

# **Brambles Holdings (UK) Limited**

**Annual report and financial statements  
for the year ended 30 June 2020**

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## **Strategic Report for the year ended 30 June 2020**

The directors present their Strategic Report of Brambles Holdings (UK) Limited ("the Company") for the year ended 30 June 2020.

### **Review of the business**

The Company is an intermediate holding company and corporate administrative company of a supply-chain logistics group ("the Brambles Group", "Brambles" or "the Group"), operating primarily through the CHEP brand. The Brambles Group manages the world's largest pool of reusable pallets and containers. As a pioneer of the sharing economy, the Brambles Group promotes the shared use of its platforms among multiple supply chain participants under a circular 'share and reuse' model known as pooling.

The Brambles Group primarily serves customers in the fast-moving consumer goods (e.g. dry food, grocery, and health and personal care), fresh produce, beverage, retail and general manufacturing industries, counting many of the world's best-known brands among its customers. The Brambles Group also operates specialist container logistics businesses serving the automotive sector.

The principal subsidiaries have traded satisfactorily during the year and the ongoing businesses are expected to continue to trade satisfactorily in the future.

The Company is a wholly owned subsidiary of the Brambles Group. The Brambles Group is a global group comprising Brambles Limited, a company incorporated in Australia and listed on the Australian Securities Exchange, and all its subsidiary undertakings. The Brambles Group is headquartered in Sydney, Australia.

Further information about the Brambles Group and copies of the Brambles Limited Annual Report, for the current and prior years, are available at [www.brambles.com](http://www.brambles.com).

### ***Impact of Covid-19***

Brambles Group's, and the Company's, strategy is focused on delivering exceptional results over a sustained period. The Covid-19 pandemic has introduced significant uncertainty, which is likely to last for an extended time and to create both threats and opportunities. The core elements of Brambles' strategy are robust against a wide range of outcomes and position the Group and the Company well to manage through near-term volatility. Nonetheless, Brambles remains agile and ready to pivot where needed in response to economic conditions and changing customer needs. Brambles is committed to supporting its customers and partners through this challenging period, to ensure the continued delivery of goods through supply chains around the world.

### **Results**

The results for the year are set out in the income statement on page 7.

### **Financial position**

The net assets of the Company have increased by £14,654,189 from £869,709,002 at 30 June 2019 to £884,363,191 at 30 June 2020. The increase arises from net dividend income in excess of net operating expenses and impairment expense of subsidiary undertakings.

The directors consider the Company is in a strong and stable financial position to continue its current operations.

### **Key performance indicators (KPIs)**

The Company is an investment holding company and administration company providing corporate services for the management of the global Brambles Group. The Company is primarily focussed on intra-group activity within the Brambles Group, although transacts with external service providers. The directors consider that key performance indicators for the Company are neither relevant nor appropriate for an understanding of the development, performance or position of the business of the Company.

The Brambles Group KPIs, which explain Brambles Group performance as a whole, are disclosed in the Brambles Limited Annual Report 2020 on pages 14 and 15.

**Strategic Report for the year ended 30 June 2020 (*continued*)**

**Principal risks and uncertainties**

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The Company operates robust risk management processes to ensure recognition and appropriate escalation of key financial, commercial, compliance, reputational and environmental risks. We strive to ensure sound risk management is embedded in all decision making and performance management processes. The directors believe that appropriate delegated authority and processes are in place to proactively manage emerging risks. The principal risks and uncertainties facing the Company (directly or indirectly) and the Brambles Group, and which might impact their ability to achieve their financial and sustainability objectives, do not form part of this report but they are described in the Brambles Limited Annual Report 2020, pages 16 to 20. The Brambles Limited Annual Report also includes descriptions of mitigating actions, including responses to the Covid-19 pandemic.

On behalf of the Board



P Bruford  
Director  
17 December 2020

## **Directors' Report for the year ended 30 June 2020**

The directors present their Report and the audited financial statements of the Company for the year ended 30 June 2020.

### **Future developments**

The Company is expected to continue in its role as an intermediate holding company and corporate administrative company with no significant changes for the foreseeable future.

### **Dividends**

The Company has not paid an interim dividend during the year (2019: nil). The directors do not recommend payment of a final dividend (2019: nil).

### **Financial risk management**

The Company manages its financial risk in conjunction with the Brambles Group. The Company is exposed to a variety of financial and market based risks, including exposure to fluctuating interest and exchange rates.

#### Funding and liquidity

The Company borrows from or lends to other Brambles Group undertakings from time to time. To minimise foreign exchange risks Brambles Group borrowings are arranged in the currency of the relevant operating asset to be funded.

#### Interest rate risk

The Brambles Group's interest rate risk policy is designed to reduce volatility in funding costs through prudent selection of hedging instruments. This policy comprises maintaining a mix of fixed and floating rate instruments within a target band over a certain time horizon. The Company has no significant exposure to external interest rate risk.

#### Foreign exchange risk

Under the Brambles Group foreign exchange policy, foreign exchange hedging is mainly confined to hedging transaction exposures where they exceed a certain threshold, and as soon as a defined exposure arises. New exposures may arise with external parties or by way of cross-border inter-company transactions. Forward foreign exchange contracts are primarily used for these purposes.

### **Directors**

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

P Bruford	
D R Berry	(appointed 8 November 2019)
P Huat	
M T Marshall	(appointed 8 November 2019)
R A Warren	

### **Qualifying third-party indemnity provisions**

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Brambles Group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of the Company and its directors.

### **Post balance sheet events**

No material events occurred after the year end date of 30 June 2020 and before the signing of the Company's financial statements.

### **Going Concern**

The Company participates in the Brambles Group's centralised treasury arrangements and is funded by the Brambles Group through its fellow group undertaking, Brambles U.K. Limited. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern or its ability to continue with the current funding arrangements.

**Directors' Report for the year ended 30 June 2020 (continued)**

**Going Concern (continued)**

On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue to meet its liabilities as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**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.

**Directors' confirmations**

In the case of each director in office at the date the Directors' 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
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board



P Bruford  
Director  
17 December 2020

Registered office: 2<sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ

## ***Independent auditors' report to the members of Brambles Holdings (UK) Limited***

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Brambles Holdings (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit 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 30 June 2020; the income statement, the statement of comprehensive income, 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.

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#### **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.

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#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- 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.

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.

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#### **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 to the members of Brambles Holdings (UK) Limited (continued)***

### *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 30 June 2020 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.

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### **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 set out on page 4, 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](http://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.

