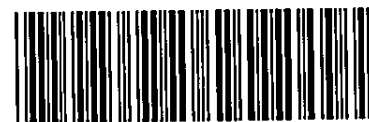


Bemis Packaging UK Limited
Annual report
for the year ended 31 December 2007

Registered Number 949464

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Bemis Packaging UK Limited

Bemis Packaging UK Limited Report for the year ended 31 December 2007

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Director's report for the year ended 31 December 2007

The director presents the annual report and the audited financial statements for the year ended 31 December 2007

Principal activities

The company's principal activity is the sale of food packaging products in the United Kingdom, which are supplied by fellow subsidiaries in Europe

Review of business and future developments

The result for the year is shown in the profit and loss account on page 5. The turnover for the year has increased to £15,933,000 (2006: £14,785,000). However, due to increases in staff and material costs the company made an operating loss for the year of £232,000 (2006: £371,000).

The directors consider that the financial statements, attached, include the key performance indicators relating to the performance of the business, specifically turnover and operating losses.

Dividends

The director does not recommend the payment of a dividend (2006: £Nil).

Director

The director who held office throughout the year was M Dussart.

Director's interest in shares of the company

The directors who held office during the financial year held no beneficial interest in the shares of the company or other group companies at 1 January 2006 and 31 December 2007.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of raw material prices, credit risk, liquidity risk and interest rate risk. The company seeks to limit the adverse effects on the financial performance of the company by the following:

Price risk

The company is exposed to commodity price risk as a result of its operations. The directors monitor market movements in material prices on a regular basis, but do not consider it cost effective to undertake any formal hedging arrangements.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The company has medium term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate risk

The company's interest rate risk is limited to interest rate change impacts on its medium term debt finance.

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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, in which case there should be supporting assumptions or qualifications as necessary

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that 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 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.

Provision of information to auditors

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

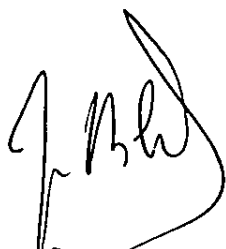
Each director has taken appropriate steps to ensure that they are aware of such relevant information, and that the company's auditors are aware of that information.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board

~~Company secretary~~



Director

Independent auditors' report to the members of Bemis Packaging UK Limited

We have audited the financial statements of Bemis Packaging (UK) Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

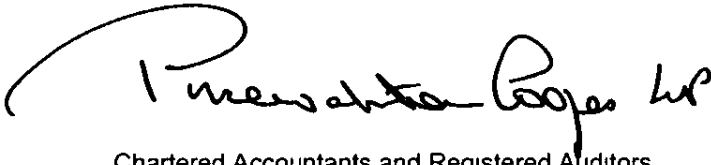
Bemis Packaging (UK) Limited

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Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

A large, stylized handwritten signature in black ink, appearing to read 'P. Newsham'.

Chartered Accountants and Registered Auditors
Swansea

31 October 2008

Profit and loss account for the year ended 31 December 2007

	Note	2007 £000	Restated (see note 1) 2006 £000
Turnover	2	15,933	14,785
Cost of sales		(14,634)	(13,590)
Gross profit	2	1,299	1,195
Net operating expenses	3	(1,531)	(1,566)
Operating loss	4	(232)	(371)
Bank interest receivable		25	21
Interest payable and similar charges	7	(4)	(4)
Loss on ordinary activities before taxation		(211)	(354)
Tax on loss on ordinary activities	8	-	-
Loss for the financial year	15, 16	(211)	(354)
Retained loss brought forward	15	(1,388)	(1,034)
Loss carried forward	15	(1,599)	(1,388)

All of the above results arise from continuing operations throughout the year

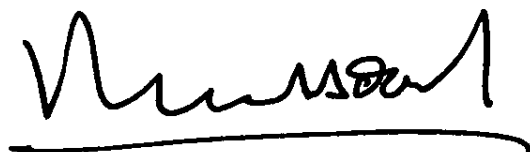
The company has no recognised gains and losses other than those included in the loss above, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents

Balance sheet as at 31 December 2007

	Note	2007 £000	2006 £000
Fixed assets			
Tangible assets	9	8	10
Current assets			
Stock	10	2,414	2,242
Debtors	11	3,605	3,222
Cash at bank and in hand		407	534
		6,426	5,998
Creditors: amounts falling due within one year	12	(6,130)	(5,493)
Net current assets		296	505
Net assets		304	515
Capital and reserves			
Called up share capital	14	1,903	1,903
Profit and loss account	15	(1,599)	(1,388)
Equity shareholders' funds	16	304	515

The financial statements on pages 5 to 13 were approved by the board of directors on 24/10/08 and were signed on its behalf by



Marc DUSSART
Director



JAN BELSACK
Director

**Notes to the financial statements
for the year ended 31 December 2007****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition

Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are

Computer equipment	20%
Office equipment	20%

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term

Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Where necessary, provision is made for obsolete and defective stocks

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. Turnover is recognised on the despatch of goods to customers

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences which are expected to reverse in the future. Deferred tax assets that arise as a result of timing differences are recognised when their future recovery is assessed as being more likely than not. Provision is made at the rate of tax which is expected to be applied when the liability or asset is expected to crystallise. Deferred tax assets and liabilities are not subject to discounting

Foreign currencies

Foreign currency transactions are recorded in sterling at the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated to sterling at rates of exchange prevailing at the balance sheet date. Exchange gains or losses are taken to the profit and loss account in the year in which they arise

Pension contributions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions under the company's defined contribution pension scheme are charged to the profit and loss account as incurred. The company provides no other post retirement benefits to its employees

1 Principal accounting policies (continued)

Cash flow

The company is a subsidiary of Bemis Company Inc and the cash flows of the company are included in the consolidated cash flow statement of Bemis Company Inc, whose financial statements are publicly available. Consequently, the company is exempt under the terms of Financial Reporting Standard No. 1 (Revised), from publishing a cash flow statement.

