

Registered number: 00248918

Huhtamaki BCP Limited

Report and financial statements

For the year ended 31 December 2015



Huhtamaki BCP Limited

Company Information

Directors R Mason
T Iitti
D Timmiss (appointed 3 February 2016)

Registered number 00248918

Registered office Crompton House
Nuttalls Way
Shadsworth Business Park
Blackburn
BB1 2JT

Independent auditor Ernst & Young LLP
100 Barbirolli Square
Manchester
M2 3EY

Bankers Nordea Bank AB
8th floor, City Place House
55 Basinghall Street
London
EC2V 5NB

Huhtamaki BCP Limited

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**Strategic report
For the year ended 31 December 2015**

The directors present their strategic report and the financial statements for the year ended 31 December 2015.

Principal activities

The Company manufactures paper packaging for the cosmetics, food and drinks industries.

Business review

Turnover has increased pro rata by 3.1% (2014: 13.5%) to £17,471,336 during the year (2014: £25,427,971).

The business continues to focus on profitable growth within the core foodservice market and achieved sales growth, while maintaining a strong operating profit performance during the year. Capital investment continues to be made to support the future growth of the business.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to some risk.

The key business risks and uncertainties affecting the Company are considered to relate to the competitive nature of the market within which it operates. Other specific risks are as follows:

Turnover is generated principally from the UK and Europe. There is an on-going risk from the value of sterling, primarily against the Euro, to the competitiveness of the company's products in Europe. The Company continually looks for improved procurement and efficiency gains to maintain its competitiveness in all its markets.

The nature of the trade also gives exposure to change in certain commodity, oil and energy prices, along with changes in political and social responsibility awareness of the markets and consumers.

The Company's policy is to finance working capital or fixed assets through retained earnings or through borrowings at prevailing market interest rates. Since the counterparty to all borrowings is a group company, there are minimal credit and liquidity risks as regards these transactions.

Financial key performance indicators

The Directors continually review the most appropriate and effective measures of the Company's progress towards achieving its strategies and objectives. The following measures are continually monitored:

	2015	2014
Gross margin (%)	51	54
EBIT margin (%)	4	11

This report was approved by the board on 17 November 2016 and signed on its behalf.



R. Mason
Director

Huhtamaki BCP Limited

Directors' report For the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Results and dividends

The profit for the year, after taxation, amounted to £617,116 (2014 18 months: £2,185,715).

The directors do not recommend a final dividend (2014: £nil).

Directors

The directors who served during the year were:

S Jenner (appointed 25 June 2015, resigned 3 February 2016)

R Mason

T Iitti

A McAulay (resigned 25 June 2015)

Future developments

The Directors aim to continue improving efficiencies and achieving sustainable and profitable growth throughout the coming year. These policies have resulted in a continued strong financial performance in an increasingly competitive market.

Going concern

After making appropriate enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors have adopted the going concern basis in preparing the financial statements.

Employee involvement

The Company's policy is to consult and discuss with employees, through the Works Council and at meetings, matters likely to affect employees' interests. Information on matters of concern to employees is given through regular meetings, formal consultations and information bulletins which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Disabled employees

The Company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given once employed. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identifies as appropriate to their aptitudes and abilities.

Research and development activities

The Company undertakes significant research and development for the benefit of the overall group. The Company is committed to research and development activities in order to maintain and improve upon its commitment to quality and innovation.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Huhtamaki BCP Limited

**Directors' report
For the year ended 31 December 2015**

Disclosure of information to auditor

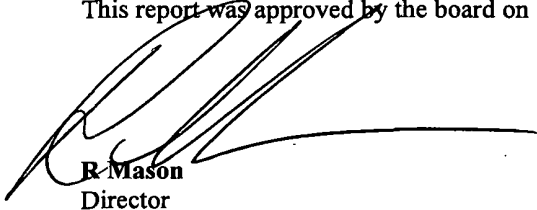
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 17 November 2016 and signed on its behalf.



R. Mason
Director

**Directors' responsibilities statement
For the year ended 31 December 2015**

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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments 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 Huhtamaki BCP Limited

We have audited the financial statements of Huhtamaki BCP Limited for the year ended 31 December 2015, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 23. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of 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 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 Auditor

As explained more fully in the Directors' responsibilities statement set out on page 4, 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 Financial Reporting Council'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 Strategic report and the Directors' 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 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 2015 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Huhtamaki BCP Limited

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

Tehseen Ali (Senior statutory auditor)

for and on behalf of

Ernst & Young LLP

Statutory Auditor

Manchester

Date:

