

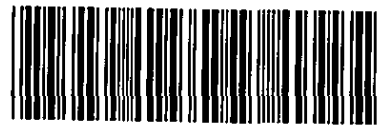
**Promens Holding UK Limited**

**Directors' report and financial  
statements**

Registered number 3672192

31 December 2008

WEDNESDAY



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COMPANIES HOUSE

**Promens Holding UK Limited**  
**Company Information**

Directors	A Platt R Geirsdottir
Secretary	DH Learner
Company Number	3672192
Registered Office	Engineer Park Sandycroft Deeside CLWYD CH5 2QD
Auditors	KPMG LLP 6 Lower Brook Street Ipswich Suffolk IP4 1AP

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## **Directors' report**

The directors present their report and the audited financial statements for the year ended 31 December 2008.

### **Principal activities**

The principal activity is that of an investment holding company.

### **Business review**

The Company operates as a holding company, investing in UK subsidiary companies in the plastic packaging market. It derives its funding from a mixture of loans from internal and external sources in addition to dividends received as returns on its investment in its subsidiary companies. It then applies this funding for further investment in these businesses in order to improve and expand the quality of its investments.

The risks and uncertainties that the Company faces are those that impact directly upon the business of its manufacturing and selling operations within the main subsidiary company. The main risks and uncertainties revolve around the activity levels in the marketplace in which the main subsidiary company operates, along with the currency risk that revolves around the EUR and GBP exchange rates. These risks and uncertainties that apply to the subsidiary undertakings in which the Company holds investments are dealt with in the accounts of those companies.

In the period under review, there was a subscription for 3,300,000 new shares (2007: 6,000,000 new shares) in one of its subsidiaries at £3 each, with a total cost for these shares of £9,900,000. These shares had a nominal value of £1 each. The consideration for these new shares was a mixture of a reduction in the loan made to the same subsidiary company of £1,926,000 (2007: £6,000,000), and the remaining balance of £7,974,000 was in cash (2007: £nil). The loan to the subsidiary therefore reduced from £13,926,000 to £12,000,000.

The Directors consider that both the level of business and the year end financial position were satisfactory.

### **Results and dividends**

The profit for the year, after taxation, amounted to £nil (2007: £51,000). The directors do not recommend the payment of a dividend for 2008 (2007: £nil).

### **Directors and directors' interests**

The directors who held office during the year were as follows:

R Geirsdottir  
A Platt

None of the directors has a material interest in any contract of significance to which the Company was a party during the financial year.

## **Directors' report** *(continued)*

None of the Directors were Directors of the ultimate parent company, Promens Hf.

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

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office.

By order of the board

  
A Platt  
Director

Engineer Park  
Factory Road  
Sandycroft  
Deeside  
Clwyd

12 August 2009

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

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 UK Accounting Standards.

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## KPMG LLP

6 Lower Brook Street  
Ipswich  
IP4 1AP  
United Kingdom

### **Report of the independent auditors to the members of Promens Holding UK Limited**

We have audited the financial statements of Promens Holding UK Limited for the year ended 31 December 2008 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.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditor's 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 auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 judgments 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.

## **Report of the independent auditors to the members of Promens Holding UK Limited** *(continued)*

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Directors' report is consistent with the financial statements.



**KPMG LLP**

*Chartered Accountants*

*Registered Auditor*

14 August 2009



**Profit and loss account**  
*for the year ended 31 December 2008*

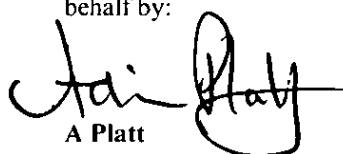
	<i>Note</i>	<b>2008 £000</b>	<b>2007 £000</b>
Administrative expenses	3	(4)	(5)
<b>Operating loss</b>		<b>(4)</b>	<b>(5)</b>
Interest receivable and similar income	5	1,119	1,538
Interest payable and similar charges	6	(1,548)	(1,482)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(433)</b>	<b>51</b>
Taxation	7	433	-
<b>Retained profit for the year</b>		<b>-</b>	<b>51</b>

There were no recognised gains or losses in either period other than the profits for the period reported above.  
 All activity arose from continuing operations.

