

Registration number: 05208883

LINPAC Finance (No.3) Limited

Annual report and Unaudited financial statements

for the year end 31 December 2020



LINPAC Finance (No.3) Limited

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Company Information

Director J A Diprose

**Registration
number** 05208883

Registered office Wakefield Road
Featherstone
Pontefract
West Yorkshire
WF75DE

Director's Report

for the year ended 31 December 2020

The director presents his annual report and the unaudited financial statements for the year ended 31 December 2020.

Directors of the Company

The directors who held office during the year and up to the date of signing the financial statements was as follows:

J A Jones (resigned on 8 March 2021)

J A Diprose (appointed on 8 March 2021)

Business review

Fair review of the business

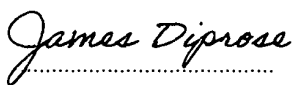
The Company did not trade during the year or the preceding year and made neither a profit or loss. There were also no other comprehensive income for the current financial year or the preceding financial year. Accordingly, neither an profit and loss account nor a statement of comprehensive income have been presented.

Post balance sheet event

Subsequent to December 31, 2020, the external debt in the KP Group has been refinanced, consequently existing loan in Klockner Pentaplast, USA were repaid and new loan facility is obtained. In order to right-size debt and improve distributable profit in UK group entities, the management has embarked upon, with professional assistance with PWC, simplifying debt structure in LINPAC Senior Holdings Limited, LINPAC Group Limited, LINPAC Finance Limited and LINPAC Group Holdings Limited. This involves elimination of negative reserve, in those companies, to facilitate inter-company elimination. All transactions were carried out at fair market value. Following such process, there were certain opening balance reclasses made by the Company.

Further, the director intends to wind up the Company in 2021. This decision was undertaken post December 31, 2020 and hence did not impact the going assumption for the financial year covered by these financial statements.

Approved by the Board on the 15th of September 2021 and signed by:



J A Diprose
Director

Statement of Director's Responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- 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 director is 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.

The director is 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.

Profit and Loss Account

for the year ended 31 December 2020

The Company did not trade during the financial year or the preceding financial year. The Company received no income and incurred no expenditure during these years. Consequently, during these years the company made neither a profit nor a loss.

The Company has no other recognised gains and losses nor any cash flow during these years and accordingly no statement of total recognised gains and losses, reconciliation of movements in shareholders' funds or cash flow statement is presented.

Balance Sheet

as at 31 December 2020

Registration number: 05208883

	Note	2020 £ 000	2019 £ 000
Fixed assets			
Investments	3	30,100	30,100
Current assets			
Debtors	4	29,769	29,769
Creditors: amounts falling due within one year			
Amounts owed to group undertaking		(48,133)	(48,133)
Net current liabilities		(18,364)	(18,364)
Net assets		11,736	11,736
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account		11,736	11,736
Total shareholders' fund		11,736	11,736

For the financial year ending 31 December 2020 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant Companies.

Director's responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to Companies subject to the small Companies regime.

The financial statements on pages 4 to 11 were approved by the Board on The 15th of September 2021 and signed by:

James Diprose

J A Diprose
Director

The notes on pages 7 to 11 form an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 31 December 2020

	<i>Called up share capital £ 000</i>	<i>Profit and loss account £ 000</i>	<i>Total shareholders' funds £ 000</i>
At 1 January 2019	-	11,736	11,736
At 31 December 2019	-	11,736	11,736
At 1 January 2020	-	11,736	11,736
At 31 December 2020	-	11,736	11,736

The notes on pages 7 to 11 form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31 December 2020

1 General information

The Company is a private company limited by share capital, incorporated and domiciled in England, UK.

The address of its registered office is:

Wakefield Road
Featherstone
Pontefract
West Yorkshire
WF75DE

These financial statements were authorised for issue by the director on 15th of September 2021

2 Accounting policies

Basis of preparation

The financial statements of Linpac Finance (No. 3) Limited have been prepared in accordance with Financial Reporting Standard 101: "Reduced Disclosure Framework" (FRS101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS101.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with the FRS 101.