18/11/2016

Huhtamaki BCP Limited

Statement of comprehensive income
For the year ended 31 December 2015

		31 December 2015	18 months ended 31 December 2014
	Note	£	£
Turnover	3	17,471,336	25,427,971
Cost of sales		(8,633,331)	(11,648,523)
Gross profit		8,838,005	13,779,448
Administrative expenses		(8,198,461)	(11,113,122)
Other operating income		142,924	3,222
Operating profit	4	782,468	2,669,548
Interest receivable and similar income	8	4,023	191
Interest payable and expenses	9	-	(2,432)
Profit before tax		786,491	2,667,307
Tax on profit	10	(169,375)	(481,592)
Profit for the year		617,116	2,185,715
Other comprehensive income		-	-
Total comprehensive income for the year/period		617,116	2,185,715

The notes on pages 10 to 26 form part of these financial statements.

Balance sheet
As at 31 December 2015

	Note	2015 £	2014 £
Tangible assets	11	2,011,896	1,908,390
		<u>2,011,896</u>	<u>1,908,390</u>
Current assets			
Stocks	12	1,721,067	1,627,339
Debtors: amounts falling due within one year	13	8,054,198	7,573,015
Cash at bank and in hand		1,027,954	475,015
		<u>10,803,219</u>	<u>9,675,369</u>
Creditors: amounts falling due within one year	14	(3,114,067)	(2,521,914)
Net current assets		<u>7,689,152</u>	<u>7,153,455</u>
Total assets less current liabilities		<u>9,701,048</u>	<u>9,061,845</u>
Provisions for liabilities			
Deferred taxation	16	(294,858)	(272,771)
		<u>(294,858)</u>	<u>(272,771)</u>
Net assets		<u>9,406,190</u>	<u>8,789,074</u>
Capital and reserves			
Called up share capital	17	8,066	8,066
Share premium account	18	7,614	7,614
Other reserves	18	325,000	325,000
Profit and loss account		9,065,510	8,448,394
Shareholders' funds		<u>9,406,190</u>	<u>8,789,074</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


R. Mason
Director

17 November 2016

The notes on pages 10 to 26 form part of these financial statements.

Huhtamaki BCP Limited

**Statement of changes in equity
For the year ended 31 December 2015**

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2015	8,066	7,614	325,000	8,448,394	8,789,074
Comprehensive income for the year					
Profit for the year	-	-	-	617,116	617,116
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	617,116	617,116
At 31 December 2015	<u>8,066</u>	<u>7,614</u>	<u>325,000</u>	<u>9,065,510</u>	<u>9,406,190</u>

**Statement of changes in equity
For the period ended 31 December 2014**

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	£	£	£	£	£
At 1 July 2013	8,066	7,614	325,000	6,262,679	6,603,359
Comprehensive income for the period					
Profit for the period	-	-	-	2,185,715	2,185,715
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,185,715	2,185,715
At 31 December 2014	<u>8,066</u>	<u>7,614</u>	<u>325,000</u>	<u>8,448,394</u>	<u>8,789,074</u>

The notes on pages 10 to 26 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 December 2015**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company's financial statements are presented in GBP Sterling.

The Company has gained consent from its shareholders to use the Reduced Disclosure Framework.

Huhtamaki BCP Limited is incorporated and domiciled in England and Wales.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

For all periods up to and including the year ended 31 December 2015, the Company prepared its financial statements in accordance with UK generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 July 2013 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 July 2013, the Company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the Company in restating its balance sheet as at 1 July 2013 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 December 2015.

There were no material adjustments arising on transition to FRS 101. Accordingly the company has not presented a reconciliation of equity at the date of transition, or at the comparative balance sheet date, nor provided a reconciliation of total comprehensive income for the comparative period.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. The change in basis of preparation has enabled the Company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

The following principal accounting policies have been applied:

**Notes to the financial statements
For the year ended 31 December 2015**

1. Accounting policies (continued)

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

1.3 Going concern

After making appropriate enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors have adopted the going concern basis in preparing the financial statements.

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the financial statements
For the year ended 31 December 2015

1. Accounting policies (continued)

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Leasehold improvements	-	20% reducing balance
Plant and machinery	-	10% straight line/20% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures & Fittings	-	20% reducing balance
Computer equipment	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed periodically, or if there is an indication of a significant change since the last reporting date, and adjusted prospectively if appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

1.6 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements
For the year ended 31 December 2015

1. Accounting policies (continued)

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as cash and receivables held at fair value through profit or loss.

Fair value through profit or loss

This category comprises only in-the-money derivatives. These are carried in the Balance sheet at fair value with changes in fair value recognised in the Profit and loss account.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance sheet.

