Registered number: 01589762

# Fiberweb Geosynthetics Limited

**Report and financial statements**
**For the year ended 31 December 2015**

## Officers and professional advisers

**Directors**
Nicholas David Hurt
Jason Kent Greene
Mark William Miles

**Secretary**
Intertrust (UK) Limited

**Registered Office**
Intertrust UK Limited
7th Floor
11 Old Jewry
London
EC2R 8DU

**Business Address**
Blackwater Trading Estate
The Causeway
Maldon
Essex
CM9 4GG

**Auditor**
Ernst & Young LLP
400 Capability Green
Luton
Bedfordshire
LU1 3LU

**Bankers**
Lloyds Bank
25 Gresham Street
London EC2V 7HN

The Royal Bank of Scotland (Nat West)
Aldgate Union
2nd Floor, 10 Whitechapel High Street
London E1 9DX

## Strategic Report

The Directors present their Strategic Report for the year ended 31 December 2015.

**Principal activity**
The principle activity of Fiberweb Geosynthetics Limited (the Company) is the manufacture and sale of non-woven geotextiles and extruded plastic net and printed film.

**Business review**
During the year the company transitioned from the previously extant UK GAAP to FRS 102 and has taken advantage of the disclosure exemptions allowed under the framework.

In October 2015, the company's parent, AVINTIV, Inc., was acquired by Berry Plastics Group, Inc.. AVINTIV's manufacturing facilities are strategically located worldwide near many key customers and also utilize similar key raw materials as Berry's existing business.

Turnover was £26,949,000 (2014 - £34,559,000) during the year and the loss before tax was £1,259,000 (2014 - loss of £3,544,000).

The decrease in loss was due to a combination of factors effecting overall operational performance. These include start up difficulties in using new production technology and integrating business assets that were acquired in previous years. These assets have now increased in their performance. In addition to this, a product rationalisation took place in 2015, where low or non-profitable products were dropped and production of profitable items became the main focus.

In response the Company has carried out some significant cost restructuring and is also focusing on improving production efficiency which will support Sales & Marketing initiatives to regain market share.

The directors believe that the restructuring that has already taken place combined with a PGI Inc. Supported strategy to regain market share in core product areas should see the performance of the Company improve.

The key financial and other performance indicators for the year ended 31 December 2015 are summarised below:

| | 2015<br>£'000 | 2014<br>£'000 | Change<br>% |
|---|---|---|---|
| Turnover | 26,949 | 34,559 | -22% |
| Gross profit | 5,869 | 5,776 | 2% |
| Tonnes Sold | 8,441 | 12,248 | -31% |

Turnover 2015 was lower than 2014. This was due primarily to product mix with more lower weight products being sold. Gross profit decreased as a result of the product mix.

Future developments
The directors aim to maintain the management policies to regain market share in core product areas.
Investment in R&D to identify opportunities to develop new and existing products in niche markets areas.
Investment has increased in Capital Expenditure to achieve management strategy on cost savings with a focus on energy saving initiatives.

**Strategic Report (continued)**

**Principal risks and uncertainties**

The principal risks and uncertainties faced by the Company are shown below:

- *Price Risk:* The Company is exposed to commodity price risk, in relation to polymer price in particular. The Company manages this risk by purchasing raw materials from multiple suppliers where possible in order to maximize price competition.
- *Credit Risk:* The Company's principal financial assets are its bank balances and cash, and trade debtors. Provisions are made as required for any doubtful debts where there is an identified loss event which could give rise to a reduction in the recoverability of cash flows.
  The Company has no significant concentration of credit risk, with exposure spread over a number of customers of which none exceeds material balance.
- *Cash Flow Risk*: A significant proportion of the Company's turnover is to companies in countries outside the UK and, as such, the Company is exposed to movements in exchange rates. The Company does not use foreign exchange forward contracts to hedge this but it looks at the net position of gains and losses to make a judgment as to whether the policy of not hedging remains valid.
  Interest rate risk stemming from Group loans is mitigated through regular review of cash flow forecasts
- *Liquidity Risk:* In order to maintain liquidity to ensure that there are sufficient funds available for ongoing operations and future developments. The Company also has access to funds through its parent company.

On behalf of the board

N D Hurt
Director
Date: 17 January 2017

**Directors' report**
The Directors' present their report for the year ended 31 December 2015.

**Results and dividends**
The results for the year are shown in the statement of comprehensive income on page 9.
During the year, no dividends were paid (2014: £Nil), and the Directors do not recommend the payment of a final dividend (2014: £Nil).

