

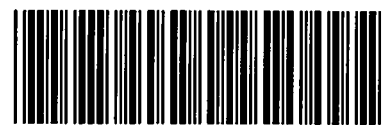
Registered number: 04039373

AMCOR FLEXIBLES SWANSEA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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AMCOR FLEXIBLES SWANSEA LIMITED

COMPANY INFORMATION

Directors
M C Burrows
G B C Taillandier (resigned 17 May 2023)
G W Thomas (resigned 9 September 2022)
A Stafford (resigned 1 August 2023)
P Beynon (appointed 23 March 2023)
E Borodina (appointed 17 May 2023)

Registered number 04039373

Registered office
Siemens Way
Swansea Enterprise Park
Swansea
West Glamorgan
SA7 9BB

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Introduction

The directors present their Strategic Report of Amcor Flexibles Swansea Limited for the year ended 31 December 2022.

Business review

The Company's principal business is the manufacture and distribution of speciality plastic film and packaging.

During the year the Company saw turnover increase to £30,130,000 (2021: £28,582,000), although faced headwinds from rising material and supply chain cost pressures which impacted profit margins. As a result the operating loss for the year increased to £5,927,000 (2021: £1,571,000 loss) and net assets decreased to £1,859,000 (2021: £10,422,000).

As a member of the Amcor Group the Company has maintained a consistent strategy and business model. Investments are focussed on making packaging that is increasingly light weighted, recyclable and reusable, and made using a rising amount of recycled content.

The Company looks forward to the 2023 financial year with clear priorities, to keep co-workers safe, offer value to customers and execute effectively in areas under our control. Whilst no material change in the Company's business and profitability are expected in the next financial year, actual results could differ materially due to a number of risks and uncertainties.

Principal risks and uncertainties

The Company manages the risks and uncertainties within the Amcor Group of Companies and can be impacted by numerous factors:

- Changes in customer demand patterns across various industries;
- The loss of key customers, a reduction in production requirements or consolidation could impact sales revenue and profitability;
- Challenging local and international economic conditions, including the conflict in Ukraine, have had and may continue to have, a negative impact on the business;
- Costs and liabilities related to current and future environmental and health and safety laws and regulations;
- Price fluctuations or availability of raw materials, energy and other inputs could adversely impact the business;
- Production, supply and other commercial risks which may be exacerbated during times of economic slowdown;
- A failure or disruption in our information technology systems could disrupt our operations, compromise customer, employee, supplier and other data and could negatively affect our business; and
- The impact of public health outbreaks similar to that of the 2019 coronavirus pandemic.

Our business strategy includes both organic expansion of our existing operations, particularly through efforts to strengthen and expand relationships with customers and product innovation. The Company operates in highly competitive markets and end use areas, each with varying barriers to entry, industry structures, and competitive behaviour. We regularly bid for new and continuing business in the industries and regions in which we operate and we continue to change in response to consumer demand. We have been able to work closely with our suppliers and customers, leveraging our global capabilities and expertise to work through supply and other resulting issues to date.

We expect supplies of certain raw materials will continue to be tight throughout the 2023 fiscal year as supply channels adjust against increasing cost pressures, particularly from energy, fuel and other impacts. As a Company and Group, we continue to collaborate with customers, suppliers, and innovators to create industry-leading solutions, and with other stakeholders to increase available infrastructure for waste collection, sorting and recycling, and to inform consumers about the importance of packaging and how to reduce its environmental impacts through recycling. Wherever possible the Company's policy seeks to work with customers to minimize exposure to price volatility by passing through the commodity price risk.

Financial risk management

The Company's principal financial assets are bank balances, trade receivables and amounts due from group undertakings. This creates exposures to raw material price fluctuation, credit risk, liquidity risk and interest rate risk. The Directors monitor market movements in material and commodity prices in conjunction with Amcor Group Policy although do not consider it cost effective to undertake formal hedging arrangements.

The Company manages its credit risk in relation to trade debtors by spreading exposure over a large number of customers, implemented policies that require appropriate credit checks on potential customers before a sale is made, and by holding credit insurance if it is felt necessary.

The Company's business is principally in Europe, and is exposed to movements in exchange rates. The currency risk is managed by entering into forward contracts for key foreign currencies, which fix a significant proportion of these exposures, thereby giving certainty over a substantial part of the company's income stream and costs. The value of forward contracts is immaterial to the Company. The Company does not enter into speculative financial instruments.

The Company has medium term debt finance designed to ensure sufficient available funds for operations and planned activities within Amcor Group policy. This limits the impact of interest rate fluctuation to this available pool.