1.11 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**Notes to the financial statements
For the year ended 31 December 2015**

1. Accounting policies (continued)

1.12 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

1.13 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.15 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

Notes to the financial statements
For the year ended 31 December 2015

1. Accounting policies (continued)

1.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

1.17 Current and deferred taxation

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project the expenditure is treated as if it were all incurred in the research phase only.

Notes to the financial statements
For the year ended 31 December 2015

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 10.

3. Analysis of turnover

An analysis of turnover by class of business is as follows:

	31 December 2015 £	18 months ended 31 December 2014 £
Sale of goods	17,471,336	25,427,971
	<u>17,471,336</u>	<u>25,427,971</u>

Analysis of turnover by country of destination:

	31 December 2015 £	18 months ended 31 December 2014 £
United Kingdom	12,054,139	15,879,389
Europe	5,417,197	9,548,582
	<u>17,471,336</u>	<u>25,427,971</u>

Notes to the financial statements
For the year ended 31 December 2015

4. Operating profit

The operating profit is stated after charging/(crediting):

	31 December 2015 £	18 months ended 31 December 2014 £
Depreciation of tangible fixed assets	378,761	547,820
Exchange differences	(5,886)	30,777
Defined contribution pension cost	87,836	56,816
(Profit)/loss on disposal of tangible assets	(3,000)	115,614
Operating lease payments: minimum lease payments	442,765	706,308
	<u> </u>	<u> </u>

5. Auditors' remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	31 December 2015 £	18 months ended 31 December 2014 £
Fees for the audit of the Company	17,007	15,782
	<u> </u>	<u> </u>
	<u>17,007</u>	<u>15,782</u>

Notes to the financial statements
For the year ended 31 December 2015

6. Employees

Staff costs, including directors' remuneration, were as follows:

	31 December 2015 £	18 months ended 31 December 2014 £
Wages and salaries	4,767,915	6,747,259
Social security costs	419,858	586,936
Cost of defined contribution scheme	87,836	56,816
	<u>5,275,609</u>	<u>7,391,011</u>

The average monthly number of employees, including the directors, during the year was as follows:

	31 December 2015 No.	18 months ended 31 December 2014 No.
Production	99	103
Sales and distribution	21	22
Administration	20	17
Maintenance	6	6
	<u>146</u>	<u>148</u>

**Notes to the financial statements
For the year ended 31 December 2015**

7. Directors' remuneration

	31 December 2015 £	18 months ended 31 December 2014 £
Directors' emoluments	-	342,427
Company contributions to defined contribution pension schemes	-	13,121
	<u>-</u>	<u>355,548</u>

No directors were remunerated directly by the Company during the year.

During the year retirement benefits were accruing to no directors (2014 -1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £NIL (2014 -£174,359).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2014 -£NIL).

8. Interest receivable and similar income

	31 December 2015 £	18 months ended 31 December 2014 £
Interest receivable from group companies	4,023	-
Bank interest receivable	-	191
	<u>4,023</u>	<u>191</u>

9. Interest payable and similar charges

	31 December 2015 £	18 months ended 31 December 2014 £
Bank interest payable	-	33
Hire purchase interest	-	2,399
	<u>-</u>	<u>2,432</u>

Notes to the financial statements
For the year ended 31 December 2015

10. Taxation

	31 December 2015 £	18 months ended 31 December 2014 £
Corporation tax		
Current tax on profits for the year	147,288	678,067
Adjustments in respect of previous periods	-	(106,955)
Total current tax	<u>147,288</u>	<u>571,112</u>
Deferred tax		
Deferred tax credit current year	22,087	(59,711)
Deferred tax credit prior period	-	(29,809)
Total deferred tax	<u>22,087</u>	<u>(89,520)</u>
Taxation on profit on ordinary activities	<u>169,375</u>	<u>481,592</u>

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2014 -lower than) the standard rate of corporation tax in the UK of 20.25% (2014 - 23%). The differences are explained below:

	31 December 2015 £	18 months ended 31 December 2014 £
Profit on ordinary activities before tax	<u>786,491</u>	<u>2,667,307</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -23%)	159,264	613,996
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	65,813	3,450
Capital allowances for year/period in excess of depreciation	(49,030)	44,376
Deferred tax movement	22,087	(89,520)
Adjustments to tax charge in respect of prior periods	-	(106,955)
Other differences leading to a (decrease) increase in the tax charge	(28,759)	16,245
Total tax charge for the year/period	<u>169,375</u>	<u>481,592</u>

Notes to the financial statements
For the year ended 31 December 2015

10. Taxation (continued)

Factors that may affect future tax charges

The Finance (No.2) Act 2015 reduced the rate of Corporation Tax from 1 April 2017 to 19% and by a further 1% to 18% from 1 April 2020. As such the temporary differences are expected to reverse at the main rate of UK Corporation Tax of 18%, being the rate enacted at balance sheet date, and deferred tax has therefore been provided at this rate.

