

Registered number: 05852158

Fiberweb US Holdings Limited

Report and financial statements
for the period ended 2 January 2016

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COMPANIES HOUSE

FIBERWEB US HOLDINGS LIMITED

Officers and professional advisers

Director

Jason Kent Greene
Mark William Miles
Jonathan David Rich

Secretary

Intertrust (UK) Limited

Registered office

Intertrust (UK) Limited
11 Old Jewry
7th Floor
London
EC2R 8DU

Auditor

Ernst & Young LLP
400 Capability Green
Luton, Bedfordshire, LU1 3LU

Strategic Report

The Directors present the Strategic Report on the affairs of the Company for the period 1 January 2015 to 2 January 2016. The accounting reference date changed from a calendar year to a 52 week period ended 2 January 2016 to align with the end of the reporting period of Berry Plastics Group, Inc.

Principal activity

During the period, the Company's principal activity was that of an investment holding and group financing company.

Business review and future developments

During the year the company transitioned from the previously extant UK GAAP to FRS 102 and has taken advantage of the disclosure exemptions allowed under the framework.

In October 2015, the company's parent, AVINTIV, Inc., was acquired by Berry Plastics Group, Inc.. AVINTIV's manufacturing facilities are strategically located worldwide near many key customers and also utilize similar key raw materials as Berry's existing business.

The Directors consider the results for the period to be satisfactory and in line with expectation. The Directors expect the Company to continue in its present capacity for the foreseeable future.

The key financial and other performance indicators during the period were as follows:

	2015	2014
	\$'000	\$'000
Operating profit	-	33
Net interest receivable	533	1,489

Operating profit has reduced to zero as a result of decreasing activities. Net interest receivable decreased to \$0.5 million compared to net interest receivable of \$1.5 million in 2014.

Principal risks and uncertainties

The Directors do not consider that there are any principal risks and uncertainties faced by the Company. The Company is a US \$ entity and all of its assets and liabilities are denominated in that currency minimising foreign exchange exposure. As the majority of assets and liabilities are intra-group, exposure to price, credit, liquidity and cashflow risk is considered to be minimal. The Company has no financial instruments.

Approved by the Board of Directors and signed on its behalf by:



M W Miles
Director

Date: 24 May 2016

Directors' report

The Directors present their annual report together with the financial statements of the Company for the period ended 2 January 2016.

Results and dividends

The results for the year are shown in the profit and loss account on page 8.

During the year, no dividends were paid (2014: \$Nil), and the Directors do not recommend the payment of a final dividend (2014: \$Nil).

Going concern

The directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements. More information is included within Note 1.

Directors

The current directors are shown on page 2. The director who held office during the period was:

D Norman (resigned 1 February 2016)

Directors appointed after the end of the period are:

J K Greene (appointed 1 February 2016)

M W Miles (appointed 1 February 2016)

J D Rich (appointed 1 February 2016)

Charitable and political donations

There were no political or charitable contributions in the period (2014: \$Nil).

Subsequent Events

There have been no events subsequent to 2 January 2016 which require disclosure in the Financial Statements.

Auditor

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 auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

In accordance with s485 of the Companies Act 2006, a resolution to appoint Ernst & Young LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on its behalf by:



M W Miles

Director

Date: 24 May 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 period. Under that law the directors have elected to prepare 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; 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIBERWEB US HOLDINGS LIMITED

We have audited the financial statements of Fiberweb US Holdings Limited for the period ended 2 January 2016 which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position and the related notes 1 to 10. 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. 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 auditors' 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 auditor

As explained more fully in the Directors' Responsibilities Statement as set out on page 5, 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 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 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 misstatement 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 of the state of the Company's affairs as at 2 January 2016 and of its profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIBERWEB US HOLDINGS LIMITED
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Joanne Mason (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Luton, United Kingdom
Date: 31 May 2016

FIBERWEB US HOLDINGS LIMITED

Statement of comprehensive income

For the period ended 2 January 2016

	Notes	52 week Period ended 2 January 2016 \$'000	Year ended 31 December 2014 \$'000
Other income	2	-	33
Operating profit		-	33
Interest receivable and similar income	4	533	1,489
Profit on ordinary activities before taxation	2	533	1,522
Taxation	5	-	-
Profit for the financial period		<u>533</u>	<u>1,522</u>
Total other comprehensive income/(loss) for the period		-	-
Total comprehensive income for the period		<u><u>533</u></u>	<u><u>1,522</u></u>

All profits are derived from continuing operations.

There is no material difference between the results as disclosed in the profit and loss account and their historical cost equivalent.

The accompanying notes form an integral part of this statement of comprehensive income.