**Going concern**
The Company made a loss for the current financial year. Berry Plastics Inc. has confirmed in writing to the directors that it will provide such financial support as might be necessary to ensure that the Company is a going concern and can meet its liabilities as they fall due for at least twelve months from the date of signing of these financial statements. The Directors have also assessed the ability of the parent company to provide that support. After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

**Directors**
The current directors are shown on page 2. The directors who held office during the year were:
D Norman (resigned 1 February 2016)
N Hurt

Directors appointed after the end of the year are:
J K Greene (appointed 1 February 2016)
M W Miles (appointed 1 February 2016)
J D Rich (appointed 1 February 2016, resigned 23 June 2016)

**Charitable and political donations**
There were no political donations in the year (2014: £Nil). Charitable contribution in the year totalled £Nil (2014: £500).

**Subsequent events**
There are no subsequent events.

**Research and Development**
The Company continues to invest in Research & Development (2015: £181,000; 2014: £229,000) to ensure it has a product range that is both competitive and compliant in the respective market.

**Disclosure of information to the auditors**
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to made himself aware of any relevant audit information and to establish that the auditor is aware of that information.

**Re-appointment of auditors**
In accordance with s485 of the Companies Act 2006, a resolution to appoint Ernst & Young LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

On behalf of the board

N D Hurt
Director
Date: 17 January 2017

**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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; 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 FIBERWEB GEOSYNTHETICS LIMITED

We have audited the financial statements of Fiberweb Geosynthetics Limited for the year ended 31 December 2015 which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position and the related notes 1 to 22. 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 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 auditors' 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 as set out on page 6, 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 Auditing Practices Board'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, Directors' Report and financial statements 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland; 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 period for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIBERWEB GEOSYNTHETICS LIMITED (continued)**

**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

Anup Sodhi (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Luton, United Kingdom
Date: 19 January 2017

## Statement of comprehensive income
For the year ended 31 December 2015

| | Note | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|---|
| **Turnover** | 2 | 26,949 | 34,559 |
| Cost of sales | | (21,080) | (28,783) |
| **Gross profit** | | **5,869** | **5,776** |
| Selling & Distribution costs | | (1,656) | (2,115) |
| Administrative expenses | | (4,540) | (6,349) |
| Other operating income | 3 | 2 | 438 |
| **Operating Loss** | 4 | **(325)** | **(2,250)** |
| **Loss on ordinary activities before finance charges** | | **(325)** | **(2,250)** |
| Interest payable and similar charges | 8 | (934) | (1,294) |
| | | (934) | (1,294) |
| **Loss on ordinary activities before taxation** | | **(1,259)** | **(3,544)** |
| Taxation | 9 | - | - |
| **Loss for the financial year** | | **(1,259)** | **(3,544)** |
| Other comprehensive income | | - | - |
| **Total comprehensive Income for the year** | | **(1,259)** | **(3,544)** |

All losses are derived from continuing operations.

The accompanying notes form an integral part of the Financial Statements.

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

| | Share Capital £'000 | Share Premium £'000 | Capital Contribution £'000 | Profit and loss account £'000 | Total equity £'000 |
|---|---|---|---|---|---|
| **At 29 December 2013** | **28** | **30** | - | **(13,408)** | **(13,350)** |
| Loss for the financial period | - | - | - | (3,544) | (3,544) |
| Other comprehensive income for the period | - | - | - | - | - |
| **At 31 December 2014** | **28** | **30** | - | **(16,952)** | **(16,894)** |
| Loss for the financial year | - | - | - | (1,259) | (1,259) |
| Capital contribution | - | - | 20,000 | - | 20,000 |
| Other comprehensive income for the year | - | - | - | - | - |
| **At 31 December 2015** | **28** | **30** | **20,000** | **(18,211)** | **1,847** |

**Capital Contribution**
During the year ended 31 December 2015, a loan for £20,000,000 attributed to the Parent group undertaking was formally written off. This has been shown as a capital contribution.

