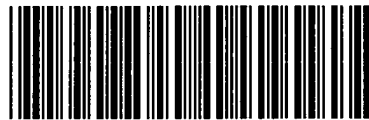


Registered number 2702506

Bemis Elsham Limited

**Directors' report and financial statements
for the year ended 31 December 2014**

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COMPANIES HOUSE

Bemis Elsham Limited

Company information

Directors	W J L Van der Smissen J S Krempa W F Austen G B C Taillandier
Company secretary	Pincent Masons Secretarial Limited
Registered number	2702506
Registered office	The Flarepath Elsham Wolds Industrial Estate Brigg North Lincolnshire DN20 0SP
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Humber Quays Wellington Street West Hull HU1 2BN

Bemis Elsham Limited

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Bemis Elsham Limited

Strategic report for the year ended 31 December 2014

Introduction

The directors present their strategic report on the group for the year ended 31 December 2014.

Business review

Bemis Elsham Limited produces a range of packaging products that it sells directly to customers both in the UK and the rest of Europe, and to other Bemis companies.

- Packaging for the Food and Fast moving consumer goods industries
- Packaging for the Medical devices business

The company pursues a strategy of focus on good quality value added products combined with short lead time and excellent customer service.

During 2014 the trading environment was challenging with turnover decreasing by 7% from £14.3 million in 2013 to £13.2 million in 2014. This reduction in sales was primarily due to the loss of one major customer who withdrew its contracts with all Bemis European sites. Also gross profit margin reduced from 12.9% in 2013 to 11.9% in 2014. The company experienced a reduction in raw material costs in quarter three of 2014 helping towards maintaining the gross profit margin. The company continues to invest in its asset base to ensure that there is sufficient availability to achieve future growth.

Given the highly competitive trading environment the company has continued to take measures to minimise the impact upon profits. The directors will continue to focus on the costs of the company, increasing efficiencies and improved sales volumes.

However Bemis Elsham does not have its own sales force and is dependent on the sales performance of the Bemis sales entities. The UK packaging market is the biggest market it serves, it is a highly fragmented market, with lots of local producers and distributors and competition is fierce, whereas margins are small. Bemis Elsham Limited will continue to offer a cost competitive, high quality product range combined with excellent service, ensuring in this way the loyalty of its end customers.

Principal risks and uncertainties

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

Price risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The company also has a credit risk in relation to cash and deposits with financial institutions, which is kept under review by the directors.

Liquidity risk

The company retains sufficient cash to ensure it has sufficient available funds for operations. The company also has access to longer term funding from its ultimate parent undertaking, if required.

Interest rate cash flow risk

The company has interest bearing assets. Interest bearing assets consist of cash balances, which earn interest at a floating rate. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied. The directors will revisit the appropriateness of the policy should the company's operations change in size or nature.

Financial key performance indicators (KPI's)

The company's directors make extensive use of key performance indicators. In addition to standard financial KPI's e. g. return on sales, invested capital, KPI's are also used for all major cost variables e. g. energy, waste, and productivity.

This report was approved by the board on

13/8/2015

2015, and signed on its behalf by:



W J L Van der Smissen
Director

Bemis Elsham Limited

Directors' report for the year ended 31 December 2014

The directors present their report and financial statements for the year ended 31 December 2014.

Results

The profit for the financial year after taxation, amounted to £ 356,000 (2013 : £121,000)

The directors do not recommend the payment of a dividend (2013: Nil) and the profit for the year has been deducted from the deficit on reserves.

Directors'

The directors who served during the year and up to the date of signing the financial statements were:

W J L Van der Smissen
J S Krempa
W F Austen
G B C Taillendier

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 prepared 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 and 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;
- prepare the financial statements on a going concern basis unless it is appropriate 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.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Bemis Elsham Limited

Directors' report for the year ended 31 December 2014 (continued)

This report was approved by the board on *13/8/2015* 2015, and signed on its behalf by:


W J L Van der Smitten
Director

Bemis Elsham Limited

Independent auditors' report to the members of Bemis Elsham Limited

Report on the financial statements

Our opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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 properly prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Bemis Elsham Limited, comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Directors' report and Strategic 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 our audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Bemis Elsham Limited

Independent auditors' report to the members of Bemis Elsham Limited (continued)

Opinion on other matter prescribed by Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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

We have no exceptions to report arising from this responsibility

Directors' remuneration

Under Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & 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.



