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## **Bemis Packaging UK Limited**

**Annual report  
for the year ended 31 December 2009**



# **Bemis Packaging UK Limited**

## **Report for the year ended 31 December 2009**

	<b>Pages</b>
Director's report	1
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6

## Director's report for the year ended 31 December 2009

The director presents the annual report and the audited financial statements for the year ended 31 December 2009

### 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 4. The turnover for the year has increased to £23,363,000 (2008: £19,228,000). The increased volume of sales has meant that the company has remained profitable, this is expected to continue next year.

### Key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### Dividends

The director does not recommend the payment of a dividend (2008: £Nil).

### Director

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

### 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

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 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,
- 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## 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.

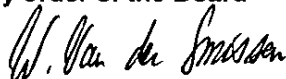
## Auditors

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

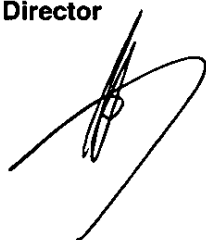
## Authority of issue of financial statements

The directors gave authority for the financial statements to be issued on 30 September 2010. Neither the entity's owners nor others have the power to amend the financial statements after issue.

## By order of the Board



Director



W VAN DE SMISSEN (COMPANY SECRETARY)

M DUSSART

## **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 2009, which comprise the profit and loss account, the balance sheet and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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.

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.

### **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.

### **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 31 December 2009 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.

### **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.

### **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.

**Paul Jenkins (Senior Statutory Auditor)**  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Swansea, 30 September 2010

Registered Number 949464

**Profit and loss account  
for the year ended 31 December 2009**

	Note	2009 £000	2008 £000
Turnover	2	23,363	19,228
Cost of sales		(21,690)	(17,614)
<b>Gross profit</b>		<b>1,673</b>	<b>1,614</b>
Net operating expenses	3	(1,597)	(1,484)
<b>Operating profit</b>	4	<b>76</b>	<b>130</b>
Bank interest receivable		4	29
Interest payable and similar charges	7	(13)	(4)
<b>Profit on ordinary activities before taxation</b>		<b>67</b>	<b>155</b>
Tax on profit on ordinary activities	8	(13)	(56)
<b>Profit for the financial year</b>	15, 16	<b>54</b>	<b>99</b>

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

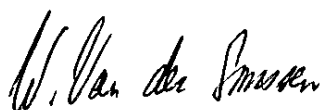
The company has no recognised gains and losses other than those included in the profit above, and therefore no separate statement of total recognised gains and losses has been presented

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

## Balance sheet as at 31 December 2009

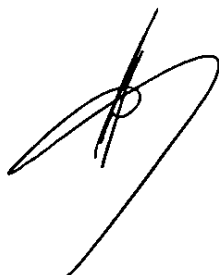
	Note	2009 £000	2008 £000
<b>Fixed assets</b>			
Tangible assets	9	7	5
<b>Current assets</b>			
Stock	10	2,686	2,762
Debtors	11	4,897	4,453
Cash at bank and in hand		294	151
		<b>7,877</b>	<b>7,366</b>
<b>Creditors: amounts falling due within one year</b>	12	<b>(7,427)</b>	<b>(6,968)</b>
<b>Net current assets</b>		<b>450</b>	<b>398</b>
<b>Net assets</b>		<b>457</b>	<b>403</b>
<b>Capital and reserves</b>			
Called up share capital	14	1,903	1,903
Profit and loss account	15	(1,446)	(1,500)
<b>Equity shareholders' funds</b>	16	<b>457</b>	<b>403</b>

The financial statements on pages 4 to 11 were approved by the board of directors on 30 September 2010 and were signed on its behalf by



W VAN DE SMISSSEN (COMPANY SECRETARY)

Director



M DUSSART

**Notes to the financial statements  
for the year ended 31 December 2009****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.

