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Ball Beverage Packaging AMEA Limited

Annual Report and Financial Statements

for the year ended 31 December 2018

Strategic report

for the financial year ended 31 December 2018

The directors present their strategic report for the financial year ended 31 December 2018.

Principal activities

The principal activity of the company throughout the year was the running of the branch office in Dubai. There are no planned changes to this activity.

Business review and future developments

The results for the year are shown in the income statement on page 6. The results for the year are in line with the directors' expectation and no major change is anticipated regarding the level of activity for the foreseeable future.

The directors consider the company's financial position to be satisfactory.

Results and dividends

The company's loss for the financial year was AED 51,082,000 (2017: AED 42,648,000) which will be transferred to reserves. The results for the financial year are shown on page 6.

The directors of the company do not recommend the payment of a dividend (2017: AED nil)

Key performance indicators

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

Principle risks and uncertainties

As the principal activity of the company is to run is to run branch office in Dubai, there are very limited risks and the directors consider the likelihood of occurrence to be extremely low, due to the nature of the company, internal controls and monitoring procedures.

Approved by the board of directors and signed on its behalf by:

Richard Peachey

Director

23 September 2019

Directors' report

for the financial year ended 31 December 2018

The directors present their report and the audited financial statements for the company Ball Beverage Packaging AMEA Limited for the financial year ended 31 December 2018.

Business review and future developments

A review of the business of the company and future developments is included in the strategic report on page 1.

Directors of the company

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

D J Westmoreland

A Barnett

A Lahoti

R J Peachey

Financial risk management

As the principal activity of the company is to run branch office in Dubai, the financial risk is managed on an overall Ball Group basis. Full details on Ball Group Financial Risk Management are included within the Ball Corporation Annual Report 2018.

Statement of directors responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the strategic report.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Ball Corporation. The directors have received confirmation that Ball Corporation intends to support the company for at least one year after these financial statements are signed.

Disclosure of information to auditors

In the case of each of the persons who is a director at the time this report is approved:

- *so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware*; and
- each director has taken all the steps that he/she ought to have taken as a director to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent auditors

PricewaterhouseCoopers LLP have been appointed as auditors of the Company pursuant to section 487(2) of the Companies Act 2006 as amended by the Companies Act 2006.

Approved by the board of directors and signed on its behalf by:

Richard Peachey

23 September 2019

Report on the audit of the financial statements

Opinion

In our opinion, Ball Beverage Packaging AMEA Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2018; the income statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report (continued)
to the members of Ball Beverage Packaging AMEA Limited

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors responsibilities in respect of the financial statements set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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. 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.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Paola Brazier

Paola Brazier (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans
24 September 2019

Income statement

for the financial year ended 31 December 2018

	Note	2018 AED'000s	2017 AED'000s
Administrative expenses	6	(51,607)	(39,047)
Operating loss		**(51,607)**	**(39,047)**
Interest payable and similar expenses	7	(58)	(3,601)
Interest receivable and similar income		343	-
Other operating income		240	-
Loss before taxation		**(51,082)**	**(42,648)**
Tax on loss	8	-	-
Loss for the financial year		**(51,082)**	**(42,648)**

All amounts are derived from continuing operations.

No separate statement of comprehensive income has been presented because the company has no other comprehensive income/ (expense) other than the loss for the financial year.

Statement of financial position

at

	Note	*31 December 2018*	*31 December 2017 restated*
		AED'000s	*AED'000s*
Fixed assets			
Tangible assets	9	77	1,137
Current assets			
Trade and other receivables	10	4,040	3,891
Cash at bank and in hand		20,356	11,963
		24,396	**15,854**
Trade and other payables	11	(24,243)	(25,147)
Net current assets/(liabilities)		**153**	**(9,293)**
Creditors: amounts falling due within one year			
Provisions for liabilities	12	(798)	(1,434)
Net liabilities		**(568)**	**(9.590)**
Capital and reserves			
Called up share capital	13	223,809	169,109
Profit and loss account		(224,377)	(178,699)
Total shareholders' deficit		**(568)**	**(9,590)**

The financial statements on pages 6 to 20 were approved by the board of directors on 23 September 2019 and signed on its behalf by:

