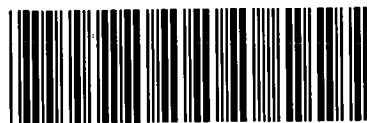


TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD.
(FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

COMPANY INFORMATION

Directors

N Gentiletti
P J Morris
F Olivier
B Reid

Registered number

09926789 (England and Wales)

Registered office

c/o Coveris Advanced Coatings Ltd
Ash Road North
Wrexham Industrial Estate
Wrexham
Wales
LL13 9UF

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Castle Donington
DE74 2UZ

Bankers

Bank of America
2 King Edward Street
London
EC1A 1HQ
United Kingdom

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

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TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Introduction

The directors present their strategic report for the year ended 31 December 2017.

Principal activity

Its principal activity is that of being an investment holding company. The principal activity is not expected to change in the foreseeable future.

Business review and future developments (including financial risk management)

The company forms part of the Coveris group. On 3 March 2016, the company acquired 99.9% of the shares in an Ecuador company - Supraplast S.A. ("Supraplast Ecuador") for consideration of \$11.3m.

During the year the company incurred intercompany interest charges of \$0.8m and administrative expenses of \$0.1m.

Being an investment holding company, the principal risk and uncertainties within the company relate solely to the ability of the company to recover the value of its investments and to generate adequate returns. The performance of the underlying trading businesses within the acquired companies are monitored on a regular basis so that steps can be taken to ensure that performances are in-line with pre-agreed budgets and that corrective action is taken where necessary in order to both safeguard the value of the investments and generate adequate returns.

Due to being part of the Coveris group, the financial risk management of the company is managed on a group wide basis by the Coveris group's central finance team. The financial risk management risks and policies are disclosed in the consolidated financial statements of Coveris Holdings SA.

Subsequent to the balance sheet date Coveris Americas was acquired by Transcontinental Inc. on 1 May 2018. The company now forms part of the Transcontinental Inc. group and as such the financial risk and performance management undertaken by Coveris will now be managed by Transcontinental Inc.

Key performance indicators

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

This report was approved by the board and signed on its behalf by:



P J Morris
Director

28/9/18

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

On 25 June 2018 the company changed its registered name to Transcontinental Supraplast Holding UK Ltd.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dividends

No dividends were declared or paid during the year.

Directors

The directors who served during the year and up to the date of approval of these financial statements were:

N Gentiletti (appointed 2 June 2018)
P J Morris (appointed 2 June 2018)
F Olivier (appointed 2 June 2018)
B Reid (appointed 2 June 2018)
K R Bostock (resigned 31 March 2017)
M E Lapping (resigned 31 May 2017)
C A Reese (resigned 2 June 2018)
J Pallas (appointed 31 March 2017 and resigned 2 June 2018)
G E Rehwinkel (appointed on 31 May 2017 and resigned 2 June 2018)
B Collins (appointed on 3 July 2017 and resigned 2 June 2018)

Future developments, principal activities and financial risk management

These are all disclosed within the strategic report.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Going concern and post balance sheet events

Whilst at 31 December 2017 the company had net liabilities, due to intercompany creditors of £14m, following the sale of the company to Transcontinental Inc during 2018 the financing of the company was restructured. At the date of approval of these financial statements the company had no intercompany creditors and net assets. Therefore, the directors' have prepared the financial statements on the going concern basis of accounting.

Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved by the board and signed on its behalf by:



P J Morris
Director

28/9/18

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

Report on the audit of the financial statements

Opinion

In our opinion, Transcontinental Supraplast Holding UK Ltd. (formerly Coveris Supraplast Holding Limited)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; 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.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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.

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 on, 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.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED) (CONTINUED)

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.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the strategic report and directors' report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of this report

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

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED) (CONTINUED)

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.

Matt Palmer

Matt Palmer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands

28 September 2018

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

			Period from 22 December 2015 to 31 December
	Note	2017 \$000	2016 \$000
Administrative expenses		(110)	(142)
Exceptional administrative expenses	5	-	(2,653)
Total administrative expenses and operating loss		(110)	(2,795)
Interest payable and similar expenses	6	(841)	(497)
Loss before tax		(951)	(3,292)
Tax on loss on ordinary activities	8	-	-
Loss for the financial year/period		(951)	(3,292)

The notes on pages 11 to 17 form part of these financial statements.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	Period from 22 December 2015 to 31 December 2016
	\$000	\$000
Loss for the financial year/period	(951)	(3,292)
Other comprehensive income	-	-
Total comprehensive income for the year/period	<u>(951)</u>	<u>(3,292)</u>

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

REGISTERED NUMBER: 09926789

**BALANCE SHEET
AS AT 31 DECEMBER 2017**

	Note	2017 \$000	2016 \$000
Fixed assets			
Investments	9	11,305	11,305
Current assets			
Cash at bank		97	106
Creditors: amounts falling due within one year	10	(14,009)	(13,067)
Net current liabilities		<u>(13,912)</u>	<u>(12,961)</u>
Total assets less current liabilities		<u>(2,607)</u>	<u>(1,656)</u>
Net liabilities		<u><u>(2,607)</u></u>	<u><u>(1,656)</u></u>
Capital and reserves			
Called up share capital	11	-	-
Share premium account	11	1,636	1,636
Retained earnings		<u>(4,243)</u>	<u>(3,292)</u>
		<u><u>(2,607)</u></u>	<u><u>(1,656)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf



P J Morris
Director

28/9/18

The notes on pages 11 to 17 form part of these financial statements.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital \$000	Share premium account \$000	Retained earnings \$000	Total equity \$000
On incorporation 22 December 2015	-	-	-	-
Total comprehensive loss	-	-	(3,292)	(3,292)
Issue to share capital	-	1,636	-	1,636
At 1 January 2017	<u>-</u>	<u>1,636</u>	<u>(3,292)</u>	<u>(1,656)</u>
Total comprehensive loss	-	-	(951)	(951)
At 31 December 2017	<u><u>-</u></u>	<u><u>1,636</u></u>	<u><u>(4,243)</u></u>	<u><u>(2,607)</u></u>

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Statutory information

Transcontinental Supraplast Holding UK Ltd. (formerly Coveris Supraplast Holding Limited) is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The presentation currency of the financial statements is the US Dollar (\$) as this is the primary currency that the main assets and liabilities of the company are denominated in.