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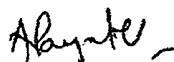
## **Other required reporting**

### **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.



Andrew Paynter (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
17<sup>th</sup> December 2020



**Brambles Holdings (UK) Limited**  
**Year ended 30 June 2020**

*(All amounts are in £ unless otherwise stated)*

**Income statement for the year ended 30 June 2020**

	Note	2020	2019
Administrative expenses		<b>(65,392,718)</b>	(61,951,236)
Other operating income		<b>54,322,754</b>	47,301,646
Operating loss	4	<b>(11,069,964)</b>	(14,649,590)
Income from shares in group undertakings		<b>142,305,443</b>	75,245,393
Amounts written off investments	12	<b>(10,950,000)</b>	(39,382,205)
Profit before interest and taxation		<b>120,285,479</b>	21,213,598
Finance income	6	<b>4,926,720</b>	4,192,553
Finance costs	6	<b>(2,288,667)</b>	(2,335,704)
Finance income – net	6	<b>2,638,053</b>	1,856,849
Profit before taxation		<b>122,923,532</b>	23,070,447
Tax on profit	7	<b>28,537</b>	(1,368,988)
Profit for the financial year		<b>122,952,069</b>	21,701,459

**Brambles Holdings (UK) Limited**  
**Year ended 30 June 2020**

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*(All amounts are in £ unless otherwise stated)*

**Statement of comprehensive income for the year ended 30 June 2020**

	2020	2019
Profit for the financial year	122,952,069	21,701,459
Other comprehensive income	-	-
Total other comprehensive income for the year	-	-
Total comprehensive income for the year	122,952,069	21,701,459

**Brambles Holdings (UK) Limited**  
**Year ended 30 June 2020**

*(All amounts are in £ unless otherwise stated)*

**Statement of financial position as at 30 June 2020**

	Note	2020	2019
Fixed assets			
Property, plant and equipment	9	980,380	1,241,610
Right-of-use leased assets	10	3,378,121	-
Intangible assets	11	643,850	561,081
Investments	12	798,251,469	789,803,429
Deferred tax asset	13	1,596,834	923,326
		<b>804,850,654</b>	<b>792,529,446</b>
Current assets			
Trade and other receivables	14	135,167,655	132,451,981
Cash and cash equivalents		595,021	447,166
		<b>135,762,676</b>	<b>132,899,147</b>
Creditors: amounts falling due within one year	15	(13,517,127)	(20,318,590)
Net current assets		<b>122,245,549</b>	<b>112,580,557</b>
Total assets less current liabilities		<b>927,096,203</b>	<b>905,110,003</b>
Creditors: amounts falling due after more than one year	16	(42,380,113)	(35,048,102)
Provisions for liabilities	17	(352,899)	(352,899)
Net assets		<b>884,363,191</b>	<b>869,709,002</b>
Equity			
Called up share capital	20	96,918,364	96,918,364
Share premium account		403,447,620	403,447,620
Other reserves		7,102,275	4,616,057
Retained earnings		376,894,932	364,726,961
Total shareholders' funds		<b>884,363,191</b>	<b>869,709,002</b>

The notes on pages 12 to 39 are an integral part of these financial statements.

The financial statements on pages 7 to 39 were authorised for issue by the board of directors on 17 December 2020 and were signed on its behalf.



P Bruford  
Director

**Brambles Holdings (UK) Limited**  
**Year ended 30 June 2020**

*(All amounts are in £ unless otherwise stated)*

**Statement of changes in equity for the year ended 30 June 2020**

	Note	Called up share capital	Share premium account	Other reserves	Retained earnings	Total shareholders' funds
Balance as at 30 June 2018		96,918,364	403,447,620	2,356,576	343,025,502	845,748,062
Effect of changes in accounting policies		-	-	-	-	-
Balance as at 1 July 2018		96,918,364	403,447,620	2,356,576	343,025,502	845,748,062
Profit for the financial year		-	-	-	21,701,459	21,701,459
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	21,701,459	21,701,459
Credit relating to equity settled share-based payments		-	-	2,747,589	-	2,747,589
Charge from parent for equity-settled share-based payments		-	-	(488,108)	-	(488,108)
Tax credit relating to share option scheme		-	-	-	-	-
Dividends paid	8	-	-	-	-	-
Total transactions with owners recognised directly in equity		-	-	2,259,481	-	2,259,481
Balance as at 30 June 2019		96,918,364	403,447,620	4,616,057	364,726,961	869,709,002

Other reserves comprise a share-based payments reserve.

**Brambles Holdings (UK) Limited**  
**Year ended 30 June 2020**

*(All amounts are in £ unless otherwise stated)*

**Statement of changes in equity for the year ended 30 June 2020 (continued)**

	Note	Called up share capital	Share premium account	Other reserves	Retained earnings	Total shareholders' funds
Balance at 30 June 2019 – previously reported		96,918,364	403,447,620	4,616,057	364,726,961	869,709,002
Effect of changes in accounting policies	26	-	-	-	(784,098)	(784,098)
Balance as at 1 July 2019		96,918,364	403,447,620	4,616,057	363,942,863	868,924,904
Profit for the financial year		-	-	-	122,952,069	122,952,069
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	122,952,069	122,952,069
Credit relating to equity settled share-based payments		-	-	3,535,321	-	3,535,321
Charge from parent for equity-settled share-based payments		-	-	(986,509)	-	(986,509)
Tax credit relating to share option scheme		-	-	(62,594)	-	(62,594)
Dividends paid	8	-	-	-	(110,000,000)	(110,000,000)
Total transactions with owners recognised directly in equity		-	-	2,486,218	(110,000,000)	(107,513,782)
Balance as at 30 June 2020		96,918,364	403,447,620	7,102,275	376,894,932	884,363,191

Other reserves comprise a share-based payments reserve.

**Notes to the financial statements for the year ended 30 June 2020**

**1 General information**

Brambles Holdings (UK) Limited ("the Company") is an intermediate holding company and corporate administrative company of a supply-chain logistics group ("the Brambles Group", "Brambles", or "the Group"), operating primarily through the CHEP brand. The Brambles Group manages the world's largest pool of reusable pallets and containers. As a pioneer of the sharing economy, the Brambles Group promotes the shared use of its platforms among multiple supply chain participants under a circular 'share and reuse' model known as pooling.

The Brambles Group primarily serves customers in the fast-moving consumer goods (e.g. dry food, grocery, and health and personal care), fresh produce, beverage, retail and general manufacturing industries, counting many of the world's best-known brands among its customers. The Brambles Group also operates specialist container logistics businesses serving the automotive sector.

The Company is a wholly owned subsidiary of the Brambles Group. The Brambles Group is a global group comprising Brambles Limited, a company incorporated in Australia and listed on the Australian Securities Exchange, and all its subsidiary undertakings. The Brambles Group is headquartered in Sydney, Australia.

Further information about the Brambles Group and copies of the Brambles Limited Annual Report, for the current and prior years, are available at [www.brambles.com](http://www.brambles.com).

The Company is a private company; limited by shares; incorporated and domiciled in the UK; and registered in England and Wales. The address of its registered office is 2<sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ.