Richard Peachey

Director

Statement of changes in equity

	Called up share capital	*Profit and loss account*	*Total shareholders' deficit*
	AED'000s	*AED'000s*	*AED'000s*
At 1 January 2017 previously stated	-	(137,691)	(137,691)
Restatement of accrual opening balance		1,640	1,640
At 1 January 2017 restated		(136,051)	(136,051)
Loss for the financial year	-	(42,648)	(42,648)
Additional called up share capital	169,109	-	169,109
Restated at 31 December 2017 and 1 January 2018	**169,109**	**(178,699)**	**(9,590)**
Loss for the financial year	-	(51,082)	(51,082)
Additional called up share capital	54,700	-	54,700
Share based payments	-	5,404	5,404
At 31 December 2018	**223,809**	**(224,377)**	**(568)**

Notes to the financial statements
for the financial year ended 31 December 2018

1. General information

Ball Beverage Packaging AMEA Limited is a private company limited by shares and it is incorporated and domiciled in United Kingdom. The nature of the company's operations and its principal activities are set out in the strategic report on page 1. The address of its registered office is 100 Capability Green Luton, Bedfordshire, England, United Kingdom, LU1 3LG.

In preparing the accounts for the financial year ended 31 December, 2018, the Company has adjusted a posting error in the financial statements related to the opening balance sheet for the year ended 31 December 2017. As a result of the adjustment of this error, the balance of the profit and loss account as at 1st January 2017 has increased by AED 1,640,000, and the trade and other payables balance at the same date decreased by AED 1,640,000.

The accounting policies that have been applied consistently throughout the financial year are set out below.

2. Accounting policies

Basis of preparation

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. The company's financial statements are presented in UAE Dirham (AED) and all values are rounded to the nearest thousand dirham (AED000) except when otherwise indicated.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the financial year ended 31 December 2018.

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

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1, paragraph 73(e) of IAS 16 Property, Plant, Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- Exemption from the requirement of IAS1, to present a third balance sheet in some circumstances

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the strategic report. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Ball Corporation. The directors have received confirmation that Ball Corporation intends to support the company for at least one year after these financial statements are signed.

Interest Payable

Interest is charged to the income statement on an accruals basis. The difference between the issue price of discounted loan notes and their redemption value is spread on an accruals basis over the year from acquisition to redemption.

2. Accounting policies (continued)

Foreign currency translation

The company's functional currency is AED. The AED:GBP exchange rate at the balance sheet date for 2018 was 4.68 (2017: 4.97). Transaction denominated in foreign currency are translated into the AED at the rate ruling at the time of transaction except where the transactions are matched by forward exchange contracts where the rate of contract is used. Monetary assets and liabilities in other currencies have been translated at the rates of exchange ruling at the year-end except where the transaction are matched by forward exchange contracts where the rate of contract is used, Differences on exchange arising from translation are taken to the income statement at the date of balance sheet or at the agreed contractual date.

Taxation

Taxation expense for the period comprises current tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current taxation assets and liabilities are not discounted. Current tax is the amount of income tax payable in respect of the taxable profit for the year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, bank and money market deposits and other short term highly liquid investments generally with original maturities of three months or less.

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost less any provision for impairment. The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade and other receivables are grouped based on shared credit risk characteristics.

Trade and other payables

Creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Operating leases

Payments made under operating leases are recognised as an operating expense in the income statement on a straight line basis over the lease term. Any incentives to enter into operating leases are recognised as a reduction of rental expense over the lease term on a straight line basis.

Provision for liabilities

Provisions are recognised when a present obligation exists in respect of a past event and where the amount can be reliably estimated. Provisions are discounted when the time value of money is considered material.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument

i) *Financial assets*

Financial assets are recognised when the company becomes party to the contracts that give rise to them. Financial assets within the scope of IFRS 9 are classified as financial assets at amortized cost, fair value through other comprehensive income, fair value through profit and loss, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

2. Accounting policies (continued)

Financial instruments (continued)

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets at amortised cost

The company classifies its financial assets as at amortized cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal

and interest.

Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

ii) Financial liabilities

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Financial liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised Income Statement.

iii) Derecognition of financial liabilities.

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Retirement benefit obligations

The company participates in a funded defined benefit plan which is the legal responsibility of the Rexam Limited (former ultimate parent), as the sponsoring employer and a defined contribution plan.