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1;
- Paragraphs 10(d), 10(f), 16, 38A, 38B-D, 40A~D, 111 and 134-136 of IAS 1;
- Paragraphs 10(d), 10(f), 16, 38A, 38B-D, 40A~D, 111 and 134-136 of IAS 1; The requirements of IAS 7 Statement of Cash Flows;
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group; and
- The requirements of IFRS 7 Financial Instruments: Disclosures, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

Notes to the Financial Statements

for the year ended 31 December 2020 (continued)

2 Accounting policies (continued)

Going concern

The directors of the Company's intermediate parent company, LINPAC Senior Holdings Limited, have indicated to the director of the Company, in writing, that it is their present intention to continue to support the Company to enable it to meet its obligations as and when they fall due and the financial statements have therefore been prepared on a going concern basis.

Consolidation

The Company is a wholly owned subsidiary of LINPAC Group Holdings Limited and of its ultimate parent, Kleopatra Holdings 1 S.C.A. It is included in the consolidated financial statements of Kleopatra Holdings 2 S.C.A. which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated Financial statements. These financial statements are separate financial statements.

Investments

Fixed asset investments are stated at cost, less any provision for impairment in value.

Debtors

Debtors are amounts due from other group companies in the ordinary course of business. 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.

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debtor.

Creditors

Creditors are obligations to that have been acquired in the ordinary course of business from suppliers or other group Companies. Creditors are classified as current liabilities if payment is due within one year or less. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

for the year ended 31 December 2020 (continued)

3 Investments

Subsidiaries	£ 000
Cost or valuation	
At 1 January 2020 and 31 December 2020	129,507
Provision	
At 1 January 2020 and 31 December 2020	<u>99,407</u>
Carrying amount	
At 31 December 2020	<u>30,100</u>
At 31 December 2019	<u>30,100</u>

In the opinion of the directors, the aggregate value of the Company's investments in subsidiary undertakings is not less than the aggregate amount included in the balance sheet.

Details of the subsidiaries as at 31 December 2020 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights
LINPAC Mouldings Limited	Holding company	UK	0%
LA2012 Limited	Holding company	UK	0%

4 Debtors

	2020	2019
	£ 000	£ 000
Amounts owed by related parties	<u>29,769</u>	<u>29,769</u>
	<u>29,769</u>	<u>29,769</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Notes to the Financial Statements

for the year ended 31 December 2020 (continued)

5 Creditors: amounts falling due within one year

	2020	2019
	£ 000	£ 000
Amounts owed to group undertaking	<u>48,133</u>	<u>48,133</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

6 Called up share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

7 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is LINPAC Group Holdings Limited, a company registered in England.

The smallest and largest group in which the Company is consolidated at 31 December 2020 is Kleopatra Holdings 2 S.C.A, a company registered in Luxembourg. Copies of the financial statement are publicly available and upon request from 6 Avenue John F. Kennedy, 1855 Luxembourg.

The ultimate parent company at 31 December 2020 was Kleopatra Holdings 1 S.C.A, which is registered in Luxembourg.

At 31 December 2020, the ultimate controlling party was Strategic Value Partners LLC. As at 31 December 2020 they manage funds holding 92.96% (2019: 92.96%) of the equity.

Notes to the Financial Statements

for the year ended 31 December 2020 (continued)

8 Post balance sheet event

Subsequent to December 31, 2020, the external debt in the KP Group has been refinanced, consequently existing loan in Klockner Pentaplast, USA were repaid and new loan facility is obtained. In order to right-size debt and improve distributable profit in UK group entities, the management has embarked upon, with professional assistance with PWC, simplifying debt structure in LINPAC Senior Holdings Limited, LINPAC Group Limited, LINPAC Finance Limited and LINPAC Group Holdings Limited. This involves elimination of negative reserve, in those companies, to facilitate inter-company elimination. All transactions were carried out at fair market value. Following such process, there were certain opening balance reclasses made by the Company.

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