FIBERWEB US HOLDINGS LIMITED

Statement of changes in equity

For the period ended 2 January 2016

	Share capital \$'000	Profit and loss account \$'000	Total equity \$'000
At 29 December 2013	2,355	9,609	11,964
Profit for the financial period	-	1,522	1,522
Other comprehensive income/(loss) for the period	-	-	-
At 31 December 2014	2,355	11,131	13,486
Profit for the financial period	-	533	533
Other comprehensive income/(loss) for the period	-	-	-
At 2 January 2016	2,355	11,664	14,019

FIBERWEB US HOLDINGS LIMITED

Statement of financial position

As at 2 January 2016

	Notes	2 January 2016 \$'000	31 December 2014 \$'000
Current asset:			
Debtors	6	14,019	13,486
Creditors: amounts falling due within one year		-	-
Net current assets		14,019	13,486
Total assets less current liabilities		14,019	13,486
Net assets		14,019	13,486
Capital and reserves			
Called-up share capital	7	2,355	2,355
Profit and loss account		11,664	11,131
Shareholder's funds		14,019	13,486

These financial statements of Fiberweb US Holdings Limited, registered number 05852158, were approved by the Board of Directors and authorised for issue on 24 May 2016 and were signed on its behalf by:



M W Miles
Director

The accompanying notes form an integral part of this statement of financial position.

Notes to the financial statements

As at 2 January 2016

1. Accounting policies

The principal accounting policies are set out below and have been applied consistently throughout the current and preceding period.

a) Basis of accounting

Fiberweb US Holdings Limited is a limited liability company incorporated in England. The registered office is 11 Old Jewry, 7th Floor, London EC2R 8DU

These financial statements were prepared in accordance with Financial Reporting Standard (FRS 102) applicable in the United Kingdom and Republic of Ireland as it applies to the financial statements of the company for the period ended 2 January 2016. These financial statements have been prepared under the historical cost convention and presented in US Dollars.

The company has adopted FRS 102 from previously extant UK Generally Accepted Accounting practice as at 1 January 2015. An explanation of how the transition to FRS 102 has affected the reported financial position and final performance is given in note 10.

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 as it is a wholly-owned subsidiary of Berry Plastics Group, Inc. which prepares consolidated financial statements that are publicly available.

The Company has taken advantage of the following disclosure exemptions under FRS 102:

- The requirements of section 7 Statement of Cash Flows and section 3 Financial statement presentation: paragraph 3.17(d);
- The requirements of Basic Financial Instruments paragraphs 11.39 to 11.48A and section 12 Other Financial Instruments Issues paragraphs: 12.26 to 12.29;
- Requirements of section 33 Related Party Disclosures; paragraph 33.7.

b) Reporting period

These financial statements present the results of the Company for the period 1 January 2015 to 2 January 2016. The comparative period is for the period 29 December 2013 to 31 December 2014.

c) Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currencies are converted into sterling at the rate ruling on the date of the transaction. All differences on exchange are taken to the profit and loss account.

d) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates 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.

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

Notes to the financial statements

As at 2 January 2016

1. Accounting policies (continued)

d) Taxation (continued)

Deferred tax is measured at the average 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 an undiscounted basis.

e) Related party transactions

The company is a wholly owned subsidiary of Berry Plastics Group, Inc.. The company has taken advantage of the exemption in FRS 102 section 33 'Related party disclosures' not to disclose transactions with other members of the group. There are no other related party transactions other than those within the group.

f) Investments

Fixed asset investments, comprising investments in subsidiary companies, are stated at cost less any provisions for impairment. Where an event has occurred that gives rise to doubt about the recovery of the carrying value of an asset, an impairment assessment is made. The impairment is calculated by comparing the investment's carrying value to the recoverable amount as required by FRS 102 section 27 "impairment of assets". The recoverable amount is taken to be higher of reasonable value and value in use. Value in use is determined by reference to the expected future cash flows of the business, discounted at risk adjusted weighted cost of capital of 9% (2014:9%).

g) Financial instruments

1) Cash at bank and in hand:

Cash and Cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

2) Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in administrative expenses.

3) Interest-bearing loans and borrowings

All interest-bearing loans and borrowings are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance cost in the statement of comprehensive income.

h) Going Concern

The Company has made a profit in the period to 2 January 2016. The Directors consider that the Company is an integral part of Berry Plastics Group, Inc.'s structure and strategy. After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Directors have obtained a Letter of Support from Berry Plastics Group, Inc. who is confirming to provide financial support to assist the company in meeting its liabilities. Accordingly, directors continue to adopt the going concern basis in preparing the financial statements.

i) Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis to the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Notes to the financial statements

As at 2 January 2016

1. Accounting policies (continued)*j) Cash Flow statement*

In accordance with FRS102, these accounts do not include a cash flow statement as the company is a wholly owned subsidiary of a parent undertaking whose accounts include a consolidated cash flow statement and are publicly available.