**Statement of compliance with FRS 101**

These financial statements were prepared in accordance with Financial Reporting Standard 101, '*Reduced Disclosure Framework*' ("FRS 101"). The Company meets the definition of a qualifying entity under FRS 100, '*Application of Financial Reporting Requirements*' as issued by the Financial Reporting Council.

**2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Unless otherwise indicated, references to 2020 or FY20 and to 2019 or FY19 are to the financial years ended 30 June 2020 and 30 June 2019, respectively.

**2.1 Basis of preparation**

These financial statements have been prepared in accordance with FRS 101. The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 ("the Act") as applicable to companies using FRS 101. FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.1 Basis of preparation (continued)**

As permitted by FRS 101, in the preparation of these financial statements the Company has, where relevant, taken full advantage of the disclosure exemptions from the requirements of IFRS in relation to the following:

- share-based payments;
- business combinations;
- non-current assets held for sale and discontinued operations;
- financial instruments;
- fair value measurement;
- presentation of comparative information in respect of certain assets;
- presentation of a cash flow statement;
- capital management;
- standards not yet effective;
- related party transactions; and
- impairment of assets.

Where required, equivalent disclosures are given in the consolidated financial statements of Brambles Limited.

**New standards, amendments and IFRIC interpretations**

IFRS 16 *Leases* is a new accounting standard that has been adopted and is effective for the financial year beginning 1 July 2019. The impact of IFRS 16 is explained further in Notes 2.20 and 26.

IFRS 16 requires a lessee to recognise all qualifying leases on the balance sheet in the form of a lease liability and right-of-use leased asset, adjusted for deferred tax. The new standard mainly impacts property and equipment leases located at offices and service centres where the Company is the lessee. The straight-lined operating lease expense recognised under IAS 17 *Leases* has been replaced by depreciation of the right-of-use leased asset and finance costs on the lease liability.

The Company adopted the following approach and practical expedients:

- the modified retrospective approach was used on transition to IFRS 16;
- in accordance with IFRS 16 the comparative period was not restated and continues to reflect accounting policies under IAS 17;
- on transition, land and buildings right-of-use leased assets were valued as if IFRS 16 had always been applied, but using the incremental borrowing rate as at the date of application, for all other assets the right-of-use leased asset equals the lease liability, adjusted for any prepaid or accrued lease payments recognised immediately before the date of initial application;
- on transition right-of-use leased assets excluded initial direct costs and were reduced by any existing onerous lease provisions;
- the use of hindsight was applied when reviewing lease terms;
- optional exemptions for short-term and low-value assets were applied; and
- a country-specific discount rate was applied to a portfolio of leases with reasonably similar characteristics.

New software was implemented to calculate the IFRS 16 adjustments. The opening adjustments at 1 July 2019 are disclosed in Note 26.

Prior to this change in accounting policy, the only leases held by the Company were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease. The Company held no leases classified as finance leases.

There are no other amendments to accounting standards, or IFRIC interpretations, that are effective for the year ended 30 June 2020 that have had a material impact on the Company's financial statements.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.1 Basis of preparation (continued)**

Going concern

The Company participates in the Brambles Group's centralised treasury arrangements and is funded by the Brambles Group through its fellow group undertaking, Brambles U.K. Limited. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern or its ability to continue with the current funding arrangements.

On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue to meet its liabilities as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**2.2 Consolidation**

The Company is a wholly owned subsidiary of Brambles U.K. Limited and of its ultimate parent, Brambles Limited. It is included in the consolidated financial statements of Brambles Limited, prepared in accordance with IFRS as adopted in Australia, which are publicly available. Accordingly, the Company has taken advantage of the exemption under section 401 of the Act from the requirement to prepare and deliver consolidated financial statements.

The registered office of Brambles Limited is Level 10, Angel Place, 123 Pitt Street, Sydney, NSW 2000, Australia.

These financial statements are separate financial statements.

**2.3 Foreign currency translation**

(a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income' or 'Other operating expenses'.

**2.4 Property, plant and equipment**

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- |                                     |               |
|-------------------------------------|---------------|
| • Leasehold improvements            | 10 years      |
| • Furniture, fittings and equipment | 3 to 10 years |



**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.4 Property, plant and equipment (continued)**

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income' in the income statement.

**2.5 Intangible assets**

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed five years.

**2.6 Impairment of non-financial assets**

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

**2.7 Financial assets**

2.7.1 Classification

The Company classifies its financial assets as financial assets at amortised cost. This classification reflects the purpose for which the financial assets were acquired and is determined at initial recognition.

The Company classifies its financial assets as at amortised 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.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.7 Financial assets (continued)**

The Company's financial assets at amortised cost comprise amounts due from group undertakings, deferred consideration, other receivables and accrued income.

**2.7.2 Recognition and measurement**

Financial assets are recognised on balance sheet when the Company becomes a party to the contractual provisions of the instrument. Derecognition takes place when the Company no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party

Loans and receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method.

**2.8 Investment in subsidiaries**

Investments in subsidiaries are held at cost less accumulated impairment losses.

**2.9 Impairment of financial assets**

**Assets carried at amortised cost**

The Company assesses, at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets is impaired. Refer to Note 2.11 below.

**2.10 Cash and cash equivalents**

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

**2.11 Trade and other receivables**

Trade and other receivables are amounts due from group undertakings, deferred consideration, other receivables, prepayments and accrued income. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less 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 receivables and other receivables. To measure the expected credit losses, trade receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivables and other receivables are a reasonable approximation of the loss rates.

**2.12 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.13 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.13 Borrowings (continued)**

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

**2.14 Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2.15 Current and deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**2.16 Employee benefits**

The Company's post-employment schemes comprise a defined contribution pension plan and a defined benefit pension plan, The Brambles United Kingdom Pension Plan ("the Plan"), which is closed to new members and future accrual.

**Pension obligations**

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

The Plan is a defined benefit plan that shares risks between entities under common control, comprising the Company and Brambles U.K. Limited. Under an established policy, the net defined benefit cost for the Scheme is borne in full by Brambles U.K. Limited, as principal employer, and no part is borne by the Company.

**Notes to the financial statements for the year ended 30 June 2020 (*continued*)**

**2 Summary of significant accounting policies (*continued*)**

**2.16 Employee benefits (*continued*)**

Accordingly, the Company's reported share of the net defined benefit cost and related balance sheet obligation is nil (2019: nil) and the full defined benefit cost, balance sheet obligation and all related disclosures required by IAS 19 - *Employee Benefits* are reported in the 2020 Annual Report of Brambles U.K. Limited.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**2.17 Share-based payments**

The Company participates in a number of Brambles Group equity-settled, share-based compensation plans, including the MyShare employee share plan, under which the Company receives services from employees as consideration for equity instruments (options) of Brambles Limited, the ultimate parent undertaking incorporated in Australia and listed on the Australian Securities Exchange.

