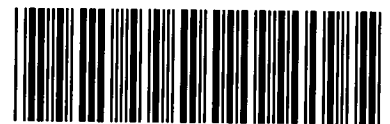


Company Registration No. 4346520

## **Graham Packaging European Services Limited**

Annual report and financial statements  
for the year ended 31 December 2013

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# **Graham Packaging European Services Limited**

## **Annual Report and financial statements for the year ended 31 December 2013**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Independent auditors' report	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

# **Graham Packaging European Services Limited**

## **Officers and professional advisers**

### **Directors**

F Afarian  
R Fernandez Del Carmen  
M Bundy  
J Hanks

### **Secretary**

TMF Corporate Administration Services Limited

### **Registered office**

5<sup>th</sup> Floor  
6 St Andrew Street  
London  
EC4A 3AE

### **Bankers**

National Westminster Bank plc  
Spring Gardens  
Manchester  
M60 2DB

### **Solicitors**

Myers Lister Price  
7 Market Street  
Altrincham  
Cheshire  
WA14 IQE

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Reading Central  
23 Forbury Road  
Reading  
RG1 3JH

# **Graham Packaging European Services Limited**

## **Directors' report for the year ended 31 December 2013**

The directors present their annual report and the audited financial statements for the year ended 31 December 2013.

Following elective resolutions made on 27 October 2004, the company is not required to hold an annual general meeting or lay financial statements before the company in such a meeting.

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

### **Principal activities**

The principal activity of the company is to provide employee services to other group companies. The directors do not expect this to change.

### **Review of developments and future prospects**

Details of the company's performance are given in the profit and loss account on page 6.

The profit on ordinary activities after taxation of £9,799 (2012: profit £9,163) has been transferred to reserves.

The directors expect a satisfactory performance from the company in the coming year. No dividend is proposed (2012: £nil)

### **Directors**

The following directors have held office during the year and up to the date of signing these financial statements unless otherwise stated below:

S Kolakowski	resigned 4/1/13
M S Burgess	resigned 4/1/13
F Afarian	
R Fernandez Del Carmen	
M Bundy	
J Hanks	

### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 state of affairs of the company and of the profit or loss of the company for that period. 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 applicable UK 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.

# **Graham Packaging European Services Limited**

## **Directors' report for the year ended 31 December 2013(continued)**

### **Directors responsibilities statement (continued)**

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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

### **Disclosure of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that they ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

### **Independent Auditors**

PricewaterhouseCoopers LLP has expressed their willingness to continue in office as auditors. Appropriate arrangements have been put into place for them to be deemed reappointed as auditors in the absence of an annual general meeting.

Approved by the Board of Directors  
and signed on behalf of the Board on 13 June 2014



F Afarian  
Director

# **Graham Packaging European Services Limited**

## **Independent auditors' report to the members of Graham Packaging European Services Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

#### **What we have audited**

The financial statements, which are prepared by Graham Packaging European Services Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Annual report (the "Annual Report") 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 other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Graham Packaging European Services Limited**

## **Independent auditors' report to the members of Graham Packaging European Services Limited (continued)**

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2-3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Steven Formoy (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
13 June 2014

## Graham Packaging European Services Limited

### Profit and loss accounts for the year ended 31 December 2013

		2013 £	2012 £
<b>Turnover</b>	3	<b>726,577</b>	692,884
Cost of sales		<b>(712,331)</b>	(679,298)
<b>Gross profit</b>		<b>14,246</b>	13,586
Administrative expenses		<b>(1,513)</b>	(1,449)
<b>Operating profit</b>	4	<b>12,733</b>	12,137
Interest receivable and similar income		<b>34</b>	-
<b>Profit on ordinary activities before taxation</b>		<b>12,767</b>	12,137
Tax charge on profit on ordinary activities	5	<b>(2,968)</b>	(2,973)
<b>Profit on ordinary activities after taxation</b>		<b>9,799</b>	9,163

The above results all derive from continuing activities.

There have been no recognised gains and losses attributable to the shareholders other than those included in the profit and loss account of the company for the current and prior years. Accordingly, no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical equivalents.



# Graham Packaging European Services Limited

## Balance sheet as at 31 December 2013

	Note	2013 £	2012 £
<b>Current assets</b>			
Debtors	6	27,802	177,934
Cash at bank and in hand		565,783	54,329
		<u>593,585</u>	<u>232,263</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(522,359)</u>	<u>(82,673)</u>
<b>Net current assets</b>		<u>71,226</u>	<u>149,590</u>
<b>Creditors: amounts falling due after more than one year</b>	8	<u>-</u>	<u>(388,063)</u>
<b>Net assets / (liabilities)</b>		<u>71,226</u>	<u>(238,473)</u>
<b>Capital and reserves</b>			
Called up share capital	9	300,000	100
Profit and loss account (deficit)	10	<u>(228,774)</u>	<u>(238,573)</u>
<b>Total shareholders' funds / (deficit)</b>	11	<u>71,226</u>	<u>(238,473)</u>

These financial statements on pages 6 to 12, were approved by the Board of Directors and authorised for issue on 13 June 2014

Signed on behalf of the Board of Directors

F Afarian  
Director



Registered company number: 4346520

# **Graham Packaging European Services Limited**

## **Notes to the financial statements for the year ended 31 December 2013**

### **1. Accounting policies**

#### **Accounting convention**

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### **Turnover**

Turnover represents amounts receivable for goods and services, net of VAT and trade discounts, and is recognised at the point at which the service is provided.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### **Cash flow statement and Related Party Disclosures**

The Company is a wholly-owned subsidiary of Graham Packaging Company L.P. and is included in the consolidated financial statements of that company which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 'Cash flow statement (revised 1996)'. The Company is also exempt under the terms of paragraph 3(c) FRS 8 'Related Party Disclosure' from disclosing related party transactions with entities that are part of the Group.