**2 Turnover**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
<b>Turnover by geographical destination</b>		
UK	<b>18,412</b>	16,253
Europe & Other	<b>4,951</b>	2,975
	<b>23,363</b>	19,228

**3 Net operating expenses**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Distribution costs	<b>691</b>	625
Administration expenses	<b>906</b>	859
	<b>1,597</b>	1,484

**4 Operating profit**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Operating profit is stated after charging		
Depreciation on owned tangible fixed assets	<b>3</b>	3
Operating lease rentals - land and buildings	<b>126</b>	126
- other	<b>37</b>	58
Auditors' remuneration - audit services	<b>15</b>	15
- other services	<b>4</b>	4

**5 Directors' emoluments**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Aggregate emoluments	-	-

No pension contributions were made by the company in respect of the director (2008: £nil)

**6 Employee information**

	2009 £000	2008 £000
<b>Staff costs</b>		
Wages and salaries	546	497
Social security costs	66	59
Pension costs	33	22
	<b>645</b>	<b>578</b>

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

	2009 Number	2008 Number
<b>By activity:</b>		
Selling and distribution	10	10
Administration	4	4
	<b>14</b>	<b>14</b>

**7 Interest payable and similar charges**

	2009 £000	2008 £000
Bank interest and charges	13	4

**8 Tax on profit/(loss) on ordinary activities**

	2009 £000	2008 £000
<b>Current tax:</b>		
Tax on profit in the year	33	56
<b>Deferred tax</b>		
Origination and reversal of timing differences	(20)	-
<b>Total tax charge</b>	<b>13</b>	<b>56</b>

The tax for the year is different from the standard rate of corporation tax in the UK (28%) The differences are explained below

	2009 £000	2008 £000
Profit on ordinary activities before tax	67	155
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 28%)	19	43
Effects of		
Expenses not deductible for tax purposes	4	6
Accelerated capital allowances and other timing differences	10	7
<b>Current tax charge for the period</b>	<b>33</b>	<b>56</b>

**9 Tangible fixed assets**

	<b>Computer &amp; office equipment</b>
<b>Cost</b>	
At 1 January 2009	18
Additions	5
<b>At 31 December 2009</b>	<b>23</b>
<b>Depreciation</b>	
At 1 January 2009	13
Charge for the year	3
<b>At 31 December 2009</b>	<b>16</b>
<b>Net book value</b>	
<b>At 31 December 2009</b>	<b>7</b>
At 31 December 2008	5

**10 Stock**

	<b>2009 £000</b>	<b>2008 £000</b>
Finished goods purchased for resale	<b>2,686</b>	2,762

**11 Debtors**

	<b>2009 £000</b>	<b>2008 £000</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	<b>4,719</b>	4,205
Amounts due from group undertakings	<b>140</b>	225
Deferred tax (note 13)	<b>20</b>	-
Prepayments, accrued income and other debtors	<b>18</b>	23
	<b>4,897</b>	4,453

**12 Creditors: amounts falling due within one year**

	<b>2009 £000</b>	<b>2008 £000</b>
Trade creditors	<b>33</b>	22
Amounts due to group undertakings	<b>6,402</b>	6,154
Corporation tax	<b>33</b>	56
Other taxation and social security	<b>591</b>	488
Accruals and deferred income	<b>368</b>	248
	<b>7,427</b>	6,968

### 13 Deferred taxation

At 31 December 2009, the company had deferred tax assets as follows

	Amounts recognised 2009 £000	Amounts not recognised 2009 £000	Amounts recognised 2008 £000	Amounts not recognised 2008 £000
Difference between capital allowances and depreciation	20	-	-	10
	20	-	-	10

### 14 Called up share capital

	2009 £000	2008 £000
<b>Authorised</b>		
2,000,000 (2008 2,000,000) ordinary shares of £1 each	2,000	2,000
<b>Allotted, called up and fully paid</b>		
1,902,510 (2008 1,902,510) ordinary shares of £1 each	1,903	1,903

### 15 Profit and loss account

	£000
At 1 January 2009	(1,500)
Profit for the financial year	54
<b>At 31 December 2009</b>	<b>(1,446)</b>

### 16 Reconciliation of movements in shareholders' funds

	2009 £000	2008 £000
Opening shareholders' funds	403	304
Profit for the financial year	54	99
<b>Closing shareholders' funds</b>	<b>457</b>	<b>403</b>

### 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 £33,017 (2008 £21,849).

## 18 Financial commitments

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2009 £000	2008 £000	2009 £000	2008 £000
Leases expiring				
Within one year	-	126	-	22
Within two to five years	136	-	37	36
	136	126	37	58

## 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