**Statement of financial position**
At 31 December 2015

| | Notes | 31 December 2015 £'000 | 31 December 2014 £'000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 10 | 9,280 | 10,058 |
| Intangible assets | 11 | - | - |
| | | **9,280** | **10,058** |
| **Current assets** | | | |
| Inventories | 12 | 4,391 | 4,340 |
| Trade and other receivables | 13 | 9,990 | 11,743 |
| Cash and cash equivalents | | 808 | 196 |
| | | 15,189 | 16,279 |
| **Trade and other payables: amounts falling due within one year** | 14 | (5,778) | (6,604) |
| **Net current assets** | | **9,411** | **9,675** |
| **Total assets less current liabilities** | | **18,691** | **19,733** |
| **Trade and other payables: amounts falling due after more than one year** | 15 | (16,844) | (36,597) |
| **Provisions for liabilities** | 16 | - | (30) |
| **Net assets /(liabilities)** | | **1,847** | **(16,894)** |
| **Capital and reserves** | | | |
| Share capital | 19 | 28 | 28 |
| Share premium account | 20 | 30 | 30 |
| Profit and loss account | 20 | (18,211) | (16,952) |
| Capital contribution | 20 | 20,000 | - |
| **Shareholder's funds / (deficit)** | | **1,847** | **(16,894)** |

These financial statements of Fiberweb Geosythetics Limited, registered number 01589762, were approved by the Board of Directors and authorised for issue on 17 January 2017 and were signed on its behalf by:

On behalf of the board
N D Hurt

Date: 17 January 2017

The accompanying notes form an integral part of the Financial Statements.

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

**1. Accounting policies**
**Statement of Compliance**

Fiberweb Geosynthetics Limited is a limited liability company incorporated in England. The registered office is 11 Old Jewry, 7th Floor, London EC2R 8DU.
The financial statements were prepared in accordance with Financial Reporting Standard (FRS 102) applicable in the United Kingdom and Republic of Ireland as it applies to the financial statements of the company for the year ended 31 December 2015. These financial statements have been prepared under the historical cost convention and presented in Sterling.

The company transitioned from previously extant UK GAAP to FRS102. There were no differences arising on adoption of FRS102.

**Basis of preparation & change in accounting policy**
The financial statements of Fiberweb Geosynthetics Ltd were authorised for issue by the Board of Directors on 17 January 2017.
The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.
The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 as it is a wholly-owned subsidiary of Berry Plastics Group, Inc. which prepares consolidated financial statements that are publicly available.

The Company has taken advantage of the following disclosure exemptions under FRS 102:
- The requirements of section 4 statement of financial position paragraph 4.12(a)
- The requirements of section 7 Statement of Cash Flows and section 3 Financial statement presentation: paragraph 3.17(d);
- The requirements of Basic Financial Instruments paragraphs 11.39 to 11.48A and section 12 Other Financial Instruments Issues paragraphs: 12.26 to 12.29;
- Requirements of section 33 Related Party Disclosures; paragraph 33.7.

*b) Reporting period*
These financial statements present the results of the Company for the year ended 31 December 2015. The comparative period is for the period 29 December 2013 to 31 December 2014.

*c) Going Concern*
The Company has made a loss in the year to 31 December 2015. The Directors consider that the Company is an integral part of Berry Plastics Group, Inc.'s structure and strategy. After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Directors have obtained a Letter of Support from Berry Plastics Group, Inc. who is confirming to provide financial support to assist the company in meeting its liabilities. Accordingly, directors continue to adopt the going concern basis in preparing the financial statements.

*d) Turnover*
Turnover represents amounts receivable for goods net of VAT and trade discounts. Turnover is recognized when goods have been successfully delivered to customers and it is probable that the economic benefits associated with the delivery will flow to the entity.

*e) Research and development*
Research expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the Company is expected to benefit.

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

**1. Accounting policies (continued)**

*f) Tangible fixed assets*
Tangible fixed assets are stated in the balance sheet at cost. Depreciation is provided on the cost of property, plant and equipment less estimated residual value and is calculated on a straight-line basis over the following estimated useful lives of the assets:

| | |
|---|---|
| Leasehold improvements | over the period of the lease |
| Plant and machinery | 10% and 25% |
| Motor vehicles | 25% |

*g) Intangible fixed assets*
Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are recognised where they arise from legal or other contractual rights, and where there is no history of exchange transactions. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment.

The carrying value of intangible assets is reviewed for impairment of events or changes in circumstances indicate the carrying value may not be recoverable.

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each cash generating unit that is expected to benefit from the synergies of the combination.

If a subsidiary, associate or business is subsequently sold or discontinued, any goodwill arising on acquisition that has not been amortised is taken into account in determining the profit or loss on sale or discontinuance.