#### **Pensions**

The company contributes towards employees' private pensions. All payments are in respect of defined contribution schemes and are charged to the profit and loss account in the period to which they relate.

# Graham Packaging European Services Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 2. Information relating to directors and employees

The directors are remunerated by other group companies in respect of their services to the group as a whole and it is not possible to apportion this remuneration among the companies of the group.

#### Employee costs during the year:

	2013 £	2012 £
Wages and salaries	348,440	304,323
Social security costs	46,741	40,645
Other pension costs	26,215	25,027

#### Average monthly number of employees (including directors):

	2013 No	2012 No
Consultancy	7	8

### 3. Turnover

#### Geographical analysis of turnover by destination:

	2013 £	2012 £
Europe	610,207	692,884
USA	116,370	-
	<u>726,577</u>	<u>692,884</u>

All turnover is derived from the principal activity of the business.

### 4. Operating profit

	2013 £	2012 £
Operating profit is stated after charging		
Services provided by the company's auditor:		
- Audit Fees Payable	<u>3,000</u>	<u>5,000</u>

# Graham Packaging European Services Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 5. Tax on profit on ordinary activities

	2013 £	2012 £
<b>Corporation tax</b>		
Current tax charge	2,968	2,973
Total current tax charge	<u>2,968</u>	<u>2,973</u>
<b>Tax charge on profit on ordinary activities</b>	<u>2,968</u>	<u>2,973</u>

#### Factors affecting tax charge for the current year

The tax assessed for the year is equal (2012: equal) to the standard effective rate of corporation tax in the UK for the year ended 31 December 2013 of 23.25% (2012: 24.5%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before taxation	12,767	12,137
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	2,968	2,973
Current tax charge for the year	<u>2,968</u>	<u>2,973</u>

### 6. Debtors

	2013 £	2012 £
Amounts falling due within one year:		
Amounts owed by group undertakings	9,396	151,532
Other debtors	10,081	12,032
Prepayments and accrued income	8,325	14,370
	<u>27,802</u>	<u>177,934</u>

Amounts owed by fellow subsidiaries are unsecured, bear no interest and are repayable on demand.

## Graham Packaging European Services Limited

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 7. Creditors amounts falling due within one year

	2013 £	2012 £
Trade creditors	19,628	21,737
Amounts due to group undertakings	422,736	-
Taxation and social security	12,327	11,430
Corporation tax payable	1,334	651
Other creditors	4,221	-
Accruals and deferred income	62,113	48,855
	<u>522,359</u>	<u>82,673</u>

Amounts owed to fellow subsidiaries are unsecured, bear no interest and are repayable on demand.

#### 8. Creditors amounts falling due after more than one year

	2013 £	2012 £
Amounts owed to parent company	-	388,063
	<u>-</u>	<u>388,063</u>

#### 9. Called up share capital

	2013 £	2012 £
<b>Called up, allotted and fully paid</b>		
300,000 ordinary shares (2012: 100) of £1 each	<u>300,000</u>	<u>100</u>
<b>Shares issued in the year</b>		
299,900 ordinary shares (2012: 99) of £1 each	<u>299,900</u>	<u>99</u>

On 19 December 2013, 299,900 ordinary £1 shares were issued for cash. The nominal value of these shares was £299,900 and the consideration received was £299,900.

## Graham Packaging European Services Limited

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 10. Profit and loss account

	£
At 1 January 2013	(238,573)
Profit for the financial year	9,799
	<hr/>
At 31 December 2013 (deficit)	<u>(228,774)</u>

#### 11. Reconciliation of movements in shareholder's funds/(deficit)

	2013 £	2012 £
Profit for the financial year	9,799	9,163
Net proceeds of issue of ordinary shares	299,900	99
	<hr/>	<hr/>
Net addition to shareholder's funds	309,699	9,262
Opening shareholder's deficit	(238,473)	(247,735)
	<hr/>	<hr/>
Closing shareholder's funds / deficit	<u>71,226</u>	<u>(238,473)</u>

#### 12. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8 "Related Party Disclosures" for wholly owned subsidiaries not to disclose transactions with entities that are part of the same group.

#### 13. Ultimate controlling party

The immediate parent undertaking is Graham Packaging Company, L. P., a company incorporated in the United States of America.

The company's current ultimate parent company is Reynolds Group Holdings Limited, a company incorporated in New Zealand

The smallest and largest group into which Graham Packaging European Services Limited is consolidated is Reynolds Group Holdings Limited which prepares published consolidated financial statements. Copies of its consolidated financial statements can be obtained from Level Nine, 148 Quay Street, Auckland 1140, New Zealand.

The ultimate controlling party is Graeme Hart.