The awards are granted by Brambles Limited and the Company has no obligation to settle the awards. Options and share awards are fair valued by qualified actuaries at their grant dates in accordance with the requirements of IFRS 2 - *Share-based Payment*, using a binominal model. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense on a straight-line basis over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date). A credit is recognised directly in shareholders' funds.

The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price); but
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the Company and Brambles Limited revise their estimate of the number of options that are expected to become exercisable based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised the Company is recharged by Brambles Limited for the options' total fair value as at the date of exercise. The portion of this recharge that equates to the original fair value of the options at the grant date is accounted for as a deduction from shareholders' funds, and any excess is recognised through the income statement.

Details of the share option and performance share schemes are given in the Remuneration Report (pages 36 to 40) and in Note 20 to the financial statements of the 2020 Annual Report of Brambles Limited.

**2.18 Interest income**

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.19 Dividend income**

Dividend income is recognised when the right to receive payment is established.

**2.20 Leases**

The Company leases an office. Rental contracts are typically made for fixed periods, but may have extension or termination options. Contract terms range to 10 years. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee and for which it has major leases, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

From 1 July 2019, leases are recognised as a right-of-use leased asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured at present value. Lease liabilities include the present value of:

- fixed lease payments less any incentives receivable;
- variable payments based on a rate or index; and
- amounts expected to be payable relating to residual value guarantees, early termination penalties, and purchase options if reasonably certain of taking place.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, then lease payments are discounted using the incremental borrowing rate calculated by geographic region. The incremental borrowing rate is the rate the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Company is required to remeasure the lease liability and make an adjustment to the right-of-use leased asset if the lease terms and conditions are modified, in which case the lease liability is remeasured by discounting the revised lease payments. The remeasurement of the lease liability is also applied against the right-of-use leased asset.

Right-of-use leased assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- dilapidation costs.

The right-of-use leased asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The Company has no leases as lessor.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.20 Leases (continued)**

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Prior to this change in accounting policy, the only leases held by the Company were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease. The Company held no leases classified as finance leases.

**2.21 Dividend distribution**

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

<b>3 Critical accounting estimates and judgments</b>
--

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3.1 Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

*(a) Impairment of fixed asset investments*

The Company undertakes an impairment review process annually to ensure that its fixed asset investment balances are not carried at amounts that are in excess of their recoverable amounts. The recoverable amount is determined based on the higher of the value in use and fair value less costs to sell. The value in use is calculated using a discounted cash flow methodology covering a three-year period with an appropriate terminal value at the end of that period or by reference to the expected realisable net asset value, where this is more relevant, in determining the estimated recoverable amount.

*(b) Lease accounting*

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company relies upon the cost of funds applicable to its individual credit-rating banding as determined by the Brambles Group treasury function. The Company used an incremental borrowing rate of 3%. This was derived from the Reuters 10 year swap rate on date of transition, plus Brambles cost of funds of 1.5%, and then rounded up to the nearest 0.5%.

*(c) Impairment of financial assets*

The Company undertakes an impairment review of any financial assets where an indication of impairment arises. In relation to the receivable amount due to the Company from First Reserve (see Note 14), the Company has identified that the recent declines in oil & gas commodity prices coupled with the restrictions arising from the Covid-19 pandemic have given rise to an increased risk of recovery.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**

**3 Critical accounting estimates and judgments (continued)**

**3.2 Critical judgements in applying the Company's accounting policies**

*(a) Impairment of fixed asset investments*

The assumptions used in the impairment review process for the fixed assets investments, as disclosed (if relevant) in Notes 11 and 12, could change in the next year and have a material effect on the carrying amounts of fixed asset investments recognised at the balance sheet date.

*(b) Impairment of financial assets*

In assessing the potential recoverable amount of the receivable due from First Reserve (see Note 14), the Company has estimated the amount that might be realised from a third party from an arm's length sale of the receivable. Given the receivable has a maturity date of 31 July 2026, and in light of the risk associated with the oil & gas industry to which the receivable relates, it is expected that a purchaser would discount the receivable. The Company has assumed an estimated range of discount rates to be 25% to 30%. The resulting provision recognised is based on the high end discount rate of 30%.

There are no other critical judgements used in applying the Company's accounting policies which could change in the next year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**4 Operating loss**

Operating loss is stated after charging/(crediting):

	2020	2019
Wages and salaries	13,452,064	18,888,455
Social security costs	1,998,846	2,115,492
Other pension costs (Note 18)	1,300,439	1,029,396
Share-based payments	3,529,646	2,738,681
	<b>20,280,995</b>	<b>24,772,024</b>
Recharged to fellow group undertakings	(492,216)	(391,027)
Staff costs	<b>19,788,779</b>	<b>24,380,997</b>
Impairment of first Reserve receivable (Note 14)	26,811,253	-
Depreciation of tangible fixed assets	262,589	265,938
Depreciation of right of use leased asset	497,125	-
Amortisation of intangible fixed assets	173,921	40,471
Foreign exchange losses/(gains) on trade receivables	95,297	(69,514)

Operating loss is computed after audit fees expensed during the year by the Company on behalf of itself and certain fellow group undertakings within the Brambles Group in the UK totalling £42,101 (2019: £46,700), of which £8,420 (2019: £7,005) related to the audit of the Company.

Other operating income consists of management fees charged to fellow group undertakings within the Brambles Group.

**5 Employees and directors**

**Employees**

The average monthly number of persons (including executive directors) employed by the Company during the year was:

	2020 Number	2019 Number
<i>By activity:</i>		
Administration	108	102

**Directors**

None of the directors received any emoluments or any other benefits as described in Schedule 5 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 from the Company during the year (2019: nil). All of the directors receive remuneration from the Company as employees of the Company, or from Brambles Industries Limited (Australia), but, due to the non-executive nature of their services, it is not appropriate to make an apportionment of their emoluments in respect of their role as directors of the Company.



