorporated in Great Britain. Group accounts are available from the Registrar of Companies.

The directors regard Faerch Holding A/S, a company incorporated in Denmark, as the ultimate parent undertaking. Faerch Holding A/S is 100% controlled by the Faerch family.

Group accounts are available from Faerch Holding A/S, Rasmus Faerchs vej 1, Postbox 1040, 7500 Holstebro, Denmark.