

Company Registration No. 00127795 (England and Wales)

Lax & Shaw Limited
Annual Report and Financial Statements
For The Period Ended 7 November 2022



LAX & SHAW LIMITED

COMPANY INFORMATION

Directors	Mr A S Henderson Mr N A Maskrey
Company number	00127795
Registered office	69 South Accommodation Road Leeds LS10 1NQ
Independent auditors	Grant Thornton UK LLP No. 1 Whitehall Riverside Whitehall Road Leeds LS1 4BN
Solicitors	Eversheds LLP Bridgewater Place Water Lane Leeds LS11 5DR
Bankers	Bank of Scotland 300 Lawnmarket Edinburgh EH1 2PH

LAX & SHAW LIMITED

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LAX & SHAW LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 7 NOVEMBER 2022

The directors present their strategic for the period ended 7 November 2022.

Review of the business

The results of the business are set out in the Statement of Comprehensive Income on page 8.

Principal risks and uncertainties facing the Group

The company is entirely dependent on the performance of the other companies within the Group. The principal risks are described within the financial statements of Tonic Midco Limited and Verallia UK Limited (formerly Allied Glass Containers Limited), which are publicly available.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the directors are of the opinion that analysis using additional KPIs is not necessary for the understanding of the development, performance or position of the business.

Financial risk management

The financial risk management of the company is also dependent on the financial risk management of other Group companies, as disclosed within their respective financial statements.

Employees and diversity

Lax & Shaw Ltd has no employees at 7 November 2022 (2021: nil). All associated staff are employed by Verallia UK Limited (formerly Allied Glass Containers Limited) and full details of employees and diversity can be found in the financial statements of that company.

On behalf of the board

Alan Henderson

A S Henderson

Director

6 June 2023

LAX & SHAW LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 7 NOVEMBER 2022

The directors present their strategic report and the audited financial statements for the period ended 7 November 2022. The period was shortened by 26 days from 3 December 2022 in anticipation of the sale of the Group.

Subsequent to the period end Tonic Topco Limited and its subsidiaries, including the company, were purchased by Verallia Holding UK Limited, a subsidiary of Verallia SA (Verallia), a company incorporated and registered in France.

Principal activities

The principal activity of the company continued to be that of the manufacture of glass containers, which are all sold to a fellow subsidiary of the Verallia UK Group (formerly the Allied Glass Group) (the "Group").

Results and dividends

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr A S Henderson

Mr N A Maskrey

Mr R Summers (Resigned 31 December 2022)

Statement of disclosure to auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Financial risks and uncertainties

A review of the relevant financial risk and uncertainties for the company has been evaluated within the strategic report which can be found on page 1.

Approval

The Directors' report was approved by the board on 6 June 2023 and signed on its behalf by:

Alan Henderson

A S Henderson
Director

LAX & SHAW LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 7 NOVEMBER 2022

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 period. 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 including FRS 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 and 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 international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT

FOR THE PERIOD ENDED 7 NOVEMBER 2022

Independent auditor's report to the members of Lax & Shaw Limited

Opinion

We have audited the financial statements of Lax & Shaw Limited (the 'company') for the period from 5 December 2021 to 7 November 2022, which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 7 November 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as inflationary pressures, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 7 NOVEMBER 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 7 NOVEMBER 2022

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- we obtained an understanding of the legal and regulatory frameworks applicable to the company, and the industry in which it operates. We determined that those relating to the reporting frameworks being Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006 to be the most significant of the laws and regulations applicable to the entity;
- we enquired of management whether there were any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected fraud. We corroborated the results of our enquiries with those charged with governance and to supporting documentation such as our legal and professional expenses review. From the procedures performed we did not identify any material matters relating to non-compliance with laws and regulation or matters in relation to fraud;
- to assess the potential risks of material misstatement, we obtained an understanding of:
 - the company's operations, including the nature of its revenue sources, the expected financial statement disclosures and business risks that may result in risk of material misstatement; and
 - the company's control environment including the adequacy of procedures for authorisation of transactions.
- we assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - evaluating the processes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and journal entries determined to be large or relating to unusual transactions;
 - reviewing legal and professional expenditure in the period to assess for any indicators of non-compliance with relevant laws and regulations;
 - completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable reporting requirements;
 - Identifying and testing related party transactions.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the client operates in, and their practical experience through training and participation with audit engagements of a similar nature.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

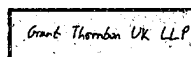
LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 7 NOVEMBER 2022

Use of our report

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.