**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**6 Finance income and costs**

<b>Finance income</b>	<b>2020</b>	<b>2019</b>
Bank interest income	645	579
Interest income on loans to fellow group undertakings	1,510,424	1,025,758
Interest on deferred consideration	3,415,651	3,166,216
Total interest income on financial assets not measured at fair value through profit and loss	4,926,720	4,192,553
<b>Total finance income</b>	<b>4,926,720</b>	<b>4,192,553</b>
<b>Finance costs</b>	<b>2020</b>	<b>2019</b>
Interest expense on loans from fellow group undertakings	(2,152,788)	(2,335,700)
Lease interest expense	(135,879)	-
Other interest	-	(4)
Total interest expense on financial liabilities not measured at fair value through profit and loss	(2,288,667)	(2,335,704)
<b>Total finance costs</b>	<b>(2,288,667)</b>	<b>(2,335,704)</b>
<b>Net finance income</b>	<b>2020</b>	<b>2019</b>
Interest income	4,926,720	4,192,553
Interest costs	(2,288,667)	(2,335,704)
<b>Net finance income</b>	<b>2,638,053</b>	<b>1,856,849</b>

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**7 Tax on profit**

Tax on profit included in the income statement

	2020	2019
Current tax:		
– UK Corporation tax on profits for the year	1,340,302	537,147
– Adjustments in respect of prior years	(112,359)	153,604
– Overseas tax	(1,751,584)	(2,416,008)
Total current tax	(523,641)	(1,725,257)
Deferred tax:		
Origination and reversal of timing differences	481,976	398,183
Adjustments in respect of prior years	(8,191)	-
Impact of change in tax rate	78,393	(41,914)
Total deferred tax	552,178	356,269
Tax on profit	28,537	(1,368,988)

Tax expense for the year is lower (2019: lower) than the standard rate of corporation tax in the UK for the year ended 30 June 2020 of 19% (2019: 19%). The differences are explained below:

	2020	2019
Profit before taxation	122,923,532	23,070,447
Profit before taxation multiplied by the standard rate of tax in the UK of 19% (2019: 19%):	(23,355,471)	(4,383,385)
Effects of:		
– Income not subject to tax – income from subsidiaries	27,038,034	14,296,625
– Remeasurement of deferred tax – change in UK tax rate	78,393	(41,914)
– Adjustments in respect of prior years	(120,550)	153,604
– Overseas tax	(1,751,584)	(2,416,008)
– Expenses not deductible for tax purposes:		
– amounts written off investments	(2,080,500)	(7,482,619)
– other	220,215	(1,495,291)
Total tax credit/(charge)	28,537	(1,368,988)

The tax rate for the current year is the same as the prior year, being 19%, effective since 1 April 2017. The tax rate reduction to 17% from April 2020 previously enacted as part of the Finance Act 2016 (on 6 September 2016), will now remain at 19%. This change was enacted in the Finance Act 2020 on 22 July 2020. Deferred tax assets and liabilities measured at 17% have been remeasured at 19% during the year.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**8 Dividends paid**

Declared and paid during the year:

	2020	2019
Equity dividends on ordinary shares:		
– first interim for 2020: £1.1350 (2019: nil) per share	<b>110,000,000</b>	-

**9 Property, plant and equipment**

	Leasehold improvements	Furniture, fittings and equipment	Total
At 30 June 2019			
Cost	1,159,453	596,508	1,755,961
Accumulated depreciation and impairment	(230,085)	(284,266)	(514,351)
Net book amount	929,368	312,242	1,241,610
Year ended 30 June 2020			
Additions	-	1,359	1,359
Depreciation	(120,549)	(142,040)	(262,589)
Movement during the year	(120,549)	(140,681)	(261,230)
At 30 June 2020			
Cost	1,159,453	597,867	1,757,320
Accumulated depreciation and impairment	(350,634)	(426,306)	(776,940)
Net book amount	808,819	171,561	980,380

On 9 March 2017, the Company entered into a lease for offices in London for use as the UK office of the Brambles Group CEO. Leasehold improvement and office fit-out costs have been capitalised as appropriate.

The office lease is for a term of 10 years – see Note 10.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**10 Leases**

The Company leases an office. The amounts recognised in the financial statements in relation to the lease are as follows:

(i) Amounts recognised in the statement of financial position

Right of use asset		Land and buildings
Opening balance - recognised on 1 July 2019		3,875,246
Additions		-
Depreciation		(497,125)
Closing net carrying amount		<u>3,378,121</u>
At 30 June 2020		
Cost		3,875,246
Accumulated depreciation		(497,125)
Net carrying amount		<u>3,378,121</u>
	30 June 2020	1 July 2019
Lease liabilities		
Current	(723,750)	(723,750)
Non-current	(3,411,023)	(4,119,518)
	<u>(4,134,773)</u>	<u>(4,843,268)</u>

In the previous year, the Company did not recognise any lease assets and lease liabilities in relation to leases that were classified as 'finance leases' under IAS 17 Leases. The Company only had operating leases. For adjustments recognised on adoption of IFRS 16 on 1 July 2019, refer to Note 26.

The lease term is for a period of 10 years from 2017. Although the lease contains an option to renew at the end of the lease term until 2031, as at inception the Company has assumed the option will not be exercised. There is no option to terminate early.

(ii) Amounts recognised in the income statement

	2020	2019
Interest expense (included in finance cost)	135,879	-
Expense relating to short-term leases (included in administrative expenses)	-	-
Expense relating to leases of low value assets that are not shown above as short-term leases (included in administrative expenses)	-	615
Expense relating to variable lease payments not included in lease liabilities (included in administrative expenses)	-	-
	<u>135,879</u>	<u>615</u>

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**10 Leases (continued)**

Future minimum lease payments are as follows:

	30 June 2020	1 July 2019
Not later than one year	723,750	723,750
Later than one year and not later than five years	2,895,000	2,895,000
Later than five years	965,000	1,809,375
Total gross payments	4,583,750	5,428,125
Impact of finance expenses	(448,977)	(584,857)
Carrying amount of liability	4,134,773	4,843,268

The Company initially applied IFRS 16 at 1 July 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 is recognised in retained earnings at the date of initial application. Thus, the comparative future minimum lease payments presented are based on IAS 17 while the current year are based on IFRS 16.

The total cash outflow for leases in 2020 was £723,750 (2019: £120,625).

**11 Intangible assets**

	Computer software	Other	Total
<i>Cost:</i>			
At 1 July 2019	862,903	-	862,903
Additions	-	256,690	256,690
As at 30 June 2020	862,903	256,690	1,119,593
<i>Accumulated amortisation and impairment:</i>			
At 1 July 2019	(301,822)	-	(301,822)
Amortisation	(40,549)	(133,372)	(173,921)
At 30 June 2020	(342,371)	(133,372)	(475,743)
Net book amount	520,532	123,318	643,850
<i>Net book amount:</i>			
As at 30 June 2019	561,081	-	561,081
Movement during the year	(40,549)	123,318	82,769
As at 30 June 2020	520,532	123,318	643,850

The computer software intangible asset arose from external purchased computer operating systems and development work on payroll systems.

The computer software is being amortised on a straight-line basis over its useful life of up to 5 years down to a residual value of zero.