In the 2016 Budget, it was announced that the rate of Corporation tax from 1 April 2020 will be reduced further to 17%. This rate received Royal Assent on 15 September 2016.

11. Tangible fixed assets

	Leasehold improve- ments £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 January 2015	318,745	4,008,782	13,450	314,807	234,741	4,890,525
Additions	-	336,659	-	128,556	18,416	483,631
Disposals	-	-	-	(1,364)	-	(1,364)
At 31 December 2015	318,745	4,345,441	13,450	441,999	253,157	5,372,792
Depreciation						
At 1 January 2015	206,026	2,358,504	9,714	201,086	206,805	2,982,135
Charge for the period	29,323	281,732	747	49,610	17,349	378,761
At 31 December 2015	235,349	2,640,236	10,461	250,696	224,154	3,360,896
Net book value						
At 31 December 2015	83,396	1,705,205	2,989	191,303	29,003	2,011,896
At 31 December 2014	112,719	1,650,278	3,736	113,721	27,936	1,908,390

Notes to the financial statements
For the year ended 31 December 2015

12. Stocks

	2015 £	2014 £
Raw materials and consumables	811,026	804,297
Work in progress (goods to be sold)	333,525	272,114
Finished goods and goods for resale	576,516	550,928
	<u>1,721,067</u>	<u>1,627,339</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

13. Debtors

	2015 £	2014 £
Trade debtors	3,450,760	3,156,614
Amounts owed by parent undertakings	4,177,057	4,175,822
Amounts owed by related undertakings	143,843	-
Other debtors	19,498	1,809
Corporation tax receivable	37,501	-
Prepayments and accrued income	225,539	238,770
	<u>8,054,198</u>	<u>7,573,015</u>

14. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	2,648,373	1,664,345
Amounts owed to related undertakings	219,186	133,207
Corporation tax	-	364,957
Taxation and social security	208,115	243,617
Other creditors	-	11,552
Accruals and deferred income	38,393	104,236
	<u>3,114,067</u>	<u>2,521,914</u>

Notes to the financial statements
For the year ended 31 December 2015

15. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	7,791,158	7,334,245
	<u>7,791,158</u>	<u>7,334,245</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(2,905,952)	(1,913,340)
	<u>(2,905,952)</u>	<u>(1,913,340)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by parent undertakings and other debtors.

Financial Liabilities measured at amortised cost comprise trade creditors, amounts owed to related undertakings and accruals and deferred income.

Notes to the financial statements
For the year ended 31 December 2015

16. Deferred taxation

	Deferred tax £
At 1 January 2015	(272,771)
Charged to the profit or loss	(22,087)
At 31 December 2015	(294,858)

In respect of prior year:

	Deferred tax £
At 1 July 2013	(362,291)
Charged to the profit or loss	89,520
At 31 December 2014	(272,771)

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(294,858)	(272,771)
	(294,858)	(272,771)

17. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
8,066 Ordinary shares of £1 each	8,066	8,066

Notes to the financial statements
For the year ended 31 December 2015

18. Reserves**Share premium**

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Other reserves

This reserve records the nominal value of shares repurchased by the company.

19. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £87,836 (2014: £56,816). Contributions totalling £14,188 (2014: £5,043) were payable to the fund at the balance sheet date.

20. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	498,184	512,139
Later than 1 year and not later than 5 years	1,489,482	1,537,898
Later than 5 years	939,355	1,180,903
Total	2,927,021	3,230,940

21. Related party transactions

Rent of £nil (2014: £517,628) was paid to BCP Properties Limited during the year. At the year end £nil (2014: £nil) was due from BCP Properties Limited, a company related by virtue of common directorship during the year.

Sales of £nil (2014: £369,397) were made to Emlam Limited during the year. At the year end £nil (2014: £nil) was due from Emlam Limited, a company related by virtue of common directorship during the year.

At the balance sheet date there was an amount owed from MPV Packaging Limited, a related undertaking by virtue of BC Jones and AH Clifton being directors during the year, of £nil (2014: £nil). Purchases from MPV Packaging Limited of £nil (2014: £1,840) have been made during the year.

**Notes to the financial statements
For the year ended 31 December 2015**

22. Controlling party

The company's immediate parent company is 2 View Media Limited, incorporated in England.

The company is a subsidiary of Huhtamaki Oyj, incorporated in Finland which is considered to be the ultimate parent company and controlling party. The only group in which the results of the company are consolidated is that headed by Huhtamaki Oyj. The consolidated results of this company are available to the public and may be obtained from Huhtamaki Oyj, Miestentie 9, FL-02150 Espoo, Finland.

23. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.