2. Profit on ordinary activities before taxation

There is no other income in the period (2014: \$33k).

Fees payable to the Company's auditor for the audit of the Company's annual accounts total £6,900 for the period (2014: £6,825). These costs were borne on behalf of the Company by its parent company, Fiberweb Limited. No fees were payable to the Company's auditor in respect of non-audit services.

3. Employees and employee costs

The average number of employees during the period was nil (2014: Nil).

There were no transactions with directors during the period (2014: \$Nil).

During the period ended 2 January 2016, the directors were employed and paid by the ultimate parent companies, Polymer Group, Inc. and Berry Plastics Group, Inc. No costs were allocated to Fiberweb US Holdings Limited since the services provided are negligible.

4. Interest receivable

	Period ended 2 January 2016 \$'000	Period ended 31 December 2014 \$'000
<i>Interest receivable and similar income</i>		
Interest receivable from Group undertakings	533	501
Interest adjustment regarding prior years	-	988
	<u>533</u>	<u>1,489</u>

5. Tax on profit on ordinary activities

	Period ended 2 January 2016 \$'000	Period ended 31 December 2014 \$'000
Total current tax expense	<u>-</u>	<u>-</u>
<i>Factors affecting the current tax charge:</i>		
Profit on ordinary activities before taxation	533	1,522
Tax at the standard rate of corporation tax in the UK of 20.5% (2014: 21.5%)	<u>109</u>	<u>327</u>
Group relief from other group entities	<u>(109)</u>	<u>(327)</u>
Total current tax expense	<u>-</u>	<u>-</u>

There is no deferred tax amounts. No deferred tax has been recognised of the taxable gain of \$533k on the unutilised tax losses as there is uncertainty over their future recovery.

Factors Affecting Future Tax Charges

At Summer Budget 2015, the government announced legislation setting the Corporation Tax main rate (for all profits except ring fence profits) at 19% for the years starting the 1 April 2017, 2018 and 2019 and at 18% for the year starting 1 April 2020. At Budget 2016, the government announced a further reduction to the Corporation Tax main rate (for all profits except ring fence profits) for the year starting 1 April 2020, setting the rate at 17%.

Notes to the financial statements

As at 2 January 2016

6. Debtors

	2 January 2016 \$'000	31 December 2014 \$'000
Amounts due from Group undertakings receivable within a year	<u>14,019</u>	<u>13,486</u>

Amounts due from Group undertakings include loan notes which are unsecured and incur floating interest at 4.56% to 5.15% (2014: 4.55%). Amounts receivable within a year are repayable on demand,

7. Share capital

	2 January 2016 \$'000	31 December 2014 \$'000
<i>Allotted, called up and fully paid:</i>		
130,924,734 ordinary shares of £0.01 each	<u>2,355</u>	<u>2,355</u>
(2014: 130,924,734 ordinary shares of £0.01 each)		

8. Ultimate parent company

The Company's immediate parent company is Fiberweb Limited (formerly Fiberweb Plc), a company incorporated in Great Britain and registered in England and Wales. The Company's ultimate parent company is Berry Plastics Group, Inc., a company incorporated in the USA.

On the 1st October 2015, 100% of the share capital of Polymer Group, Inc. (AVINTIV) was acquired by Berry Plastics Group, Inc.

Berry Plastics Group, Inc. is the smallest and the largest group which prepares group financial statements incorporating the financial statements of the Company. These group financial statements are available to the public from the Berry Plastics Group, Inc. at 101 Oakley Street, Evansville, Indiana, 47710, USA.

9. Subsequent events

There have been no events subsequent to 2 January 2016 which require disclosure in the Financial Statements.

Notes to the financial statements

As at 2 January 2016

10. Transition to FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015. There were no financial impacts of adopting FRS 102 on either total equity or profit/(loss) after tax as reported under previous UK GAAP. The only changes within the financial statements relate to disclosure requirements. The impact of FRS 102 is as follows:

<i>Reconciliation of equity as at 1 January 2014</i>	£'000
Equity Shareholders funds at 1 January 2014 under previous UK GAAP	11,964
Transition adjustments	-
Equity Shareholders funds at 1 January 2014 under FRS 102	<u>11,964</u>
<i>Reconciliation of equity as at 31 December 2014</i>	£'000
Equity Shareholders funds at 31 December 2014 under previous UK GAAP	13,486
Transition adjustments	-
Equity Shareholders funds at 31 December under FRS 102	<u>13,486</u>
<i>Reconciliation of profit and loss for the period ended 31 December 2014</i>	£'000
Profit and loss for the period ended 31 December 2014 under previous UK GAAP	1,522
Transition adjustments	-
Profit and loss for the period ended 31 December 2014 under FRS 102	<u>1,522</u>