Intangible assets amortisation is recorded in administrative expenses in the income statement.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**12 Investments**

	Shares in group undertakings
At 1 July 2018	788,408,732
Additions	40,776,902
Disposals	-
Impairment charge for the year	(39,382,205)
At 30 June 2019	789,803,429
Additions	19,398,040
Disposals	-
Impairment charge for the year	(10,950,000)
At 30 June 2020	798,251,469

Additions to investments in subsidiaries comprise:

	Country of incorporation	2020	2019
<i>Continuing:</i>			
Brambles Nominees Limited	UK	-	35,000,000
BXB Digital Limited	UK	7,500,000	5,700,000
CHEP Mexico SRL	Mexico	11,898,040	-
CHEP Konteyner Ve Palet Ltd Sirketi	Turkey	-	76,902
		<b>19,398,040</b>	<b>40,776,902</b>

During November 2019, the Company subscribed for an additional 300,000 ordinary, nominative Series "AA" shares of par value MXN\$ 1,000 each in the variable portion of the capital stock of CHEP Mexico SRL, equivalent to £11,898,040. The subscription was settled in full in cash. CHEP Mexico SRL is owned 50% by the Company, and 50% by Brambles Industries Limited, a fellow group undertaking incorporated in Australia.

On 3 April 2020, the Company subscribed for an additional 7,500,000 ordinary shares of £0.10 each, at a premium of £0.90 per share, in BXB Digital Limited, a 100% subsidiary registered in England and Wales. Total consideration of £7,500,000 was settled in cash.

Year ended 30 June 2019

On 12 December 2018, the Company subscribed for an additional 35,000 ordinary shares of £1.00 each, at a premium of £999 per share, in Brambles Nominees Limited, a 100% subsidiary registered in England and Wales. Total consideration of £35,000,000 was settled in cash.

On 20 February 2019, the Company subscribed for an additional 5,700,000 ordinary shares of £0.10 each, at a premium of £0.90 per share, in BXB Digital Limited, a 100% subsidiary registered in England and Wales. Total consideration of £5,700,000 was settled in cash.

During May 2019, the Company subscribed for an additional 24,000 ordinary shares of 25 Turkish lira each in the ordinary share capital of CHEP Konteyner Ve Palet Ltd Sirketi (CHEP Turkey), equivalent to £76,902. The subscription was settled in full in cash. CHEP Turkey is owned 1% by the Company, and 99% by Brambles Nominees Limited, a wholly owned subsidiary of the Company.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**12 Investments in subsidiaries (continued)**

**Impairments:**

The impairment charge for the year comprises:

	Country of incorporation	2020	2019
<u><b>Continuing:</b></u>			
Brambles Nominees Limited	UK	<b>6,100,000</b>	15,000,000
BXB Digital Limited	UK	<b>4,800,000</b>	10,600,000
CHEP Pallex Solutions Limited	UK	-	13,241,296
CHEP Middle East FZCO	UAE	-	490,909
CHEP Konteyner Ve Palet Ltd Sirketi	Turkey	<b>50,000</b>	50,000
		<b>10,950,000</b>	39,382,205

The Company has recognised an impairment of £10,950,000 (2019: £39,382,205) to write down the carrying value of certain subsidiaries to their expected realisable net asset values which are considered to be equivalent to their estimated recoverable amounts. Brambles Nominees Limited holds the balance of investments in CHEP Middle East FZCO and CHEP Konteyner Ve Palet Ltd Sirketi.

Details of all group undertakings are provided in Note 27.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**13 Deferred tax asset**

	Deferred tax
At 1 July 2019	923,326
Additions to the income statement	552,178
Additions to the statement of comprehensive income	-
Additions to statement of changes in equity	(62,594)
Adoption of new accounting standards (IFRS 16)	183,924
At 30 June 2020	<u>1,596,834</u>

The deferred tax consists of the following:

	2020	2019
Deferred tax due within 12 months	-	-
Deferred tax due after more than 12 months	1,596,834	923,326
Total provision	<u>1,596,834</u>	<u>923,326</u>

Deferred tax	Accelerated capital allowances	Leases	Other short term differences	Total
At 1 July 2018	(18,916)	-	585,973	567,057
Charged to the income statement	27,693	-	328,576	356,269
Charged directly to the statement of changes in equity	-	-	-	-
At 30 June 2019	8,777	-	914,549	923,326
Charged/(credited) to the income statement	32,044	(40,424)	560,558	552,178
Credited directly to the statement of changes in equity	-	-	(62,594)	(62,594)
Adoption of new accounting standards (IFRS 16)	-	183,924	-	183,924
At 30 June 2020	<u>40,821</u>	<u>143,500</u>	<u>1,412,513</u>	<u>1,596,834</u>

The deferred tax on other short term timing differences principally relates to share-based payments. The deferred tax asset will be utilised as share-based payments crystallise, and is available for offset against the Company's own future profits or for surrender as group relief to fellow group undertakings.

There are no unused tax losses or unused tax credits.



**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**14 Trade and other receivables**

	2020	2019
Amounts due from group undertakings – falling due after more than one year	117,117,013	94,434,878
Amounts due from group undertakings - other	2,943,272	917,816
Amounts due from First Reserve – deferred consideration	38,521,916	35,106,265
Amounts due from First Reserve – impairment	(26,811,253)	-
Corporate income tax – group relief receivable	1,941,251	-
Other receivables	888,774	1,422,838
Prepayments and accrued income	566,682	570,184
	<b>135,167,655</b>	<b>132,451,981</b>

Amounts due from group undertakings – falling due after more than one year

The intra-group loans made by the Company as lender comprise unsecured committed revolving loan facilities expiring 30 September 2021. The loans carry interest at Brambles' cost of funds. During June 2018, all existing intra group loan agreements were amended to extend the loan term from 30 September 2018 to 30 September 2021. Individual committed loan facilities comprise.

- GBP 170,000,000 (2019: GBP 170,000,000) facility to Brambles U.K. Limited, dated 30 June 2017 (as amended).

Amounts due from group undertakings – other

Other amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Amounts due from First Reserve – deferred consideration

An amount of US\$ 44.5 million (2019: US\$ 44.5 million) is receivable from First Reserve, formerly the joint venture partner in HFG. It is unsecured and bears interest at 6.25% per annum. Interest is added to the loan balance. The loan is repayable no later than 31 July 2026.

During the year an impairment charge of US\$33.0m has been recognised against this receivable.

Foreign exchange exposure on this receivable is largely offset by a US dollar loan from Brambles Finance plc (Note 16).

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**15 Creditors: amounts falling due within one year**

	2020	2019
Lease liabilities	723,750	-
Amounts due to group undertakings	1,628,858	3,548,942
Corporate income tax – group relief payable	-	1,941,581
Taxation and social security	638,815	690,252
Other creditors	1,104,210	3,076,149
Accruals and deferred income	9,421,494	11,061,666
	<b>13,517,127</b>	<b>20,318,590</b>

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**16 Creditors: amounts falling due after more than one year**

	2020	2019
Lease liabilities	3,411,023	-
Borrowings from group undertakings:		
- Brambles Finance plc	38,969,090	35,048,102
- Brambles U.K. Limited	-	-
	<b>42,380,113</b>	<b>35,048,102</b>

All intra-group loans to the Company as borrower comprise unsecured committed revolving loan facilities that carried interest during FY 2020 at Brambles' cost of funds plus a margin of 0.1%. During June 2018, all existing intra group loan agreements were amended to decrease the interest margin from 1.0% to 0.1% with effect from 30 September 2018, and to extend the loan term from 30 September 2018 to 30 September 2021. Individual committed loan facilities comprise.