A funded defined benefit plan typically specifies the amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The asset or liability recognised in the statement of financial position in respect of a funded defined benefit plan is the present value of the defined benefit obligation less the fair value of plan assets at the balance sheet date. The defined benefit obligation is calculated, at least triennially, by independent actuaries using the projected unit credit method and is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are determined in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. The current service cost and administration expenses are recognised as an operating expense in the income statement. Past service costs and credits are recognised immediately as an operating expense in the income statement. The net interest cost is the change during the year in the pension asset or liability due to the passage of time and is recognised as an interest expense in the income statement. The interest rate is based on the yield on high quality corporate bonds.

2. Accounting policies (continued)

Retirement benefit obligations (continued)

Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognised in other comprehensive income for the year.

A defined contribution plan is one under which fixed contributions are made to a third party. The contributions are recognised when they are due as an operating expense in the income statement. The company has no further payment obligations once the contributions have been paid. Prepaid contributions are recognized in the consolidated balance sheet as an asset to the extent that a cash refund or a reduction in future payments is likely.

Share-based payments

The parent company (Ball Corporation) operates equity and cash settled share option schemes on behalf of Ball Beverage Packaging AMEA Limited. For equity settled share options, the services received from employees are measured by reference to the fair value of the share options. The fair value is calculated at grant date and recognised in the income statement, together with a corresponding increase in equity, on a straight line basis over the vesting period, based on an estimate of the number of options that will eventually vest. Equity settled share options granted directly to subsidiary company employees are treated as a capital contribution to the subsidiary. The capital contribution is measured by reference to the fair value of the share options and recognised as an increase in the cost of the investment with a corresponding increase in shareholders' equity. Vesting conditions, which comprise service conditions and non-market performance conditions, are not taken into account when estimating the fair value. All market and non-vesting conditions are included in the fair value. For cash settled share options, the services received from employees are measured at the fair value of the liability and recognised as an operating expense in the income statement on a straight line basis over the vesting period. The fair value of the liability is measured at each balance sheet date and at the date of settlement with changes in fair value recognised as an operating expense in the income statement.

Tangible assets and depreciation

Tangible assets are stated at historical purchase cost less accumulated depreciation. Depreciation is calculated using the straight line method at rates calculated to write down the cost to the estimated residual value over the estimate useful life. Cost comprises purchase costs together with any incidental expenses of acquisition. The annual depreciation rates used for the major assets are:

Plant and machinery: 5 years

Buildings and leasehold improvements: 5 years

The assets' estimated useful lives, depreciation rates and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Provisions

Judgement is involved in determining whether a present obligation exists and in estimating the probability, timing and amount of any outflows. Professional expert advice is taken where required through internal or external subject matter experts.

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

3. Judgements and key sources of estimation uncertainty (continued)

Provisions (continued)

Provisions for legal proceedings and regulatory matters typically require a higher degree of judgement than other types of provisions. Judgements are also required to where high degree of uncertainty exists and which is associated with determining whether a present obligation exists, and estimating the probability and amount of any outflows that may arise.

Provisions for customer remediation also require significant levels of estimation and judgement in assessing the circumstances where customer in is financial turbulence and will fail to make payment as and when due

Retirement benefits

The financial statements include costs in relation to, and provision for, retirement benefit obligations. Rexam Limited has one defined benefit pension plan in the UK. The costs and present value of any related pension assets and liabilities depend on factors such as life expectancy of the members, the salary progression of current employees, the returns that plan assets generate and the discount rate used to calculate the present value of the liabilities. Rexam Limited uses estimates based on previous experience and external actuarial advice in determining these future cash flows and the discount rate. The accounting policy for retirement benefit obligations is set out below.

4. New and amended standards and interpretations

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 January 2018 have had a material impact on the company. The company adopted IFRS 9, 'Financial Instruments' on 1 January 2018 without impact on the company.IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost; fair value through other comprehensive income; and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income, not recycling. An expected credit losses model replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there are no changes to classification and measurement, except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright-line hedge effectiveness tests. To qualify for hedge accounting, it requires an economic relationship between the hedged item and hedging instrument, and for the 'hedged ratio' to be the same as the one that management actually uses for risk management purposes. Contemporaneous documentation is still required, but it is different from that currently prepared under IAS 39. There is an accounting policy choice to continue to account for all hedges under IAS 39.