Format of financial statements

The directors have decided to prepare the profit and loss account utilising Format 1 as prescribed by the Companies Act, rather than Format 2 that has been used in previous years. It is considered that Format 1 is more appropriate for the nature of the company's business.

2 Turnover

	2007	2006
	£000	£000
Turnover by geographical destination		
UK	13,638	12,702
Europe & Other	2,295	2,083
	15,933	14,785

3 Net operating expenses

	2007	2006
	£000	£000
Distribution costs	554	612
Administration expenses	977	954
	1,531	1,566

4 Operating loss

	2007	2006
	£000	£000
Operating loss is stated after charging		
Operating lease rentals - land and buildings	93	93
- other	17	41
Auditors' remuneration - audit services	15	14
- other services	4	4

5 Directors' emoluments

	2007 £000	2006 £000
Aggregate emoluments	-	-

No pension contributions were made by the company in respect of the director (2006 £nil)

6 Employee information

	2007 £000	2006 £000
Staff costs		
Wages and salaries	527	533
Social security costs	64	64
Pension costs	33	31
	624	628

The average monthly number of persons (including executive directors) employed by the company during the year was

	2007 Number	2006 Number
By activity:		
Selling and distribution	10	10
Administration	5	5
	15	15

7 Interest payable and similar charges

	2007 £000	2006 £000
Bank interest and charges	4	4

8 Tax on loss on ordinary activities

	2007 £000	2006 £000
Current tax		
United Kingdom corporation tax at 30% (2006 30%)	-	-
The tax for the year is different from the standard rate of corporation tax in the UK (30%) The differences are explained below		
	2007 £000	2006 £000
Loss on ordinary activities before tax	(211)	(354)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 30%)	(63)	(106)
Effects of		
Expenses not deductible for tax purposes	7	14
Difference between capital allowances and depreciation	(1)	(2)
Group relief surrendered not paid	57	94
Current tax credit for the period	-	-

9 Tangible fixed assets

	Computer equipment £000	Office equipment £000	Total £000
Cost			
At 1 January 2007	15	1	16
Additions	2	-	2
At 31 December 2007	17	1	18
Depreciation			
At 1 January 2007	6	-	6
Charge for the year	4	-	4
At 31 December 2007	10	-	10
Net book value			
At 31 December 2007	7	1	8
At 31 December 2006	9	1	10

10 Stock

	2007 £000	2006 £000
Finished goods purchased for resale	2,414	2,242

11 Debtors

	2007 £000	2006 £000
Amounts falling due within one year		
Trade debtors	3,390	3,200
Amounts due from group undertakings	202	-
Prepayments and accrued income	13	22
	3,605	3,222

12 Creditors: amounts falling due within one year

	2007 £000	2006 £000
Trade creditors	535	843
Amounts due to group undertakings	4,748	4,053
Other taxation and social security	617	391
Accruals and deferred income	230	206
	6,130	5,493

13 Deferred taxation

At 31 December 2007, the company had deferred tax assets as follows

	Amounts recognised 2007 £000	Amounts not recognised 2007 £000	Amounts recognised 2006 £000	Amounts not recognised 2006 £000
Difference between capital allowances and depreciation	-	5	-	6
	-	5	-	6

Deferred tax has been calculated at 30% (2006 30%), the standard rate of corporation tax in the UK at which any potential asset is likely to crystallise. The deferred tax asset as at 31 December 2007 of £4,557 (2006 £6,108) has not been recognised due to the uncertainty of future taxable profits against which it can be offset.

14 Called up share capital

	2007 £000	2006 £000
Authorised		
2,000,000 (2006 2,000,000) ordinary shares of £1 each	2,000	2,000
Allotted, called up and fully paid		
1,902,510 (2006 1,902,510) ordinary shares of £1 each	1,903	1,903

15 Profit and loss account

At 1 January 2007	(1,388)
Loss for the financial year	(211)
At 31 December 2007	(1,599)

16 Reconciliation of movements in shareholders' funds

	2007 £000	2006 £000
Opening shareholders' funds	515	869
Loss for the financial year	(211)	(354)
Closing shareholders' funds	304	515

17 Pension obligations

The company operates a defined contribution pension scheme. The pension charge for the year represents contributions payable by the company to the fund. The pension charge for the year was £33,033 (2006 £30,856).

Included within accruals is £Nil (2006 £Nil) which represents pension contributions outstanding at 31 December 2007.

18 Financial commitments

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2007	2006	2007	2006
	£000	£000	£000	£000
Leases expiring				
Within one year	-	-	12	4
Within two to five years	93	93	1	13
	93	93	13	17

19 Related party transactions

As the company is a wholly owned subsidiary, and the consolidated financial statements of the ultimate parent undertaking are publicly available, the company has taken advantage of the exemption available under FRS 8, "Related Party Disclosures", not to disclose transactions with other members of the Bemis Company Inc group

20 Immediate and ultimate parent undertaking

The ultimate controlling party, which is also the parent undertaking of the largest and smallest group of undertakings for which group accounts are drawn up and of which the company is a member, is Bemis Company Inc, incorporated in the United States of America. Copies of the accounts can be obtained from Bemis Company Inc as follows

Bemis Company Inc
222 South Ninth Street
Minneapolis
Minnesota 55402
USA