- USD 250,000,000 (2019: USD 250,000,000) facility from Brambles Finance plc, dated 10 October 2016 (as amended);
- GBP 350,000,000 (2019: GBP 350,000,000) facility from Brambles U.K. Limited, dated 18 June 2012 (as amended).

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**17 Provisions for liabilities**

	2020	2019
Leasehold dilapidations provision	<b>352,899</b>	352,899

The dilapidation provision relates to the Company's office lease. The provision represents a cost estimate at inception of the lease comprising £30 per square foot inflated at 2% per annum for the 10-year life of the lease. Given the small size of the total provision, no discounting has been applied.

**18 Post-employment benefits**

The Company operates a number of pension schemes for its employees.

Defined benefit scheme

Until 30 September 2011, certain employees of the Company participated in a defined benefit pension scheme operated by the Brambles Group, The Brambles United Kingdom Pension Plan ("the Plan"). The Plan is funded, self-administered and its assets held independently from the Company's (and Group's) finances. The Plan is closed to new members and, from 30 September 2011, closed to future accrual of pension benefits and all existing active members became deferred.

The Plan shares risks between entities under common control, comprising the Company and Brambles U.K. Limited. Under an established policy, the net defined benefit cost for the Plan is borne in full by Brambles U.K. Limited, as principal employer, and no part is borne by the Company. Accordingly, the Company accounts for the Plan as if it were a defined contribution scheme.

Full details of the Plan are disclosed in the 2020 Annual Report of Brambles U.K. Limited. At 30 June 2020, the Plan has a surplus of £1,362,000 (2019: deficit - £568,000) that is being addressed by an increase in the level of contributions made to the Plan.

Defined contribution scheme

The Company also provides a defined contribution scheme for its employees.

The amount recognised as an expense for the defined contribution scheme was:

	2020	2019
Current year contributions	<b>1,300,439</b>	1,029,396

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
(All amounts are in £ unless otherwise stated)

**19 Share-based payments**

*Performance shares*

Certain employees of the Company have the opportunity to receive an annual equity grant in the form of long-term incentive ("LTI") share awards in Brambles Limited. Vesting occurs three years from the date the award is granted and is subject to satisfaction of performance conditions over a three year performance period. If awards vest, they are exercisable for up to six years from the date of grant. The exercise price for all awards is nil.

*Employee share plan*

MyShare is a Brambles Group vehicle developed to encourage share ownership and retention across the Brambles Group. Employees of the Company may buy up to A\$6,000 of shares in Brambles Limited each year, which Brambles Limited then matches on a one for one basis after a two year qualifying period (provided the employee remains in employment at vesting). The exercise price for all matching shares is nil.

The Company recognises a share-based payment expense based on the fair value of the awards granted, and an equivalent credit directly in equity as a capital contribution.

When the options are exercised the Company is recharged by Brambles Limited for the options' total fair value as at the date of exercise. The portion of this recharge that equates to the original fair value of the options at the grant date is accounted for as a deduction from shareholders' funds, and any excess is recognised through the income statement.

Details of the share option and performance share schemes are given in the Remuneration Report (pages 36 to 40) and in Note 20 to the financial statements of the 2020 Annual Report of Brambles Limited.

**20 Called up share capital**

Ordinary shares of £1.00 each

	No.	£
<i>Allotted and fully paid</i>		
At 1 July 2019	96,918,364	96,918,364
Issued during the year	-	-
At 30 June 2020	96,918,364	96,918,364

All shares rank *pari passu* in all respects.

**21 Contingent liabilities**

The Company, in conjunction with certain companies within the Brambles Group in the United Kingdom, is party to two composite guarantee structures with a clearing bank for set-off arrangements to a net maximum of euro €30,000,000 and sterling £10,000,000, respectively (2019: sterling £10,000,000).

In the ordinary course of business, the Company becomes involved in litigation. Provisions are recognised for known obligations where the existence of the liability is probable and can be reasonably quantified. As the outcomes of these matters remain uncertain, contingent liabilities exist for possible amounts eventually payable that are in excess of the amounts provided.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

<b>22 Capital commitments</b>
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At 30 June 2020, the Company had no capital commitments (2019: nil).

<b>23 Related party transactions</b>
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The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries of Brambles Limited.

See Note 5 for disclosure of the directors' remuneration.

There are no other related party transactions.

<b>24 Controlling parties</b>
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The immediate parent undertaking is Brambles U.K. Limited, which is incorporated in England and Wales.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Brambles Limited, which is incorporated in Australia. Copies of all Brambles Group financial statements are available from 2<sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ.

The ultimate controlling party is Brambles Limited.

The registered office of Brambles Limited is Level 10, Angel Place, 123 Pitt Street, Sydney, NSW 2000, Australia.

<b>25 Events after the end of the financial year</b>
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No material events occurred after the year end date of 30 June 2020 and before the signing of the Company's financial statements.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**26 Effect of adoption of IFRS 16 - Leases**

See also Note 2.1, Note 2.20 and Note 10.

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as operating leases under IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 July 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 3.0%.

Reconciliation of operating lease commitment as at 30 June 2019 to opening lease liability as at 1 July 2019

Operating lease commitment disclosed as at 30 June 2019	5,548,750
Impact of discounting	(705,482)
Exempt leases and other	-
Non-lease components included in operating lease commitment but excluded from lease liability	-
<b>Lease liability recognised at 1 July 2019</b>	<b>4,843,268</b>

Of which are:

Current lease liabilities	723,750
Non-current lease liabilities	4,119,518

Exempt leases consist of short-term leases (12 months or less) and leases of low-value assets which are recognised on a straight-line basis as an expense in the profit or loss. The Company has no exempt leases.

The Company has no embedded leases.

There are no extensions included in any leases.

Balance sheet impact on application as at 1 July 2019

	As reported 30 June 2019	IFRS 16 Adjustments	Adjusted 1 July 2019
Right-of-use leased assets	-	3,875,246	3,875,246
Deferred tax assets	923,326	920,221	1,843,547
<b>Total assets impact</b>		<b>4,795,467</b>	
Provisions	(352,899)	-	(352,899)
Lease liabilities	-	(4,843,268)	(4,843,268)
Deferred tax liabilities	-	(736,297)	(736,297)
<b>Total liabilities impact</b>		<b>(5,579,565)</b>	
<b>Net assets impact</b>		<b>(784,098)</b>	
Retained earnings	364,726,961	(784,098)	363,942,863
<b>Total equity impact</b>		<b>(784,098)</b>	

IFRS 16 adjustments are subject to tax-effect accounting. The gross adjustments are disclosed above.