New and amended standards and interpretations issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements and which might have an effect on the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

- *IFRS 16 Leases (required for annual periods beginning 1 January 2019)*

The directors do not anticipate that the adoption of other standards and interpretations that are issued, but not yet effective, will have a material impact on the Company's financial statements in the period of initial application.

Notes to the financial statements (continued)

for the financial year ended 31 December 2018

5. Employees and directors

(a). Staff costs

	2018 AED'000s	*2017 AED'000s*
Wages and salaries	31,711	19,836
Social security costs	846	727
Severance costs	58	142
Other pension costs (note 16)	111	727
Total staff costs	**32,726**	**21,432**

The average monthly number of employees during the financial year was made up as follows:

(Including executive directors)

	2018 Number	*2017 Number*
Number of employees	46	40
Number of employees by function:		
Executive/VP	1	1
Finance	9	9
Sales and supply chain	10	7
HR	2	2
Admin	3	4
Business development	2	1
Quality	3	2
Operations	13	12
Legal	2	2
Communications	1	-
Total average number of employees	**46**	**40**

(b). Directors' remuneration

	2018 AED'000s	*2017 AED'000s*
Aggregate emoluments	**3,255**	**3,141**
Highest paid director:		
Aggregate emoluments	1,697	1,692
Accrued pension at financial year end	58	267
Total payments to highest paid director	**1,755**	**1,959**

5. Employees and directors (continued)

Highest paid director besides monthly wages and bonuses, has exercised DRA during 2018. For more details, see note 17.

At the year end, retirement benefits are accruing to 2 (2017: 3) directors under UK defined benefit schemes.

The above emoluments represent amounts paid and payable for the twelve months ended 31 December 2018 and 31 December 2017.

The directors' emoluments are borne by Ball Beverage Packaging AMEA Limited except for one director whose emoluments were borne by Ball Beverage Packaging Europe Limited.

6. Administrative expenses

	2018 *AED'000s*	*2017* *AED'000s*
This is stated after charging:		
Audit fees	37	283
Depreciation charge (note 9)	786	948
Operating lease rentals (land & buildings)	970	1,255
	1,793	2,486

7. Interest payable and similar expenses

	2018 *AED'000s*	*2017* *AED'000s*
Bank fee and charges	58	6
Foreign currency loss	-	213
Interest payable to group undertakings	-	3,601

8. Tax on loss

(a) Tax charged in the income statement

	2018 *AED'000s*	*2017* *AED'000s*
UK corporation tax at 19% (2017: 19.25%)	-	-
Foreign tax	-	-

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

8. Tax on loss (continued)

(b) Factors affecting tax charge

	2018 AED'000s	2017 AED'000s
Loss before taxation	(51,082)	(42,648)
Tax on loss at the standard rate of corporation tax in the UK of 19 % (2017: 19.25%)	(9,706)	(8,210)
Permanent difference	299	365
Foreign PE exemption	9,407	7,845
Foreign tax	-	-
Total tax charge	-	-

(c) Factors that may affect the future tax charge

The 2016 Finance Act received Royal Assent on 15 September 2016 which will reduce the standard rate of UK corporation tax rate to 19% from 1 April 2017, and to 17% from 1 April 2020. These reductions will reduce the company's future tax charge accordingly.

There are no unprovided amounts relating to deferred tax.

9. Tangible assets

	Plant and machinery	*Building and leasehold improvements*	*Total*
	AED'000s	*AED'000s*	*AED'000s*
Cost			
At 1 January 2018	151	4,253	4,404
Additions	-	-	-
Disposals	-	(575)	(575)
At 31 December 2018	**151**	**3,678**	**3,829**
Accumulated depreciation			
At 1 January 2018	**(115)**	**(3,152)**	**(3,267)**
Charge for the financial year (note 6)	(36)	(751)	(787)
Disposals	-	302	302
At 31 December 2018	**(151)**	**(3,601)**	**(3,752)**
Net book value:			
At 31 December 2018	-	**77**	**77**
At 31 December 2017	**36**	**1,101**	**1,137**

10. Trade and other receivables:

	31 December 2018 AED'000s	*31 December 2017 AED'000s*
Amounts owed from group undertaking	3,276	2,534
Prepayments and accrued income	593	1,256
Other Debtors	171	101
Total trade debtors	**4,040**	**3,891**

All amounts from group undertakings are interest free, unsecured and repayable on demand.

