

Sonoco Holdings UK Limited
Annual report
for the year ended 31 December 2007

Registered number 3739940



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for the year ended 31 December 2007

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Sonoco Holdings UK Limited

Directors and advisors

Directors

C J Hupfer
D A Collins
T J Nash
K J Kiriakopoulos

Secretary

D A Collins

Chartered accountants and registered auditors

PricewaterhouseCoopers LLP

Independent auditors

101 Barbirolli Square

Lower Mosley Street

Manchester

M2 3PW

Solicitors

Cobbetts

38 Mosley Street

Manchester

M2 3HZ

Bankers

Deutsche Bank AG

Global Banking Division

6 Bishopsgate

London

EC2N 4DA

Registered office

Station Road

Milnrow

Rochdale

Lancashire

OL16 4HQ

Registered number

3739940

Sonoco Holdings UK Limited

Directors' report for the year ended 31 December 2007

The Directors present their report and the audited financial statements for the year ended 31 December 2007

Principal activities and review of business

The Company acts as an intermediate holding company for the United Kingdom subsidiaries of the Sonoco Products Company group. The Company did not trade during the year and is not expected to recommence trading in the foreseeable future.

In 2006, the Directors assessed the recoverability of the Company's investments based on the future cash flows of these operations and as such impaired the Company's investments by £14.9m. The future cash flows were discounted using a rate of 11%.

Dividends

The Directors are unable to recommend the payment of a dividend (2006: £nil).

Principal Risks and Uncertainties

The Company has no exposure to risk other than the underlying value of the Company's investments.

Directors

The Directors who held office during the year and up to the date of signing the financial statements are given below:

C J Hupfer
D A Collins
T J Nash
K J Kiriakopoulos

Statement of directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

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

Sonoco Holdings UK Limited

Directors' report for the year ended 31 December 2007 (continued)

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

Each Director of the Company, in office at the time of approval of this report, acknowledges that

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he/she has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to remain in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

By order of the board



D A Collins
Secretary
12 August 2008

Sonoco Holdings UK Limited

Independent auditors' report to the members of Sonoco Holdings UK Limited

We have audited the financial statements of Sonoco Holdings UK Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

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

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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.

Opinion

In our opinion:

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

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester
12 August 2008

Sonoco Holdings UK Limited

Profit and loss account for the year ended 31 December 2007

	Note	2007	2006
		£'000	£'000
Impairment of investment		-	(14,889)
Loss on ordinary activities before taxation		-	(14,889)
Tax on profit on ordinary activities		-	-
Loss for the financial year	8	-	(14,889)

All of the results shown above relate to continuing activities

The Company had no recognised gains and losses other than the losses shown above and therefore no separate statement of total recognised gains and losses has been presented

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

Sonoco Holdings UK Limited

Balance sheet as at 31 December 2007

	Notes	2007 £'000	2006 £'000
Fixed assets			
Investments	3	30,200	30,200
Current assets			
Debtors	4	2,598	2,598
Creditors amounts falling due within one year	5	(2,609)	(2,609)
Net current liabilities		(11)	(11)
Total assets less current liabilities		30,189	30,189
Capital and reserves			
Called up share capital	6	100	100
Share premium account	7	33,228	33,228
Profit and loss deficit	7	(3,139)	(3,139)
Shareholders' funds	8	30,189	30,189

The financial statements on pages 5 to 10 were approved by the Board of Directors on 12 August 2008 and were signed on its behalf by



D A Collins
Director

Sonoco Holdings UK Limited

Accounting policies

Principal accounting policies

The financial statements have been prepared in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention.

Group financial statements

The financial statements contain information about Sonoco Holdings UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 228a of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included within the consolidated financial statements of Sonoco Products Company (incorporated in the United States of America) whose financial statements are prepared in a manner equivalent to the EU 7th Directive.

Cash flow statement

The Company is exempt from the requirement of Financial Reporting Standard No 1 (revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Sonoco Products Company whose financial statements are publicly available.

Investments

Investments are held at cost less provisions for impairment in value.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transaction. All exchange differences are taken to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

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.

Deferred tax assets are recognised where the recoverability against future taxable profits is considered to be more likely than not.

Sonoco Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2007

1 Loss on ordinary activities before taxation.

The auditors' remunerations in 2007 and 2006 were borne by Sonoco Limited. There were no employees in 2007 or 2006.

None of the Directors received any remuneration during the period from the Company (2006: £nil).

2 Tax on profit on ordinary activities

There is no charge to taxation in either the current year or the previous accounting period.

There is no difference between tax assessed and the standard rate of corporation tax in the UK (30%).

3 Investments – shares in subsidiary undertakings

	£'000
Cost	
At 1 January 2007 and 31 December 2007	30,200

Interests in group undertakings

The Company's non-dormant subsidiaries as at 31 December 2007, all of which are wholly owned, are as follows:

Name of undertaking	Country of Registration	Description of shares held	Principal activities
Sonoco Milnrow	England and Wales	Ordinary £1 shares	Intermediate holding company
Sonoco Products Company UK *	England and Wales	Ordinary £1 shares	Intermediate holding company
Sonoco Limited **	England and Wales	Ordinary £1 shares	Production and conversion of packaging materials

* Shares held by Sonoco Milnrow

** Shares held by Sonoco Products Company UK

The Directors believe that the remaining carrying value of the investments is supported by their underlying assets.

Sonoco Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

4 Debtors

	2007 £'000	2006 £'000
Amounts falling due within one year		
Amounts due from group undertakings	2,598	2,598

At 31 December 2007 £135,000 (2006 £135,000) of the amounts due from group undertaking are interest bearing

5 Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Amounts due to group undertakings	2,609	2,609

At 31 December 2007 £962,000 (2006 £962,000) of the amounts due to group undertaking are interest bearing

6 Called up share capital

	2007 £'000	2006 £'000
Authorised		
1,000,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
100,000 ordinary shares of £1 each	100	100

Sonoco Holdings UK Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

7 Share premium account and reserves

	Share premium account £'000	Profit and loss account £'000
At 1 January 2007 and at 31 December 2007	33,228	(3,139)

8 Reconciliation of movements in shareholders' funds

	2007 £'000	2006 £'000
Opening shareholders' funds	30,189	45,078
Loss for the year	-	(14,889)
Closing shareholders' funds	30,189	30,189

9 Related party transactions

As a wholly owned subsidiary, the Company has taken advantage of the exemption under FRS 8 not to disclose intra-group transactions

10 Ultimate parent company and controlling party

The Company's ultimate holding company and controlling party is Sonoco Products Company, which is incorporated in the United States of America. Copies of the ultimate parent's consolidated financial statements which is the smallest and largest company to consolidate these financial statements may be obtained from The Secretary, Sonoco Products Company, Hartsville, South Carolina 29550, USA