Peter Adams (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Humber Quays
Wellington Street West
Hull
HU1 2BN

Date: 21/8/15

Bemis Elsham Limited**Profit and loss account
for the year ended 31 December 2014**

	Note	2014 £'000	2013 £'000
Turnover	2	13,165	14,276
Cost of sales		(11,598)	(12,436)
Gross profit		1,567	1,840
Distribution costs		(300)	(347)
Administrative expenses		(827)	(1,348)
Operating profit	3	439	145
Interest receivable and similar income	5	4	1
Profit on disposal of fixed assets		27	-
Profit on ordinary activities before taxation		470	146
Tax on profit on ordinary activities	6	(114)	(25)
Profit for the financial year	13	356	121

All amounts relate to continuing operations

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.


The notes on pages 11-18 form part of these financial statements.

Bemis Elsham Limited**Balance sheet
as at 31 December 2014**

	Note	£'000	2014 £'000	£'000	2013 £'000
Fixed assets					
Tangible assets	7		3,117		3,222
Current assets					
Stocks	8	693		985	

Debtors	9	545	1,139
Cash at bank and in hand		4,342	2,940
		<u>5,580</u>	<u>5,064</u>
Creditors: amounts falling due within one year	10	<u>(1,179)</u>	<u>(1,124)</u>
Net current assets		4,401	3,940
Total assets less current liabilities		<u>7,518</u>	<u>7,162</u>
Provisions for liabilities			
Deferred taxation	11	(1)	(1)
Net assets		<u>7,517</u>	<u>7,161</u>
Capital and reserves			
Called up share capital	12	9,272	9,272
Profit and loss account	13	(1,755)	(2,111)
Total shareholders' funds	14	<u>7,517</u>	<u>7,161</u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on *13/8/2015* 2015


W J L Van der Buisson
Director

The notes on pages 11-18 form part of these financial statements.

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****1 Accounting policies****1.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006. The accounting policies have been applied consistently.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover is stated net of value added tax and represents the amounts derived from the provision of goods and services which fall within the company's continuing principal activity. Turnover is recognised when the goods are dispatched to the customer.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- up to 40 years
Plant & machinery	- 5-12 years
Fixtures & fittings	- 3-12 years

No depreciation is provided on assets in the course of construction until they are commissioned.

1.5 Stocks

Stocks and work in progress are stated at the lower of cost, on a first out basis, and net realisable value.

Cost represents expenses incurred in bringing each product to its present location and condition and includes a measurable proportion of labour and manufacturing overheads based on normal levels of activity.

Provision is made for obsolete and slow-moving items where appropriate.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****1 Accounting policies (continued)****1.6 Deferred taxation (continued)**

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.8 Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.9 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.

2 Turnover

The whole of the turnover is attributable to the production and supply of packaging and packaging materials.

A geographical analysis of turnover is as follows:

	2014	2013
	£'000	£'000
United Kingdom	10,762	11,938
Rest of European Union	2,364	2,338
Others	39	-
	<u>13,165</u>	<u>14,276</u>

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****3 Operating profit**

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

	2014 £'000	2013 £'000
Depreciation of tangible fixed assets:		
- owned by the company	365	452
Auditors' remuneration	14	17
Difference on foreign exchange	(227)	32
Hire of plant and equipment	127	120
	<hr/> <hr/>	<hr/> <hr/>

During the year, no director received any emoluments (2013: -£Nil)

4 Staff costs

Staff costs were as follows:

	2014 £'000	2013 £'000
Wages and salaries	2,488	2,391
Social security costs	244	236
Other pension costs	73	60
	<hr/> <hr/>	<hr/> <hr/>
	2,805	2,687

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

	2014 No'	2013 No'
Production	64	60
Administration	23	22
	<hr/> <hr/>	<hr/> <hr/>
	-	82

5 Interest receivable

	2014 £'000	2013 £'000
Interest receivable from group companies	4	1
	<hr/> <hr/>	<hr/> <hr/>

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****6 Tax on profit on ordinary activities**

	2014 £'000	2013 £'000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	103	74
Adjustments in respect of prior periods	11	(25)
Total current tax	114	49
Deferred tax		
Origination and reversal of timing differences	-	(24)
Effect of decrease in tax rate on opening liability	-	-
Adjustments in respect of prior years	-	-
Total deferred tax (see note 11)	-	(24)
Tax on profit on ordinary activities	114	25