Richard Woodward
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

6 June 2023

LAX & SHAW LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE PERIOD ENDED 7 NOVEMBER 2022**

		Period ended 7 November 2022 £'000	Period ended 4 December 2021 £'000
	Note		
Revenue	3	60,642	66,248
Cost of sales		<u>(53,464)</u>	<u>(58,637)</u>
Gross profit		7,178	7,611
Administrative expenses		(1,665)	(1,619)
Other operating income	3	<u>-</u>	<u>31</u>
Operating profit and profit before taxation	4	5,513	6,023
Tax on profit	7	<u>(1,015)</u>	<u>(1,144)</u>
Profit and total comprehensive income for the period		<u>4,498</u>	<u>4,879</u>

The above results all relate to continuing activities.

There is no difference between the profit before taxation and profit for the financial period stated above and their historical cost equivalents.

The accompanying notes on pages 11 to 18 form an integral part of these financial statements.

LAX & SHAW LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 7 NOVEMBER 2022**

		7 November 2022 £'000	4 December 2021 £'000
	Note		
Current assets			
Inventories	8	1,926	1,271
Trade and other receivables	9	<u>11,884</u>	<u>19,208</u>
		13,810	20,479
Current liabilities			
Trade and other payables	10	-	(12,182)
Taxation and social security		<u>(1,304)</u>	<u>(289)</u>
		<u>(1,304)</u>	<u>(12,471)</u>
Net current assets		<u>12,506</u>	<u>8,008</u>
Total assets less current liabilities		<u>12,506</u>	<u>8,008</u>
Net assets		<u>12,506</u>	<u>8,008</u>
Equity			
Called up share capital	12	81	81
Retained earnings		<u>12,425</u>	<u>7,927</u>
Total equity		<u>12,506</u>	<u>8,008</u>

The notes on pages 11 to 18 form an integral part of these financial statements.

The financial statements on pages 8 to 18 were approved by the board of directors and authorised for issue on 6 June 2023 and are signed on its behalf by:

Alan Henderson

A S Henderson
Director

Company Registration No. 00127795

LAX & SHAW LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 7 NOVEMBER 2022**

	Share capital	Retained earnings	Total
	£'000	£'000	£'000
Balances at 5 December 2020	81	3,048	3,129
<hr/>			
Period ended 4 December 2021:			
Profit and total comprehensive income for the period	-	4,879	4,879
Balances at 4 December 2021	81	7,927	8,008
<hr/>			
Period ended 7 November 2022:			
Profit and total comprehensive income for the period	-	4,498	4,498
Balances at 7 November	81	12,425	12,506

The notes on pages 11 to 18 form an integral part of these financial statements.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 7 NOVEMBER 2022

1 Accounting policies

Company information

Lax & Shaw Limited is a private company limited by shares incorporated in the United Kingdom. The registered office is 69 South Accommodation Road, Leeds, LS10 1NQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- (a) the requirements of IFRS 7 'Financial Instruments: Disclosure';
- (b) the requirements within IAS 1 relating to the presentation of certain comparative information;
- (c) the requirements of IAS 7 'Statement of Cash Flows' to present a statement of cash flows;
- (d) paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but it not yet effective); and
- (e) the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions and balances between two or more members of a Group.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have received confirmation that repayment of amounts owed to Group undertakings will not be sought until such time as the company has the necessary funds. The directors have also received a letter of support from the parent company.

1.3 Revenue

Revenue comprises the fair value of the consideration received or receivable for the net sale of products and services in the ordinary course of the company's activities. Revenue is shown net of value added tax, rebates, discounts and after elimination sales within the company. Under normal circumstances, revenue from product sales is recognised upon delivery to the customer or, in the case of goods supplied ex-works, generally upon when the goods are made available for collection by the customer or their agent.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 NOVEMBER 2022

1 Accounting policies (continued)

1.4 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial assets

Financial assets are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 NOVEMBER 2022

1 Accounting policies (continued)

1.7 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 NOVEMBER 2022

1 Accounting policies (continued)

1.9 Taxation (continued)

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

During the previous period the company has received COVID-19 specific grants from the UK Government. Grants received include the Job Retention Scheme which are recognised as grant income, leading to one-off items of income recognised within the Statement of Comprehensive Income.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these financial statements, the directors have not made any key estimates or judgements.

LAX & SHAW LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 7 NOVEMBER 2022****3 Revenue**

	2022	2021
	£'000	£'000
Revenue analysed by class of business		
All revenue is derived from the same class of business and originates from the UK.	60,642	66,248

	2022	2021
	£'000	£'000
Other operating income		
Grants received	-	31

4 Operating profit and profit before taxation

	2022	2021
	£'000	£'000
Operating profit for the period is stated after charging/(crediting):		
Operating lease rentals:		
Plant and machinery	4,972	6,156
Government grants	-	(31)
Cost of inventories recognised as an expense	20,182	19,652

Operating lease rentals are paid on a short term and informal basis to a fellow Group company.

Fees payable of £12k (2021: £10k) to the company's auditors were borne by Verallia UK Limited (formerly Allied Glass Containers Limited), a fellow Group company.

