

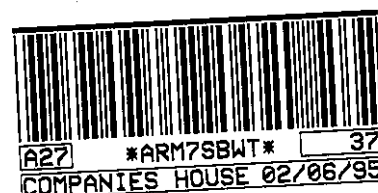
R FAERCH PACKAGING LIMITED

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 1994

(Registered number 2307443)

PANNELL KERR FORSTER
Chartered Accountants



R FAERCH PACKAGING LIMITED
(Registered number 2307443)
ANNUAL REPORT
YEAR ENDED 31 DECEMBER 1994

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**R FAERCH PACKAGING LIMITED
DIRECTORS' REPORT**

The directors present their report with the audited financial statements for the year ended 31 December 1994, which show the state of the company's affairs.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The business of the company was transferred to its parent on 4 January 1994 and the company has therefore not traded during 1994.

CHANGE OF NAME

On 14 February 1994 the company changed its name from Harrison Europac Limited to R Faerch Packaging Limited.

RESULTS, DIVIDENDS AND RETENTIONS

A dividend of £62,904 was paid during the year which leaves nil reserves to carry forward.

DIRECTORS

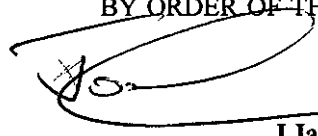
The directors who served during the year were as follows:

J Iannidinardo
J Faerch
H L Küsch

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
Secretary

..... 1/3 1995
1/3

R FAERCH PACKAGING LIMITED
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 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
R FAERCH PACKAGING LIMITED**

We have audited the financial statements on pages 4 to 10 which have been prepared under the accounting policies set out on page 6.

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.

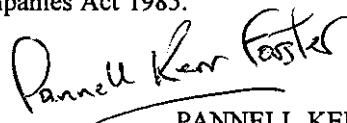
Basis of opinion

We conducted our audit in accordance with Auditing Standards. 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 affairs of the company as at 31 December 1994 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PANNELL KERR FORSTER

Chartered Accountants

Registered Auditors

London

.....24 May..... 1995

R FAERCH PACKAGING LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
Turnover	2	-	7,414,092
Cost of sales		-	(7,027,498)
		<hr/>	<hr/>
Gross profit		-	386,594
Administration expenses		-	(350,284)
		<hr/>	<hr/>
		-	36,310
Interest receivable		-	118
Interest payable	4	-	(6,907)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	5	-	29,521
Tax on profit on ordinary activities	6	-	9,123
		<hr/>	<hr/>
Profit on ordinary activities after taxation		-	20,398
Dividend paid	7	62,904	16,885
		<hr/>	<hr/>
(Loss)/retained profit for the year	12	(62,904)	3,513
		<hr/>	<hr/>

All amounts relate to discontinued operations.

The company has no recognised gains or losses other than the result for the year.

R FAERCH PACKAGING LIMITED
BALANCE SHEET
31 DECEMBER 1994

		<u>1994</u>	<u>1993</u>
	<u>Notes</u>	£	£
FIXED ASSETS			
Tangible assets	8	-	44,381
CURRENT ASSETS			
Debtors	9	20,000	97,171
Cash at bank and in hand		-	18,178
		<u>20,000</u>	<u>115,349</u>
CREDITORS			
Amounts falling due within one year	10	-	(75,798)
			<u>39,551</u>
NET CURRENT ASSETS		<u>20,000</u>	<u>39,551</u>
CREDITORS			
Amounts falling due after more than one year	10	-	(1,028)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,000</u>	<u>82,904</u>
CAPITAL AND RESERVES			
Called up share capital	11	20,000	20,000
Profit and loss account	12	-	62,904
SHAREHOLDERS' FUNDS	13	<u>20,000</u>	<u>82,904</u>

Approved by the board on 1/3 1995

J Iannidinardo

Director

R FAERCH PACKAGING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

1 ACCOUNTING POLICIES

(a) Historical cost convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

(b) Depreciation

Fixed assets are written off over their estimated useful lives. The following annual rates of depreciation have been used:-

Fixtures & fittings	25%}	
Computer equipment	25%}	Straight line
Motor vehicles	25%}	

(c) Turnover

Turnover represents the invoiced value of sales excluding value added tax.

(d) Leases

Tangible fixed assets held under finance leasing agreements that give rights approximating to ownership are treated as if they had been purchased outright and the corresponding liability to the lessor is included as an obligation under finance leases.

Rental charges under operating leases are charged to the profit and loss account during the year in which they are incurred.

(e) Foreign currencies

Liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year. Normal fluctuation on trading items are dealt with as part of the trading result for the year.