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013: higher than) the standard rate of corporation tax in the UK of 22.0% (2013: 23.25%). The differences are explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	471	146
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	101	34
Effects of :		
Expenses not deductible for tax purposes	-	16
Depreciation for the year in excess of capital allowances	2	24
Adjustments in respect of prior periods	11	(25)
Current tax charge for the year	114	49

Factors that may affect future tax charges

During the year, as result of changes in the UK corporation tax rate to 20% from 1 April 2015 and to xx% from 1 April 2016, which were substantively enacted, the relevant deferred tax balances have been re-measured.

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****7 Tangible fixed assets**

	Freehold property £'000	Plant & machinery £'000	Fixtures & fittings £'000	Total £'000
Cost				
At 1 January 2014	3,786	11,735	1,290	16,811
Additions		228	34	262
Disposals		(1,612)		(1,612)
At 31 December 2014	<u>3,786</u>	<u>10,351</u>	<u>1,324</u>	<u>15,461</u>
Accumulated depreciation				
At 1 January 2014	1,419	11,244	926	13,589
Charge for the year	94	195	76	365
Disposals		(1,610)		(1,610)
At 31 December 2014	<u>1,513</u>	<u>9,829</u>	<u>1,002</u>	<u>12,344</u>
Net book value				
At 31 December 2014	<u>2,273</u>	<u>522</u>	<u>322</u>	<u>3,117</u>
At 31 December 2013	<u>2,367</u>	<u>491</u>	<u>364</u>	<u>3,222</u>

8 Stocks

	2014 £'000	2013 £'000
Raw materials	383	317
Work in progress	172	393
Finished goods and goods for resale	138	275
	<u>693</u>	<u>985</u>

9 Debtors

	2014	2013
	£'000	£'000
Trade debtors	211	95
Amounts owed by group undertakings	262	892
Prepayments and accrued income	72	152
	545	1,139

The amounts owed by group undertakings are unsecured, repayable on normal trading terms and interest free.

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****10 Creditors: amounts falling due within one year**

	2014	2013
	£'000	£'000
Trade creditors	690	570
Amounts owed to group undertakings	23	171
Corporation tax	21	12
Other taxation and social security	328	343
Other creditors	13	13
Accruals and deferred income	104	15
	1,179	1,124

11 Deferred taxation

	2014	2013
	£'000	£'000
At beginning of year	1	25
Released during year (profit & loss)	-	(24)
At end of year	1	1

The provision for deferred taxation is made up as follows:

	2014	2013
	£'000	£'000
Accelerated capital allowances	3	3
Other timing differences	(2)	(2)
	1	1

12 Share capital

	2014	2013
	£'000	£'000
Allotted, called up and fully paid		
9,272,495 (2013: 9,272,495) Ordinary shares of £1 each	<u>9,272</u>	<u>9,272</u>

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****13 Reserves**

	Profit and loss account £'000
At 1 January 2014	(2,111)
Profit for the financial year	356
At 31 December 2014	<u>(1,755)</u>

14 Reconciliation of movements in shareholders' funds

	2014	2013
	£'000	£'000
Opening shareholders' funds	7,161	7,040
Profit for the financial year	356	121
Closing shareholders' funds	<u>7,517</u>	<u>7,161</u>

15 Pension commitments

The company operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The cost of contributions made to the scheme amounted to £73,394 (2013: £60,433). Outstanding contributions at 31 December 2014 amounted to £12,746 (2013: £9,240).

16 Operating lease commitments

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

	2014	2013
	£'000	£'000
Expiry date:		
Within one year	-	-
Between two and five years	<u>74</u>	<u>94</u>

17 Related party transactions

The company has taken advantage of the exemption provided by paragraph 3(c) of Financial Reporting Standard 8 not to disclose related party transactions with other members of the group.

Bemis Elsham Limited**Notes to the financial statements for the year ended 31 December 2014****18 Ultimate parent undertaking and controlling party**

The ultimate parent undertaking and controlling party is Bemis Company Inc, a company incorporated in USA.

Bemis Company Inc is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2014. The consolidated financial statements of Bemis Company Inc are available from the company's registered office at 222 South 9th Street, Suite 2300, Minneapolis, MN 55402-4099.