Provisions relates to dilapidation provisions.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**26 Effect of adoption of IFRS 16 – Leases (continued)**

The Company adopted the following approach and practical expedients, where relevant:

- the modified retrospective approach was used on transition to IFRS 16;
- in accordance with IFRS 16 the comparative period was not restated and continues to reflect accounting policies under IAS 17;
- on transition, land and buildings right-of-use leased assets were valued as if IFRS 16 had always been applied, but using the incremental borrowing rate as at the date of application, for all other assets the right-of-use leased asset equals the lease liability, adjusted for any prepaid or accrued lease payments recognised immediately before the date of initial application;
- on transition right-of-use leased assets excluded initial direct costs and were reduced by any existing onerous lease provisions;
- the use of hindsight was applied when reviewing lease terms;
- optional exemptions for short-term and low-value assets were applied; and
- a country-specific discount rate was applied to a portfolio of leases with reasonably similar characteristics.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the company relied on its assessment made applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

The Company has no leases previously classified as finance leases.

The Company is not a lessor in relation to any leasing arrangements.

**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

<b>27 Group undertakings</b>	<b>Registered office (or equivalent)</b>	<b>Holding</b>	<b>Class of Shares</b>
<b><u>Investment holding companies</u></b>			
Brambles Nominees Ltd	2 <sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ	100%*	Ordinary
Cyan Logistics Ltd	2 <sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ	100%*	Ordinary
<b><u>Miscellaneous activities</u></b>			
Brambles Enterprises Ltd	2 <sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ	100%	Ordinary
CHEP International Inc	5897 Windward Parkway, Alpharetta, Atlanta, Georgia, 3005 USA	100%	Ordinary
BXB Digital Ltd	2 <sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ	100%*	Ordinary
<b><u>Pallet pooling</u></b>			
CHEP UK Ltd	2 <sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ	100%	Ordinary
CHEP Ireland (branch)	Jamestown Business Park, Jamestown Road, Finglas, Dublin, Eire	100%	Branch
CHEP Maroc Sarl	Iman Centre, Angle rue Arrachid Mohamed et rue Ibnou Majid El Bahar, Casablanca, Morocco	100%	Ordinary
CHEP Magyarorszag Szolgatato kft	Rubin Business Centre, 1118 Budapest, Dayka Gabor u.3, Hungary	100%	Ordinary
CHEP do Brasil Ltda	Rua Surubim, 577, 16 Andar, Brooklin CEP, 04571-050, Sao Paulo, Brazil	100%	Ordinary
CHEP Konteyner Ve Palet Ltd Sirketi	Merkezi No Kat 11, Bolum 46-47-49, Atasehir 34758, Istanbul, Turkey	1%* and 99%	Ordinary
CHEP Taiwan Ltd	12F-1, No. 142, Sec. 3 Minchuen E. Road, Jhongsan District, Taipei, 104, Taiwan	100%	Ordinary
CHEP Argentina SA	Av. De Libertador 767, Piso 5, Off 505, Buenos Aires, Argentina	100%	Ordinary
CHEP Uruguay SA	Luis A Herrera 1248, Piso 12 Torre B, Montevideo, Uruguay	100%	Ordinary
CHEP Osterreich GmbH	Mariahilferstrasse 123/3, 1060 Wien, Austria	100%	Ordinary
CHEP SK S.r.o.	Tmavska cesta 50, 821 02, Bratislava, Slovakia	100%	Ordinary
CHEP (Thailand) Ltd	589/161 Central City Tower 1, 31 <sup>st</sup> Floor, Room A, Debaratana Road, Bangna Nue Sub-District, Bangna District, Bangkok, Thailand	49.9%	Ordinary
Brambles (Hong Kong) Ltd	16 <sup>th</sup> -19 <sup>th</sup> Floors, Prince's Building, 10 Chater Road, Central, Hong Kong, China	100%	Ordinary
CHEP (China) Company Ltd	19F Xu Hui Yuan Building, 1089 Zhong Shan Nan' Er Road, Xuhui District, Shanghai, 200030, China	72.27%	Ordinary
CHEP Saudi Arabia Ltd	Hoshan Complex, Al-Ahsa Street, Malaz Area, Riyadh 11623, Saudi Arabia	100%	Ordinary
Boxpal Ltd	Upperton Industrial Estate, Peterhead, Aberdeenshire, AB42 3GL, Scotland	100%	Ordinary
CHEP Canada Corp	7400 East Danbro Crescent, Mississauga, Ontario, L5N 8C6, Canada	50%*	Ordinary
CHEP Chile SA	Avenida Cerro Colorado 5240, Suite Torre II, Piso 15 Las Condes, Santiago, Region Metropolitana de Santiago, Chile	50%*	Ordinary
CHEP (Malaysia) Sdn Bhd	6 <sup>th</sup> Floor, Akademi Etiqa, No. 23, Jalan Melaka, 50100, Kuala Lumpur, W.P. Kuala Lumpur, Malaysia	50%*	Ordinary
CHEP Mexico SRL	Bldv. Manuel Avila, Camacho No. 24 piso, 11000 Mexico City D.F., Mexico	50%*	Ordinary
Servicios Corporativos CHEP S.A. de C.V.	Bldv. Manuel Avila, Camacho No. 24 piso, 11000 Mexico City D.F., Mexico	2%	Ordinary



**Notes to the financial statements for the year ended 30 June 2020 (continued)**  
*(All amounts are in £ unless otherwise stated)*

**27 Group undertakings**  
*(continued)*

	<b>Registered office (or equivalent)</b>	<b>Holding</b>	<b>Class of Shares</b>
<b><u>Pallet pooling (continued)</u></b>			
CHEP Middle East FZCO	Office No. 108 Campus 03- BCW JAFZA View 19, PO Box 31303, (Dubai UAE)	80%* and 20%	Ordinary
CHEP Middle East DMCC	Office 502-505, Platinum Tower, Cluster 1, Jumeirah Lakes Towers, Dubai, PO Box 337206. Dubai UAE	100%	Branch
CHEP Gulf General Trading LLC	Office 10 Hama Building, Al Karama, Dubai UAE, PO Box 36605	49%	Ordinary
<b><u>Intermediate bulk containers</u></b>			
CHEP Pallecon Solutions Ltd	2 <sup>nd</sup> Floor, 400 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey, KT15 2HJ	100%*	Ordinary
CHEP Pallecon Solutions (Thailand) Ltd	589/161 Central City Tower 1, 31 <sup>st</sup> Floor, Room A, Bangna Nue Sub-District, Bangna District, Bangkok, Thailand	100%	Ordinary

Holdings marked \* are held directly by the Company. All other holdings are held by subsidiary undertakings.