The Company is a wholly owned indirect subsidiary of Amcor Plc ("the group"). Further details of risk factors affecting the group, which include those of the Company, are discussed in the group's annual report (which does not form part of this report) along with a Sustainability Report.

Directors' statement of compliance with duty to promote the success of the Company

In accordance with The Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting Regulations 2018), this Section 172 statement, explains how the Company's directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and others, in taking principal decisions taken by the company during the financial year.

The Company's ultimate parent company is Amcor Plc and the considerations for decision making are embedded at individual board level and across the group with the directors acting in good faith to promote the success of the Company consistently within group governance, culture, value, behaviour and strategy referenced within the Strategic Report. The level of information disclosed is consistent with the size and complexity of the business. The Board meet on a periodic basis to consider the key decisions arising to implement the strategic direction as provided by the Amcor Group and the performance of the Company.

When making decisions each Director ensures they act in good faith and in a way to promote the Company's success for the benefit of the members as a whole having regard to:

Long-term sustainability

The Company supports the financing requirements across the group in a responsible and balanced approach in order to enable the longer term viability of the Company and wider interests of the group. Key decisions and representations provided by Group to the Company's Board of Directors are considered and executed on a timely basis consistent with group strategy. During the year to 31 December 2022 this has included various energy efficiency projects as part of the strategy to build a more sustainable business and fund the long-term business needs. Dividends are declared and paid after due consideration of current profitability and adequacy of retained earnings to meet future funding requirements and the overall financial health of the Company.

Employees

The Directors recognise that continued success is dependent on the ability to identify, attract, motivate, train and retain qualified personnel in key functions and geographical areas encompassed as the "Amcor Way". The

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Company is focussed on being a responsible employer, from pay and benefits to our health, safety and workplace environment, where the Directors consider the implications of decisions on employees and the wider workforce, where relevant and feasible including a regular Engagement Survey across the businesses. Each work location in the UK has elected employee representatives who are informed and consulted on matters which affect those whom they represent. Where necessary conditions are met, the Company recognises Trade Unions for the same purposes and for collective bargaining to determine terms and conditions of employment. The Directors also recognise that pensioners, though no longer employees, also remain important stakeholders.

Suppliers, customers and others

The Directors, as members of the group, recognise the beneficial relationship of working collaboratively across the supply chain from supplier, customers and others. Each company within the group is bound by Group policies consistent with the culture in all key areas including supplier management and outsourcing and customer conduct. This includes the regular collection of data in order to monitor and evaluate the risk to supply continuity, value and innovation through to customer research and evaluation for management and directors.

Community and environment

The Directors seek to minimise any detrimental impact the Company's operations may have on the environment through continued review of work practices, safety, product sustainability and energy efficiency. The Company also supports a range of charitable and community activity locally, based on employee involvement. The Company as a member of the Amcor group of companies has pledged to develop all the packaging to be recyclable or reusable by 2025 and we have identified a clear path to meeting our sustainability ambitions and those of our customers by focussing on the three elements of responsible packaging: product innovation, consumer participation and infrastructure development.

Business conduct

The Company aims to conduct all its business relationships with integrity, courtesy and fulfil each business agreement.

Acting fairly across key stakeholders of the Company

The Directors of the Company are aligned with the strategy of the group and the aspiration to be the leading packaging company for the benefit of customers, employees, shareholders, suppliers and the environment. The board aim to provide clear information to the parent company as to the performance of the business in supporting group strategy. The group has developed a focussed portfolio to support the needs of customers, the Amcor Way describing the capabilities deployed consistently across Amcor functions to demonstrate leadership allowing the business portfolio to generate strong cash flow and support shareholder value creation which the Directors believe to be entirely consistent with the requirements of Section 172 (1).

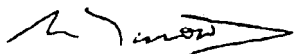
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Financial and non-financial key performance indicators

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the Company as a whole, these being turnover, gross profit, operating profit and profit on ordinary activities before taxation as set out in the Statement of Comprehensive Income and are as follows:

	2022	2021
Financial key performance indicators		
Turnover (£000)	30,130	28,582
Gross profit (£000)	5,477	7,449
Margin	18.18%	26.06%
Operating loss (£000)	(5,927)	(1,571)
Non-financial key performance indicators	No.	No.
Average number of employees	186	185
Number of workplace accidents	1	-

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



.....
M C Burrows
 Director

Date: 20 December 2023

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Results and dividends

The loss for the year, after taxation, amounted to £6,656,000 (2021: loss £1,407,000).

The Company did not pay a dividend during the year (2021: £nil) and does not recommend the payment of a final dividend (2021: £nil).

