

**Ancor UK Finance Limited**

**Directors' report and financial  
statements**

**Registered number 4160806**

**30 June 2006**



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28/09/2006**

## Contents

|   |   |
|---|---|
| Directors' report   | 1 |
| Statement of directors' responsibilities in respect of the Directors' Report and financial statements | 2 |
| Independent auditors' report to the members of Amcor UK Finance Limited                               | 3 |
| Profit and loss account   | 4 |
| Balance sheet   | 5 |
| Notes   | 6 |

## Directors' report

The directors present their annual report and the financial statements for the year ended 30 June 2006.

### Principal activities

The company provides financing to other group companies and acts as administrative agent for an asset backed securitisation programme used to fund Amcor group companies.

### Directors and directors' interests

The directors who held office during the year were as follows:

GS James (resigned 30 June 2006)

IG Wilson (appointed 30 June 2006)

A Mawby

LR Hawkins

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

### Dividends

The company paid a preference dividend in the year of €5,823k (2005 : €19,493k).

### Political and charitable contributions

The company made no political or charitable contributions during the year (2005 : €nil).

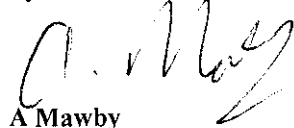
### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each 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 ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

Pursuant to a shareholders' resolution, the company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office.

By order of the board



A Mawby  
Director

Brighthouse Court  
Barnwood  
Gloucester GL4 3RT

20 September 2006

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



100 Temple Street  
Bristol  
BS1 6AG  
United Kingdom

## **Independent auditors' report to the members of Amcor UK Finance Limited**

We have audited the financial statements of Amcor UK Finance Limited for the year ended 30 June 2006 which comprise Profit and Loss Account and the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

### **KPMG LLP**

*Chartered Accountants  
Registered Auditor*

*KPMG LLP*

**Profit and loss account**  
*for the year ended 30 June 2006*

|  | <i>Note</i> | 2006<br>€'000 | 2005<br>€'000 |
|--|-------------|---------------|---------------|
| <b>Turnover</b>                                      |             | -             | -             |
| Administrative expenses                              | 2           | (48)          | (58)          |
| <b>Operating loss</b>                                |             | (48)          | (58)          |
| Other interest receivable and similar income         | 3           | 60,113        | 76,095        |
| Other interest payable and similar expenses          | 4           | (18,317)      | (19,390)      |
| <b>Profit on ordinary activities before taxation</b> |             | 41,748        | 56,647        |
| Tax on profit on ordinary activities                 | 5           | (9,161)       | (21,033)      |
| <b>Profit on ordinary activities after taxation</b>  |             | 32,587        | 35,614        |


There are no recognised gains and losses other than those disclosed in the profit and loss account.

The accounts are prepared on an unmodified historical cost basis.

**Balance sheet**  
*at 30 June 2006*

|  | <i>Note</i> | 2006<br>€'000    | 2006<br>€'000  | 2005<br>€'000    | 2005<br>€'000  |
|--|-------------|------------------|----------------|------------------|----------------|
| <b>Fixed assets</b>  |             |                  |                |                  |                |
| Investments  | 7           |                  | 310,765        |                  | -              |
| <b>Current assets</b>  |             |                  |                |                  |                |
| Debtors (including €1,336,520 (2005: €1,557,198) falling due after more than one year) | 8           | 1,369,674        |                | 1,589,572        |                |
| Cash at bank and in hand   |             | 20,525           |                | 47,111           |                |
|  |             | <u>1,390,199</u> |                | <u>1,636,683</u> |                |
| <b>Creditors: amounts falling due within one year</b>                                  | 9           | <u>(718,361)</u> |                | <u>(680,844)</u> |                |
| <b>Net current assets</b>  |             |                  | 671,838        |                  | 955,839        |
| <b>Net assets</b>  |             |                  | <u>982,603</u> |                  | <u>955,839</u> |
| <b>Capital and reserves</b>  |             |                  |                |                  |                |
| Called up share capital  | 10          |                  | 930,439        |                  | 930,439        |
| Profit and loss account  | 11          |                  | 52,164         |                  | 25,400         |
| <b>Shareholders' funds</b>   |             |                  | <u>982,603</u> |                  | <u>955,839</u> |

These financial statements were approved by the board of directors on 20 September 2006 and were signed on its behalf by:

  
**A Mawby**  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below.

In these financial statements the following new standard has been adopted for the first time:

FRS 28 'Corresponding amounts'

FRS28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

The company is exempt by virtue of s248 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Amcor Holding, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Amcor Holding, within which this company is included, can be obtained from Brighthouse Court, Barnett Way, Barnwood, Gloucester, GL4 3RT, United Kingdom.