**Balance sheet**  
*at 31 December 2008*

	<i>Note</i>	<b>2008</b> <b>£000</b>	<b>2008</b> <b>£000</b>	<b>2007</b> <b>£000</b> As restated	<b>2007</b> <b>£000</b> As restated
<b>Fixed assets</b>					
Investments	8		22,172		12,272
<b>Current assets</b>					
Debtors: due within one year	9	462		273	
Debtors: due after one year	9	12,000		13,926	
Cash at bank and in hand		1,534		2,888	
		<u>13,996</u>		<u>17,087</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(156)</u>		<u>(81)</u>	
<b>Net current assets</b>			13,840		17,006
<b>Total assets less current liabilities</b>			36,012		29,278
<b>Creditors: amounts falling due after more than one year</b>	11		<u>(31,240)</u>		<u>(24,506)</u>
<b>Net assets</b>			<u>4,772</u>		<u>4,772</u>
<b>Capital and reserves</b>					
Called up share capital	12		224		224
Share premium account			2,015		2,015
Profit and loss account	13		2,533		2,533
<b>Shareholders funds</b>	14		<u>4,772</u>		<u>4,772</u>

These financial statements were approved by the board of directors on behalf by: *12 August 2009* and were signed on its

  
A Platt  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under the exemption contained in Section 228 of the Companies Act 1985, no group accounts have been prepared as the company is itself a wholly owned subsidiary of Promens Hf, a company registered in Iceland. These financial statements present information about the company as an individual undertaking and not about its group.

#### *Investments*

Fixed asset investments are shown at cost less any provision or impairment in value.

#### *Cash flow statement*

As permitted by Financial Reporting Standard No 1 (revised 1996), the Company has not produced a cash flow statement, as it is a wholly owned subsidiary of Promens Hf, a company registered in Iceland, and its cash flows are included within the consolidated cash flow statement of that company.

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

### 2 Profit on ordinary activities before taxation

	2008 £000	2007 £000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors remuneration		
Audit	5	2
Other services - relating to taxation	1	11
Other services - relating to all other services	1	-
	<u>7</u>	<u>13</u>

### 3 Administrative expenses

	2008 £000	2007 £000
Administrative costs	459	276
Corporate service charge	(455)	(271)
	<u>4</u>	<u>5</u>

## Notes (continued)

### 4 Employee information

The company has one employee (2007: none). All of the costs for this employee are fully recharged to another group company.

None of the directors received any remuneration during the year.

### 5 Interest receivable and similar income

	2008 £000	2007 £000
Interest receivable from group undertakings	1,119	1,538
	<u>1,119</u>	<u>1,538</u>

### 6 Interest payable and similar charges

	2008 £000	2007 £000
Interest payable on bank loans and overdrafts	984	1,189
Interest payable to group undertakings	530	262
Cost of obtaining loan finance	31	31
Interest and other charges	3	-
	<u>1,548</u>	<u>1,482</u>

## Notes (continued)

### 7 Tax on profit on ordinary activities

Analysis of charge in year.

	2008 £000	2007 £000
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
Adjustments in respect of prior periods	-	-
Group relief	433	-
	<hr/>	<hr/>
Tax on loss on ordinary activities	433	-
	<hr/>	<hr/>

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

The current tax charge for the year is lower (2007: lower) than the standard rate of corporation tax in the UK 28% (2007: 30%). The differences are explained below:

	2008 £000	2007 £000
<i>Current tax reconciliation</i>		
(Loss)/Profit on ordinary activities before tax	(433)	51
	<hr/>	<hr/>
Current tax at 28% (2007: 30%)	(121)	15
<i>Effects of:</i>		
Group relief	121	-
Payment receivable for group relief	433	-
Utilisation of tax losses	-	(15)
	<hr/>	<hr/>
Total current tax credit (see above)	433	-
	<hr/>	<hr/>

As at 31 December 2008, there are accumulated losses available to the company for set off against profits of the same trade which are estimated at £629,000 (2007: £629,000). These have not been recognised in full as a deferred tax asset due to the timing and uncertainty of the future profit stream of the company.

The group relief payment is receivable on a pound-for-pound basis in respect of losses surrendered to other group companies in the UK.

## Notes (continued)

### 8 Investments

	Interests in subsidiary undertakings £000
<i>Cost</i>	
At beginning of the year	12,272
Addition	9,900
	<hr/>
At end of year	22,172
	<hr/>
<i>Net book value</i>	
At 31 December 2008	22,172
	<hr/>
At 31 December 2007	12,272
	<hr/>

The addition during the year of £9,900,000 (2007: £6,000,000) related to increased investment in the ordinary shares of its main subsidiary, Promens Packaging Limited, which had become under-capitalised when it acquired the trading businesses of its fellow subsidiary undertakings, Promens Deeside Limited and Promens Food Packaging Limited in 2006.