*h) Investments*
The carrying value of investments in subsidiary undertakings are stated at cost less provision for impairment. The carrying value is the higher of cost and the investment's value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment for which the estimates of future cash flows have not been adjusted. If the value in use of an investment is estimated to be less than its carrying amount, the carrying amount is reduced to its fair value. An impairment loss is recognized immediately.

*i) Financial instruments*
*1) Cash at bank and in hand*
Cash and Cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

*2) Short term debtors and creditors*
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in administrative expenses.

*3) Interest-bearing loans and borrowings*
All interest-bearing loans and borrowings are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance cost in the statement of comprehensive income.

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

**1. Accounting policies (continued)**
*j) Stock and work in progress*
Finished goods and raw material stocks as well as work in progress are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal. A provision is made for obsolete, slow-moving or defective items where appropriate.

*k) Pension and post-retirement benefits*
The Company operates a defined contribution scheme for the benefit of its employees. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Differences between contributions payable and contributions paid are shown as either accruals or prepayments on the balance sheet.

*l) Taxation*
The tax expense represents the sum of the tax currently payable and deferred tax.

The Group establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

*m) Deferred tax*
Deferred tax is recognised in respects 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:

where there are differences between amounts that can be deducted for tax for assets(other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability /(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised: and

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 laws enacted or substantively enacted at the balance sheet date.

*n) Foreign currencies*
Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currencies are converted into sterling at the rate ruling on the date of the transaction. All differences on exchange are taken to the profit and loss account.

*o) Cash Flow statement*
In accordance with FRS 102, these accounts do not include a cash flow statement as the company is a wholly owned subsidiary of a parent undertaking whose accounts include a consolidated cash flow statement and are publicly available.

*p) Accounting judgements and key sources of estimation uncertainty*
The preparation of the 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 management's judgements have not been viewed to have had a material effect on the financial statements.

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

## 2. Turnover

| | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|
| *The turnover is attributable to the principle activity of the company. An analysis of turnover by geographical market is given below:* | | |
| United Kingdom | 16,145 | 19,828 |
| Europe | 7,962 | 9,244 |
| North America | 2,190 | 3,351 |
| Rest of the world | 652 | 2,136 |
| | 26,949 | 34,559 |

## 3. Other operating income

| | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|
| Scrap sales | 2 | 52 |
| Gain on sale of investment | - | 386 |
| | 2 | 438 |

In 2014, 100% of the Company's holding in Fiberweb Geosynthetics Gmbh was disposed of, realising a gain of £386,000

## 4. Loss on ordinary activities before taxation

| | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|
| Loss on ordinary activities before taxation is stated after charging/ (crediting): | | |
| Depreciation of tangible assets | 1,478 | 1,497 |
| Research and development | 181 | 229 |
| Operating lease rentals | | |
| - Plant and machinery | 119 | 119 |
| - Buildings | 942 | 996 |
| - Other assets | 83 | 93 |
| Auditors remuneration for audit of financial statements | 47 | 34 |
| Loss/(Gain) on foreign exchange transactions | 239 | (61) |
| Gain on sale of investment | - | (386) |

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

**5. Directors remuneration**

| | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|
| Remuneration for qualifying services | 189 | 169 |
| Company pension contributions to defined contribution schemes | 10 | 9 |
| | 199 | 178 |

Remuneration disclosed above include the amounts solely paid to the highest paid director.

**6. Employees and employee costs**

| | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|
| Wages and salaries | 6,179 | 5,793 |
| Social security and other costs | 622 | 632 |
| Other pension costs | 118 | 124 |
| | 6,919 | 6,549 |

The average number of employees (including directors) during the period was:

| | Year ended 31 December 2015 | Period ended 31 December 2014 |
|---|---|---|
| *Production:* | 148 | 161 |
| *Administration:* | 42 | 42 |
| | 190 | 203 |

**7. Investment income**

There was no dividend income received for the year ended 31 December 2015 (2014: £Nil).