#### ***Taxation***

The charge for taxation is based on the profit for the year and takes into accounts taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### ***Foreign currencies***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The company takes out hedges on behalf of group companies and to hedge foreign currency exposure it may have on its balance sheet. These financial instruments are recorded in the balance sheet on the day of the deal and are then revalued to fair value at each balance sheet date. The foreign exchange gains and losses occurring at the time of these revaluations are recorded in the profit and loss account.

#### ***Dividends on shares presented within the shareholder's funds***

Dividends unpaid at the balance sheet date are only recognized as a liability at that date to the extent that they are appropriately authorized and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.



## Notes (continued)

### 2 Notes to the profit and loss account

Operating loss is stated after charging:-

|                       | 2006<br>€'000 | 2005<br>€'000 |
|-----------------------|---------------|---------------|
| Auditors remuneration | 33            | 20            |
| Administration costs  | 15            | 38            |
|                       | <hr/> 48      | <hr/> 58      |
|                       | <hr/>         | <hr/>         |

### 3 Other interest receivable and similar income

|  | 2006<br>€'000 | 2005<br>€'000 |
|--|---------------|---------------|
| Interest receivable from group companies | 54,922        | 71,550        |
| Interest receivable from external banks  | 5,191         | 4,545         |
|  | <hr/> 60,113  | <hr/> 76,095  |
|  | <hr/>         | <hr/>         |

### 4 Other interest payable and similar charges

|   | 2006<br>€'000 | 2005<br>€'000 |
|---|---------------|---------------|
| Interest payable to external banks on loans     | 7,929         | 4,098         |
| Interest payable to external banks on overdraft | 480           | 510           |
| Interest payable to group companies             | 9,908         | 14,782        |
|   | <hr/> 18,317  | <hr/> 19,390  |
|   | <hr/>         | <hr/>         |

## Notes (continued)

### 5 Taxation

Analysis of charge in period:

|  | 2006<br>€'000 | 2006<br>€'000 | 2005<br>€'000 | 2005<br>€'000 |
|--|---------------|---------------|---------------|---------------|
| <i>UK Corporation tax</i>                  |               |               |               |               |
| Current tax on income for the period       | 11,568        |               | 18,468        |               |
| Current tax on income for the prior period | (2,407)       |               | 2,565         |               |
|  |               |               |               |               |
| Total current tax charge                   |               | 9,161         |               | 21,033        |
| Tax on profit on ordinary activities       |               | 9,161         |               | 21,033        |

*Factors affecting the tax charge for the current period*

The current tax charge for the period is lower (2005 : higher) than the standard rate of corporate tax in the UK (30%, 2005 : 30%). The differences are explained below.

*Current tax reconciliation*

|  |         |        |
|--|---------|--------|
| Profit on ordinary activities before tax           | 41,748  | 56,647 |
| Current tax at 30% (2005: 30%)                     | 12,524  | 16,994 |
| <i>Effects of:</i>                                 |         |        |
| Items not taxable                                  | (1,169) | -      |
| Items not deductible for tax purposes              | 208     | 1,470  |
| Adjustment to tax charge in respect of prior years | (2,407) | 2,565  |
| Withholding tax paid                               | 5       | 4      |
| Total current tax charge (see above)               | 9,161   | 21,033 |

### 6 Dividends

|  | 2006<br>€'000 | 2005<br>€'000 |
|--|---------------|---------------|
| <b>Dividends on preference shares:</b> |               |               |
| Interim dividend paid                  | 5,823         | 19,493        |
|  | 5,823         | 19,493        |

Dividends on preference shares paid at Euribor + 1.25%

## Notes (continued)

### 7 Fixed Asset Investments

|                        | Shares in<br>group<br>undertakings<br>2006<br>€'000 |
|------------------------|---|
| <b>Cost</b>            |   |
| At beginning of period | -   |
| Additions              | 310,765   |
|                        | <hr/>   |
| At end of year         | 310,765   |
|                        | <hr/>   |
| <b>Net book value</b>  |   |
| At beginning of year   | -   |
|                        | <hr/>   |
| At end of year         | 310,765   |
|                        | <hr/>   |

Details of fixed asset investments held are as follows:

|                            | Country of incorporation | Shares held  | % owned | Total Value<br>€'000 | Value<br>€'000 |
|----------------------------|--------------------------|--------------|---------|----------------------|----------------|
| Amcor European Finance LLC | USA                      | Class A Ords | 0%      | 3,500                | -              |
| Amcor European Finance LLC | USA                      | Class B Ords | 100%    | 310,765              | 310,765        |
| <b>Total</b>               |                          |              |         | <b>314,265</b>       | <b>310,765</b> |

Amcor UK Finance Limited owns 100% of class B shares which carry one vote each, the class A shares carry 250 votes per share. Therefore Amcor UK Finance Limited controls only 26.2% of Amcor European Finance LLC whilst owning 98.9% of the equity.