(f) Deferred taxation

Deferred taxation is provided under the liability method, at the appropriate rate on differences which arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements, except where the effect of these differences is expected to continue in the foreseeable future.

(g) Pension costs

Payments made to defined contribution pension schemes are charged to the profit and loss account as they fall due.

R FAERCH PACKAGING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

	<u>1994</u>	<u>1993</u>
	£	£
2 TURNOVER		
The turnover arose from a single class of business and is analysed as follows:		
United Kingdom	-	7,363,399
Eire	-	50,693
	<hr/>	<hr/>
	-	7,414,092
	<hr/>	<hr/>
3 STAFF COSTS		
Wages and salaries	-	165,656
Social security costs	-	15,121
Other pension costs	-	20,919
	<hr/>	<hr/>
	-	201,696
	<hr/>	<hr/>
The average numbers employed by the company during the year was nil (1993 : 7).		
4 INTEREST PAYABLE		
Interest payable:		
Payable to group undertakings	-	2,683
Payable in respect of finance leases and hire purchase contracts, wholly repayable within five years	-	4,224
Bank interest payable	-	-
	<hr/>	<hr/>
	-	6,907
	<hr/>	<hr/>
5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
The profit on ordinary activities before taxation is stated after charging the following:-		
Depreciation of tangible fixed assets	-	22,079
Profit on disposal of fixed assets	-	2,196
Directors' emoluments - remuneration and pension contributions	-	47,930
Auditors remuneration	-	7,500
Operating lease payments - Land and buildings	-	18,149
	<hr/>	<hr/>

R FAERCH PACKAGING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

6

TAXATION

1994

£

1993

£

Taxation based on the profit for the year:

UK Corporation tax at 25%

Group relief payable

Adjustment in respect of previous years

-

-

-

8,400

1,363

(640)

-

9,123

7

DIVIDENDS

A dividend of £62,904 was paid during the year.

8

TANGIBLE FIXED ASSETS

Fixtures fittings

£

Computer equipment

£

Motor vehicles

£

Total

£

Cost

At 1 January 1994

Intercompany transfers

At 31 December 1994

Accumulated depreciation

At 1 January 1994

Intercompany transfers

At 31 December 1994

Net book value

At 31 December 1994

At 31 December 1993

19,216

(19,216)

-

14,378

(14,378)

-

-

4,838

25,422

(25,422)

-

17,804

(17,804)

-

-

7,618

55,494

(55,494)

-

23,569

(23,569)

-

-

31,925

100,132

(100,132)

-

55,751

(55,751)

-

-

44,381

R FAERCH PACKAGING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

9 DEBTORS	1994	1993
	£	£
Due within one year:		
Trade debtors	-	7,998
Amounts due from group undertakings	20,000	82,662
Other debtors	-	2,785
Prepayments and accrued income	-	3,726
	<hr/>	<hr/>
	20,000	97,171
	<hr/>	<hr/>
 10 CREDITORS		
Amounts falling due within one year:		
Obligations under finance and hire purchase contracts	-	12,151
Trade creditors	-	6,209
Other creditors	-	3,638
Amounts due to group undertakings	-	28,753
Taxation and social security	-	5,260
Corporation tax	-	8,400
Accruals and deferred income	-	11,387
	<hr/>	<hr/>
	-	75,798
	<hr/>	<hr/>
Amounts falling due after more than one year:		
Obligations under finance leases and hire purchase contracts	-	1,028
	<hr/>	<hr/>
 11 CALLED UP SHARE CAPITAL		
Authorised:		
Ordinary shares of £1 each	20,000	20,000
	<hr/>	<hr/>
Allotted and fully paid:		
Ordinary shares of £1 each	20,000	20,000
	<hr/>	<hr/>
 12 PROFIT AND LOSS ACCOUNT	£	
At 1 January 1994	62,904	
Loss for the year	(62,904)	
	<hr/>	
At 31 December 1994	-	
	<hr/>	

R FAERCH PACKAGING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

13 SHAREHOLDERS' FUNDS	<u>1994</u>	<u>1993</u>
	£	£
Reconciliation of movements in Shareholders' Funds		
Loss for the financial year	(62,904)	3,513
Balance at 1 January 1994	82,904	79,391
	<hr/>	<hr/>
Balance at 31 December 1994	20,000	82,904
	<hr/>	<hr/>

14 ULTIMATE PARENT UNDERTAKING

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

The directors regard R Faerch Handels og Industri AS, a company incorporated in Denmark, as the ultimate parent undertaking.

Group accounts are available from R Faerch Handels og Industri AS, Rasmus Faerchs vej 1, Postbox 1040, 7500 Holstebro, Denmark.