**8. Finance income / costs**

| | Year ended 31 December 2015 £'000 | Period ended 31 December 2014 £'000 |
|---|---|---|
| *Interest payable and similar charges* | | |
| Interest payable to subsidiaries, associates and joint ventures | 934 | 1,279 |
| External interest payable | - | 15 |
| | 934 | 1,294 |

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

**9. Tax on loss on ordinary activities**

| a) Tax on loss on ordinary activities<br>The tax charge is made up as follows: | **Year ended 31 December 2015 £'000** | **Period ended 31 December 2014 £'000** |
|---|---|---|
| UK Corporation tax | - | - |
| Total Tax on loss on ordinary activities | - | - |

*b) Factors affecting the current tax credit:*

| The tax charge is made up as follows | | |
|---|---|---|
| Loss on ordinary activities before taxation | (1,259) | (3,544) |
| Tax at the standard rate of corporation tax of 20.25% (2014: 21.49%) | (255) | (762) |
| **Factors affecting** charge for the period | | |
| Expenses not deductible for tax purposes | 10 | 60 |
| Gain on disposal of investment | - | (84) |
| Capital allowances less than depreciation | - | 315 |
| Losses Carried forward | 245 | 471 |
| Current tax charge/(credit) | - | - |

c) *A deferred tax asset has not been recognised* because the directors are unable to ascertain whether it is more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

*d) Factors Affecting Future Tax Charges*
The standard rate of UK corporation tax has reduced from 21% to 20% on 1 April 2015. The Finance Act 2015, which received Royal Assent on 26 March 2015, states the this rate will not change for the financial year 2016.

In his budget of 8 July 2015, the Chancellor of the Exchequer announced tax rate changes, which, if enacted in the proposed manner, will have an effect on the company's future tax position. These additional changes will reduce the standard rate of UK corporation tax from 20% to 19% from 1 April 2017, and 18% from 1 April 2020.

The spring Budget 2016 announced a further reduction in the corporation tax rate to 17% for the Financial Year beginning 1 April 2020 which has not yet been substantively enacted and consequently the effect is not included in these financial statements.

The above changes to the rate of corporation tax will impact the amount of future cash tax payments to be made by the company.

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

**10. Tangible Assets**

| | Land and Buildings Leasehold £'000 | Plant and Machinery £'000 | Motor Vehicles £'000 | **Total 2015 £'000** |
|---|---|---|---|---|
| Cost | | | | |
| At 1 January 2015 | 335 | 15,587 | 48 | **15,970** |
| Additions | - | 700 | - | **700** |
| Disposals | - | - | (23) | **(23)** |
| At 31 December 2015 | 335 | 16,287 | 25 | **16,647** |
| Depreciation | | | | |
| At 1 January 2015 | 134 | 5,730 | 48 | **5,912** |
| Charge for the year | 19 | 1,459 | - | **1,478** |
| Disposals | - | - | (23) | **(23)** |
| At 31 December 2015 | 153 | 7,189 | 25 | **7,367** |
| Net book value | | | | |
| At 31 December 2015 | 182 | 9,098 | - | 9,280 |
| At 31 December 2014 | 201 | 9,857 | - | 10,058 |

**11. Intangible Assets**

| | **Goodwill £'000** | **Total 2015 £'000** |
|---|---|---|
| Cost | | |
| At 1 January 2015 | 173 | **173** |
| Disposals | (173) | **(173)** |
| At 31 December 2015 | - | - |
| Amortisation | | |
| At 1 January 2015 | 173 | **173** |
| Disposals | (173) | **(173)** |
| At 31 December 2015 | - | - |
| Net book value | | |
| At 31 December 2015 | - | - |
| At 31 December 2014 | - | - |

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

| 12. Inventories | 31 December 2015 £'000 | 31 December 2014 £'000 |
|---|---|---|
| Work in progress | 38 | 39 |
| Raw materials | 560 | 972 |
| Finished goods | 3,793 | 3,329 |
| | 4,391 | 4,340 |

There is no material difference between the balance sheet value of inventories and their replacement cost.

| 13. Trade and other receivables | 31 December 2015 £'000 | 31 December 2014 £'000 |
|---|---|---|
| Trade receivables | 4,297 | 5,441 |
| Amounts owed by group undertakings | 5,165 | 4,960 |
| Other receivables | 28 | 31 |
| VAT receivable | 67 | - |
| Prepayments and accrued income | 433 | 1,311 |
| | 9,990 | 11,743 |

The amounts owed by group undertakings are repayable on demand and subject to no interest, included within amounts owed by group undertakings is £1,065,000 due over one year (2014: £1,065,000).

| 14. Trade and other payables: amounts falling due within one period | 31 December 2015 £'000 | 31 December 2014 £'000 |
|---|---|---|
| Amounts owed to group undertakings | 2,097 | 1,670 |
| Bank overdraft | - | 1,425 |
| Trade creditors | 2,594 | 1,902 |
| Other taxes and social security costs | 3 | 160 |
| Other creditors | - | 210 |
| Accruals and deferred income | 1,084 | 1,237 |
| | 5,778 | 6,604 |

Bank overdrafts are repayable on demand. Fiberweb Geosynthetics Limited has a joint overdraft facility with Fiberweb Limited. The Company has guaranteed the bank overdraft to the extent of £5 million (2014: £5 million).

| 15. Trade and other payables: amounts falling due after more than one period | 31 December 2015 £'000 | 31 December 2014 £'000 |
|---|---|---|
| Amounts owed to group undertakings | 16,844 | 36,597 |
| | 16,844 | 36,597 |

The amounts owed to group undertakings incur interest at 6.12%.