## 8 Debtors

|  | 2006<br>€'000   | 2005<br>€'000   |
|--|-----------------|-----------------|
| Amounts due within one year                            |                 |                 |
| Amounts owed by group undertakings repayable on demand | 32,684          | 32,250          |
| Other debtors  | 470             | 124             |
|  | <hr/> 33,154    | <hr/> 32,374    |
| Amounts due after one year                             |                 |                 |
| Amounts owed by group undertakings repayable on demand | 1,336,520       | 1,557,198       |
|  | <hr/> 1,336,520 | <hr/> 1,557,198 |
|  | <hr/> 1,369,674 | <hr/> 1,589,572 |
|  | <hr/> <hr/>     | <hr/> <hr/>     |

Debtors due from group undertakings are aged on a substantive basis not a legal basis and are therefore listed as due after one year above.

## 9 Creditors: amounts falling due within one year

|                                    | 2006<br>€'000 | 2005<br>€'000 |
|------------------------------------|---------------|---------------|
| Bank loans and overdrafts          | 69,224        | 157,737       |
| Amounts owed to group undertakings | 606,297       | 488,550       |
| Taxation and social security       | 42,631        | 34,472        |
| Other unsecured creditors          | 209           | 85            |
|                                    | <hr/> 718,361 | <hr/> 680,844 |
|                                    | <hr/> <hr/>   | <hr/> <hr/>   |

The external bank loan has been drawn down from a revolving credit facility provided by external syndicated banks. The company has provided a cross guarantee as security for the syndicated facility along with other group companies.

## Notes (continued)

### 10 Called up share capital

|   | 2006<br>€'000    | 2005<br>€'000    |
|---|------------------|------------------|
| <i>Authorised</i>   |                  |                  |
| Equity: 1 Ordinary shares of £1 each  | -                | -                |
| Equity: 600,000,000 Ordinary shares of €1 each  | 600,000          | 600,000          |
| Non-equity: 350,000,000 Fixed rate non-participating, non-redeemable, non-voting preference shares of €1 each             | 350,000          | 350,000          |
| Non-equity: 500,000,000 New Fixed rate non-participating, non-redeemable, non-voting preference shares of €1 each         | 500,000          | 500,000          |
|   | <u>1,450,000</u> | <u>1,450,000</u> |
| <i>Allotted, called up and fully paid</i>   |                  |                  |
| 1 ordinary share of £1  | -                | -                |
| 370,039,367 ordinary shares of €1 each  | 370,040          | 370,040          |
| 336,000,000 fixed rate non-participating, non-redeemable, non-voting preference shares of €1 each (Preference Shares)     | 336,000          | 336,000          |
| 224,399,277 fixed rate non-participating, non-redeemable, non-voting preference shares of €1 each (New Preference Shares) | 224,399          | 224,399          |
|   | <u>930,439</u>   | <u>930,439</u>   |

The preference shares are classified in equity rather than debt as there is no right to redeem or to payment of a fixed dividend unless declared by the directors, at which point the preference share dividends are payable in preference to the ordinary shares.

### 11 Movement in shareholders' funds

|  | Share capital  | Profit and loss account | Total          |
|--|----------------|-------------------------|----------------|
|  | €'000          | €'000                   | €'000          |
| At beginning of year                                 | 930,439        | 25,400                  | 955,839        |
| Retained profit for the year                         | -              | 32,587                  | 32,587         |
| Dividend on shares classified in shareholders' funds | -              | (5,823)                 | (5,823)        |
|  | <u>930,439</u> | <u>52,164</u>           | <u>982,603</u> |

## **Notes** *(continued)*

### **12 Ultimate parent company and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of Amcor Holding, registered in England and Wales.

The largest group in which the profits of the company are consolidated is that headed by Amcor Limited, incorporated in Australia. The consolidated accounts of this group are available to the public and may be obtained from Amcor Limited, 679 Victoria Street, Abbotsford, Victoria 3067, Australia. The smallest group in which they are consolidated is that headed by Amcor Holding. The consolidated accounts of these groups are available to the public and may be obtained from Brighthouse Court, Barnett Way, Gloucester, GL4 3RT, United Kingdom.