Fees paid to the company's auditor, Grant Thornton UK LLP, other than the statutory audit of the company are not disclosed in the company's financial statements since the consolidated financial statements of the company's parent, Tonic Midco Limited, are required to disclose non-audit fees on a consolidated basis.

5 Employees

The average monthly number of persons (including directors) whose costs were recharged to the company during the period was:

	2022	2021
	Number	Number
Production	202	202

LAX & SHAW LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 7 NOVEMBER 2022****5 Employees (continued)**

Their aggregate remuneration comprised:

	2022	2021
	£'000	£'000
Wages and salaries	7,632	8,161
Social security costs	856	904
Other pension costs	796	701
Employee benefit expenses included in profit before taxation	<u>9,284</u>	<u>9,766</u>

Employees of the Allied Glass Group are employed and paid by Verallia UK Limited (formerly Allied Glass Containers Limited) for administrative purposes. The costs associated with the staff are recharged by Verallia UK Limited on a quarterly basis to the company. The amount of the recharge is set out above.

All directors of the company are employed and remunerated by other Group companies. The amounts paid by other Group companies are disclosed in note 6 to the financial statements and it is not practicable to ascertain the proportion of the director's emoluments that specifically relate to this company. The directors receive no remuneration in respect of services to the company (2021: £nil).

6 Directors' remuneration

	2022	2021
	£'000	£'000
Remuneration for qualifying services	497	779
Company pension contributions to defined contribution schemes	35	34
	<u>532</u>	<u>813</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	192	342
Company pension contributions to defined contribution schemes	14	14

The above remuneration was accounted for and paid by a separate Group entity.

7 Tax on profit

	2022	2021
	£'000	£'000
Current tax		
UK corporation tax on profits for the current period	1,047	1,144
Adjustments in respect of prior periods	(32)	-
Total UK current tax	<u>1,015</u>	<u>1,144</u>

LAX & SHAW LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 7 NOVEMBER 2022****7 Tax on profit (continued)**

The charge for the period can be reconciled to the profit per the Statement of Comprehensive Income as follows:

	2022 £'000	2021 £'000
Profit before taxation	5,513	6,023
Expected tax charge based on a corporation tax rate of 19.00% (2021: 19.00%)	1,047	1,144
Adjustment in respect to prior period	(32)	-
Taxation charge for the period	1,015	1,144

The UK corporation tax rate was 19% (2021: 19%) throughout the period.

In the March 2021 Budget, a change to the future UK corporation tax rate was announced, indicating that the rate will increase to 25% from April 2023, which it did. Deferred tax balances at the reporting date are therefore measured at 25% (2021 - 25%).

8 Inventories

	2022 £'000	2021 £'000
Raw materials and consumables	1,926	1,271

No provision for inventory is recognised.

9 Trade and other receivables

	2022 £'000	2021 £'000
Amounts owed by fellow Group undertakings	11,884	19,208

Amounts owed by Group undertakings are repayable on demand and incur no interest. The company holds no security in respect of the amounts owed.

10 Trade and other payables

	2022 £'000	2021 £'000
Amounts owed to fellow Group undertakings	-	12,182

Amounts owed to Group undertakings are unsecured, repayable on demand and incur no interest.

LAX & SHAW LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 7 NOVEMBER 2022****11 Retirement benefit schemes****Defined contribution schemes**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £796k (2021: £701k).

12 Called up share capital	2022	2021
	£'000	£'000
Ordinary share capital		
Authorised		
100,000 Ordinary shares of £1 each	100	100
Issued and fully paid		
80,800 Ordinary shares of £1 each	81	81

13 Contingent liabilities

The company is a guarantor to the Group's £85.3m (2021: £70.0m) term loan and £45m (2021: £45m) working capital facility.

14 Controlling party

The immediate holding company is Verallia UK Limited, which is incorporated in and registered in the United Kingdom.

Tonic Topco Limited, a company registered in Jersey, is the ultimate holding company. Sun European Partners LLP is considered to be the ultimate controlling party as at the balance sheet date.

Tonic Midco Limited is the parent undertaking of the largest and smallest Group of undertakings to consolidate these financial statements at 7 November 2022. The consolidated financial statements of Tonic Midco Limited are available from Companies House.

15 Post balance sheet events

Subsequent to the period end on 8 November 2022 Tonic Topco Limited was acquired by Verallia Holding UK Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate parent company is Verallia SA, a company incorporated and registered in France, therefore as at the date of signing these accounts Verallia SA is considered to be the ultimate controlling party. Further to this, on 21 November 2022, as part of the post-acquisition restructuring of the Group Verallia UK Limited (formerly Allied Glass Containers Limited) was purchased by Verallia Holding UK Limited for consideration of £86.3m.