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

### 16. Provisions for liabilities

| | Restructuring £'000 | Total £'000 |
|---|---|---|
| At 1 January 2015 | 30 | **30** |
| Additions | 117 | **117** |
| Utilised | (147) | **(147)** |
| At 31 December 2015 | - | **-** |

The restructuring provision related to employees and related costs in respect of the closure and restructuring of certain production and support facilities, based on amounts agreed with affected parties. All of the restructuring provision was utilised within 2015.

### 17. Lease commitments

At 31 December 2015 future minimum rentals under non cancellable operating leases were as follows:

| | Land and Buildings | | Other | |
|---|---|---|---|---|
| | 31 December 2014 £'000 | 31 December 2015 £'000 | 31 December 2014 £'000 | 31 December 2015 £'000 |
| Operating leases which expire: | | | | |
| Year 1 | 942 | 876 | 201 | 132 |
| Years 2,3,4 | 2,758 | 2,758 | 132 | 64 |
| Year 5+ | 9,667 | 8,748 | - | - |
| At the end of the period | 13,367 | 12,382 | 333 | 196 |

Land and buildings relates to two 20 year period leases. Maldon - expiring May 2031 and Aberdare expiring November 2022.

Other includes Vehicles expiring December 2016 and Forklift Trucks expiring August 2017.

### 18. Ultimate parent company

As at 31 December 2015 the Company's immediate parent company is Boddingtons International Limited, a company incorporated in Great Britain and registered in England and Wales. The Company's ultimate parent company is Berry Plastics Group, Inc., a company incorporated in the USA.

On the 1st October 2015, 100% of the share capital of Polymer Group, Inc. (AVINTIV) was acquired by Berry Plastics Group, Inc.

Berry Plastics Group, Inc. is the smallest and the largest group which prepares group financial statements incorporating the financial statements of the Company. These group financial statements are available to the public from the Berry Plastics Group, Inc. at 101 Oakley Street, Evansville, Indiana, 47710, USA.

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

**19. Share Capital**

| | 31 December 2015 £000's | 31 December 2014 £000's |
|---|---|---|
| Allotted, called up and fully paid | | |
| 28,461 (2014: 28,461) ordinary shares of £1 each | 28 | 28 |

**20. Reserves**

Called-up share capital represents the nominal value of shares that have been issued.

Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account includes all current and prior period retained profits and losses.

Capital contribution account represents the waiver of a £20,000,000 loan attributable from a parent group undertaking.

**21. Transition to FRS 102**

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2014. There were no financial impacts of adopting FRS 102 on either total equity or profit/(loss) after tax as reported under previous UK GAAP.

**22. Post Balance Sheet Events**

As reported in Accounts ending 31st December 2014, On the 1st October 2015, Berry Plastics Group acquired 100% of the share capital of Polymer group, Inc.

As part of an intercompany restructuring of the Company's group, the directors of Fiberweb Geosynthetics Limited and immediate parent company Boddingtons International Limited, entered into the sale of the entire issued share Capital of Boddingtons International Limited to Fiberweb Holdings Limited.

On 30 July 2016, the directors duly executed a stock transfer of 28,461 of ordinary shares of £1 being all of the issued and outstanding equity interests for a consideration of £28,461.

As a result of an intercompany restructuring of the Company's group, on 26 July 2016, the directors approved entry in to a deed of release between Fiberweb Geosynthetics Limited and immediate parent company Boddingtons International Limited in relation to a loan advanced to the parent company of £181,846 of which £181,846 was outstanding at the balance sheet date.

It is noted, under the Deed of Release, the Lender, Fiberweb Geosynthetics Limited releases the parent company from all such liabilities and obligations arising in connection with the loan.

On 31 August 2016, the directors of Boddingtons International Limited have applied to Companies House in a voluntarily striking off.