This company has investments in the following subsidiary undertakings, all wholly-owned and incorporated in the UK:

<i>Subsidiary undertakings</i>	<i>Principal activity</i>
Promens Packaging Limited	Manufacture of Consumer, Food and Industrial Packaging products
Promens Deeside Limited	No longer trading
Promens Food Packaging Limited	No longer trading

### 9 Debtors

	2008 £000	2007 £000
<i>Amounts falling due within one year:</i>		
Amounts due from group undertakings	433	273
Prepayments and accrued income	29	-
	<hr/>	<hr/>
	462	273
	<hr/>	<hr/>
<i>Amounts falling due after more than one year:</i>		
Amounts due from group undertakings	12,000	13,926
	<hr/>	<hr/>

## Notes (continued)

### 10 Creditors: amounts falling due within one year

	2008 £000	2007 £000 As restated
Amounts owed to group undertakings	72	17
Accruals	74	44
Taxation	10	20
	<u>156</u>	<u>81</u>

### 11 Creditors: amounts falling due after more than one year

	2008 £000	2007 £000 As restated
Group working capital facility provided from subsidiary undertakings	11,491	6,163
Amounts owed to group undertakings	6,606	5,227
Bank loans	13,239	13,239
Debt refinancing costs	(96)	(123)
	<u>31,240</u>	<u>24,506</u>

Promens Holding UK Limited and its subsidiary undertakings are parties to a UK cash pooling arrangement with Nordea Bank Finland plc in London. Taken together with the other members of this UK cash pooling arrangement there are surplus funds overall of £1,534,000 (2007: £2,888,000).

Borrowings are repayable as follows:

	2008 £000	2007 £000
Bank loans		
Within one year	-	-
Between one and two years	-	-
Between two and five years	13,239	13,239
	<u>13,239</u>	<u>13,239</u>
Loans from group undertakings		
Within one year	-	-
Between one and two years	-	-
Between two and five years	6,606	5,227
	<u>6,606</u>	<u>5,227</u>
Borrowings categorised in the Balance Sheet as follows:		
amounts due within one year	-	-
amounts due in more than one year	19,845	18,466
	<u>19,845</u>	<u>18,466</u>

## Notes (continued)

### 12 Creditors: amounts falling due after more than one year (continued)

The external bank loan facility was refinanced in the early part of 2007 following the acquisition of the Polimoon Group by Promens Hf, when the acquisition triggered the Change of Control clause in the previous facility agreement. The new facility consists of one sterling loan repayable over five years, being part of the bi-annual amortising Tranche A of the Promens Hf group's Term Loan Facility agreement with DnB NOR. The term loan is of a 5 year duration. Security is provided in the form of a Negative Pledge basis.

### 12 Called up share capital

	2008 £000	2007 £000
<i>Authorised</i>		
Ordinary shares of £1 each	224	224
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	224	224
	<hr/>	<hr/>

### 13 Profit and loss account

	2008 £000	2007 £000
At beginning of year	2,533	2,482
Profit for the financial year	-	51
	<hr/>	<hr/>
At end of year	2,533	2,533
	<hr/>	<hr/>

### 14 Reconciliation of movement in shareholders' funds

	2008 £000	2007 £000
Opening shareholders' surplus	4,772	4,721
Profit for the financial year	-	51
	<hr/>	<hr/>
Closing shareholders' funds	4,772	4,772
	<hr/>	<hr/>



## **Notes (continued)**

### **15 Contingent Liabilities**

The company is part of a group banking arrangement with Nordea Bank Finland plc in London together with Promens Packaging Limited, Promens Deeside Limited and Promens Food Packaging Limited. Under this arrangement, the company is party to cross guarantees in respect of these group banking arrangements in which Promens Holding UK Limited has no net liability.

During the year an overdraft facility was set up between the company and its bankers, Nordea Bank Finland plc, London for £1,000,000. This was set up in advance of an expected change in timings of cashflows to the suppliers of the company's main subsidiary undertaking, Promens Packaging Limited. There is no security attaching to this overdraft facility other than a guarantee given by Promens Group AS, a company incorporated in Norway.

The bank loan facilities provided to the Promens Group, with DnB NOR ASA are covered on a Negative Pledge basis rather than any legal securities being set up.

### **16 Immediate Parent**

The immediate parent company is Promens Group BV, a company incorporated in Netherlands.

### **17 Ultimate parent company and ultimate controlling party**

The company is a wholly owned subsidiary undertaking of Promens Hf, registered in Iceland.

The largest and smallest group of which Promens Holding UK Limited is a member, and for which group accounts are drawn up, is headed by Promens Hf, a company incorporated in Iceland and whose shares are wholly owned by an Icelandic investment company, Atorka Group, whose share are publicly traded on the Icelandic stock exchange. The principle place of business of Promens Hf is at Hlidasmari, 201 Kopavogur, Iceland. The consolidated accounts of this company are available to the public and can be obtained from the above address.

### **18 Related party disclosures**

The company has taken advantage of the exemption included in Financial Reporting Standard No 8 "Related Party Disclosures" for wholly owned subsidiaries not to disclose transactions with entities that are part of a group or investees of the group qualifying as related parties.

### **19 Subsequent Events**

Following the balance sheet date there have been no events that should be reported in the Directors report and financial statements.

### **20 Restatement of Comparative Amounts**

The Group Working Capital Facility in 2007 was incorrectly categorised as due within one year. An amount of £6,163,000 has therefore been reclassified as due in more than one year.