The financial statements have been presented in \$000's unless otherwise stated.

The following principal accounting policies have been consistently applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2.3 Going concern

Whilst at 31 December 2017 the company had net liabilities, due to intercompany creditors of £14m, following the sale of the company to Transcontinental Inc during 2018 the financing of the company was restructured. At the date of approval of these financial statements the company had no intercompany creditors and net assets. Therefore, the directors' have prepared the financial statements on the going concern basis of accounting.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.4 Financial Instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the company commits to purchase or sell the asset.

The company's financial assets include cash and short-term deposits, trade and other receivables and loan notes.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. The company has not designated any financial assets upon initial recognition as at fair value through profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair-value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the income statement.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

2.5 Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.6 Critical judgements and accounting policies

The only critical accounting estimate relates to the recoverability of intercompany balances (both investments and receivables). The ability of the counter party to repay or the ability of the subsidiary to generate sufficient returns to repay the initial investment are monitored annually by the directors and any provisions for impairment are made as and when required. The future financial performance and position of the counter parties could deteriorate following this review and therefore this is kept under review by the directors.

There are no critical accounting judgements.

3. Investments

Fixed asset investments are stated at cost unless, in the opinion of the directors, there has been an impairment, in which case an appropriate adjustment has been made. Dividends received from investments are shown within income from shares in group undertakings and are recognised when they have been declared and become unconditionally payable.

4. Employees

Other than the directors the company has no employees. The Directors were remunerated by other companies within the group for their services to the group as a whole, with no costs being recharged.

5. Exceptional administrative expenses

During the prior period, the company purchased an investment in Supraplast S.A. As part of the financing of this investment the company incurred a loss on redemption of debt of \$2,653,000.

6. Interest payable and similar expenses

	Period from 22 December 2015 to 31 December	
	2017 \$000	2016 \$000
Bank loan interest	-	292
Intercompany interest	841	205
	<u>841</u>	<u>497</u>

7. Loss before taxation

The audit costs of \$8,040 (2016: \$12,336) for the company were borne by another group company and not recharged.

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. Taxation

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2017, nor for the period from 22 December 2015 to 31 December 2016.

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:

	2017	Period from 22 December 2015 to 31 December 2016
	\$000	\$000
Loss on ordinary activities before tax	(951)	(3,292)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	(183)	(658)
Effects of:		
Expenses not deductible for tax purposes	129	555
Group relief for nil consideration	54	103
Total tax charge for the year/period	-	-

Factors that may affect future tax charges

The statutory UK corporation tax rate is currently 19%, effective from 1 April 2017 (reduced from 20% previously). Note, this rate will be further reduced in future periods to 17% (effective from 1 April 2020 – substantially enacted on 6 September 2016).

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Investments

	Unlisted investments \$000
Cost	
At 1 January 2017 and 31 December 2017	11,305
Net book value	
At 31 December 2017	11,305
At 31 December 2016	11,305

Subsidiary undertakings

The company has the following subsidiary incorporated in Ecuador with registered office of Av. Pascuales Km 16.5 via a Daule/Calle Av Pascuales e Intersección Acero, Solar 2 Manzana 13. Ecuador:

Name	Class of shares	Holding	Principal activity
Supraplast S.A.	Ordinary	99.99 %	Manufacturer of labels and packaging

10. Creditors: Amounts falling due within one year

	2017 \$000	2016 \$000
Trade creditors	1	-
Amounts owed to group undertakings	14,008	13,067
	<u>14,009</u>	<u>13,067</u>

Amounts owed to group undertakings relate to principal loan balances with entities located outside of the UK and totalled \$12.8m (2016: \$12.8m) and attracted interest at a rate of 6.5% (2016: 6.5%). Rolled up interest at 31 December 2017 amounted to \$1m (2016: \$0.2m).

TRANSCONTINENTAL SUPRAPLAST HOLDING UK LTD. (FORMERLY COVERIS SUPRAPLAST HOLDING LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	\$'000
101	Ordinary	\$0.01	-

On incorporation the company had a single share issued at par value of \$0.01.

On 3 March 2016 the share capital was increased with the issuance of further 100 \$0.01 nominal value shares to other entities within the Coveris group for a consideration of \$1,636,000, which was settled via an intercompany account. This gave a rise to a share premium of \$1,636,000.

12. Ultimate parent company and post balance sheet events

The largest and smallest company to consolidate the results and financial position of the company is that headed by Coveris Holdings SA. These consolidated financial statements are available from www.coveris.com.

During 2018 the company was sold to Transcontinental Inc as part of the Coveris Holding SA's disposal of its American investments. Therefore the company's immediate and ultimate parent undertaking is now Transcontinental Inc, a company incorporated in Canada.

There is no individual controlling party.

As disclosed in the director's report, following the change in ownership, the company has restructured its finances so that it no longer has any intercompany creditors.