11. Trade and other payables

	31 December 2018 AED'000s	31 December 2017 restated AED'000s
Trade creditors	5	209
Amounts owed to group undertakings	22,081	20,055
Accruals and deferred income	2,157	4,883
Total trade and other payables	**24,243**	**25,147**

Nature	*Interest rate*	*Repayment terms*	*31 December 2018 AED'000s*	*31 December 2017 AED'000s*
Unsecured	Interest free	On demand	22,081	20,055

12. Provisions for liabilities

	At 1 January AED'000s	*Charge/(credit) to P&L AED'000s*	*Utilised/Fx impact AED'000s*	*At 31 December AED'000s*
Share based payments for 2017 (note 17)	1,586	(152)	-	1,434
Share based payments for 2018 (note 17)	1,434	(636)	-	798
Current	-			-
Non-current	*1,434*			*798*

13. Called up share capital

	31December 2018 AED'000s	*31 December 2017 AED'000s*
Allotted, called up and fully paid	223,809	169,109

Share capital consists of 45,285,461 (2017: 34,000,001) fully paid ordinary shares, at £1 each

As of 2 May 2018, AED 54,700 thousands were transferred by Rexam UK Holdings Limited in consideration for the allotment of 3,593,460 ordinary shares of £1.00 each in the capital of the Company.

14. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking at 31 December 2018 was Rexam UK Holdings Limited, a wholly owned subsidiary undertaking of the ultimate parent undertaking and controlling party, Ball Corporation, a company registered in United States of America. Ball Corporation is the smallest and largest group to consolidate financial statements. The results of the company are included in the full consolidated financial statements of Ball Corporation, which are publicly available from the internet at www.ball.com.

15. Operating lease commitments

An analysis of the total future minimum lease payments for the non-cancellable operating lease with respect to the Dubai head office property is set out below.

	31 December 2018	*31 December 2017*
	AED'000s	*AED'000s*
Less than 1 year	599	630
Between 1 and 5 years	2,227	-
Over 5 years	-	-
Total	**2,826**	**630**

There are no sublease receipts under non -cancellable operating leases.

16. Retirement benefit obligations

The company participates in a group defined benefit scheme for qualifying employees. There is no contractual agreement or stated policy for charging the net defined benefit cost. In accordance with IAS 19, the company recognises a cost equal to its contribution payable for the year which in the year ended 31 December 2018 was AED 110,966 (2017: AED 726,640). Further details of the group defined benefit scheme are disclosed in the 2018 consolidated group financial statements.

17. Share based Payments

i) *Summary of share based payment schemes*:

Scheme name	*Abbreviation*	*Scheme status*	*Settlement basis*
Ball Corporation Restricted Stock Units	RSU	Open	Equity
Ball Corporation Share Option Schemes	BCSO	Open	Equity
Deferred Replacement Awards	DRA	Closed	Cash

ii) Exercise prices and average remaining contractual lives of options by scheme

	2018	*2018*	*2018*	*2017*	*2017*	*2017*
Scheme	*Number of options thousands*	*Range of exercise price* US$	*Weighted average remaining contractual life years*	*Number of options thousands*	*Range of exercise price* US$	*Weighted average remaining contractual life years*
RSU	45	-	1.45	72	-	2.2
BCSO	172	33.93	6.6	152	33.22	7.0
DRA	-	-	-	7	-	0.3

iii) Details of share options exercised during the year:

	2018	*2018*	*2018*	*2017*	*2017*	*2017*
Scheme	*Number of options thousands*	*Weighted average exercise price* US$	*Weighted average share price* US$	*Number of options thousands*	*Weighted average exercise price* US$	*Weighted average share price* US$
DRA	7	36.75	-	-	-	-
RSU	6	33.08	38.28	-	-	-
BCSO	4	36.15	44.44	34	10.94	29.85

iv) *Employee benefit expense*

	2018 AED'000s	*2017 AED'000s*
Equity settled	5,404	4,599
Cash settled	798	1,486
Total	**6,202**	**6,085**