Directors

The directors who served during the year were:

M C Burrows
G B C Taillandier (resigned 17 May 2023)
G W Thomas (resigned 9 September 2022)
A Stafford (resigned 1 August 2023)

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 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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;
- 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.

Disclosure of information to auditors

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 information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant information and to establish that the Company's auditors are aware of that information.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Going concern

The financial statements of the Company have been prepared on a going concern basis. The Company has received a letter of support from Amcor plc and the Directors are satisfied that Amcor plc will continue to have access to adequate liquidity and resources for the foreseeable future within its subsidiaries, including the Company.

In reaching this assessment the Directors have considered a variety of information related to present and future projections of profitability, cash flows and capital resources, including the impact of the conflict in Eastern Europe on the wider economic climate. The Directors believe that the Company and Group's cashflow, together with borrowings available under credit and bank facilities, will continue to provide sufficient liquidity to fund operations, capital expenditure and other commitments into the foreseeable future. These operating and funding cash flows will be supported with either borrowings available from fellow subsidiaries under the Group's credit facilities and banking arrangements or in conjunction with the Commercial Paper and Eurobond market programmes. On this basis the directors have continued to adopt the going concern basis of accounting in the Company financial statements.

Research and development activities

The Company is committed to research and development activities in order to secure its position in the markets in which it operates. Research and development expenditure is charged to the Statement of Comprehensive Income during the period which it is incurred.

Employee involvement

Employees are regularly provided with information concerning the performance and prospects of the business in which they are involved, through employee forums, briefing groups, notice boards and staff publications. Views of employees are sought through management consultation and work location in the UK has elected employee representatives who are informed and consulted on matters which affect those whom they represent. These processes allow the views of personnel to be taken into account. Similarly issues relevant to the pension scheme are covered by means of selected representatives.

Disabled employees

The Company's equal opportunity policy encourages the employment and development of suitable people including those with disabilities. No unnecessary limitations are placed on the type of work that they perform and the policy ensures that, in appropriate cases, consideration is given to modifications to equipment or premises and to adjustments in working practices. The policy contains a code of good practice for those who become disabled whilst in employment to ensure they receive the necessary support needed, wherever possible, enabling them to continue in their role. In consultation with the individual this will involve whatever reasonable adjustments are possible alongside consideration of other positions where the individual's skills and abilities match the requirements of the role.

Streamlined Energy and Carbon Reporting

The Company does not qualify as a large unquoted company in accordance with sections 465 and 466 of the Companies Act 2006 and is not required to prepare and file energy and carbon information in the Directors' Report. Actions are in place to increase energy efficiency and reduce carbon emissions. To date, the majority of our progress toward Amcor's 2030 EnviroAction goal has come from working to reduce Scope 1 and 2 emissions within each plant. Amcor operations and facilities teams have focused on energy efficiency projects at the site including replacing and upgrading inefficient plant and machinery and revision of working patterns along with adopting Energy Supervisory Control and Data Acquisition (SCADA) systems to better track and control plant-level energy usage. Amcor Flexibles Swansea Limited also benefits from Energy management teams as they seek opportunities to improve energy efficiency within our facilities. The Amcor Group of Companies continue to explore renewable energy sourcing opportunities such as power purchase agreements and renewable energy sourcing.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

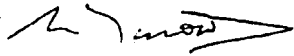
Matters covered in the strategic report

Details of the likely future developments in the Company's business and financial risk management have been included within the Strategic Report.

Subsequent events

The Company has conducted an assessment of any other events after the balance sheet date and concluded that no events have occurred which materially affect the entity requiring disclosure or adjustment to the financial statements.

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



.....
M C Burrows
Director

Date: 20 December 2023

Independent auditors' report to the members of Amcor Flexibles Swansea Limited

Report on the audit of the financial statements

Opinion

In our opinion, Amcor Flexibles Swansea Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income and 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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 our work undertaken in the course of the audit, the Companies Act 2006 requires 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 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK employment and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to overstate revenue or improve the reported results and the potential for management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inquiries of management in respect of any known or suspected instances of non compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations;
- Testing for management bias in judgments and estimates, including those related to the employee benefit obligations; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained 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.

Stuart Couch

Stuart Couch (Senior statutory auditor)

for and on behalf of

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
20 December 2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Turnover	4	30,130	28,582
Cost of sales		(24,653)	(21,133)
Gross profit		5,477	7,449
Distribution costs		(1,082)	(849)
Administrative expenses		(10,341)	(8,171)
Other operating income	5	19	-
Operating loss	6	(5,927)	(1,571)
Interest receivable and similar income	10	16	2
Interest payable and similar expenses	11	(289)	(62)
Other finance costs	12	(3)	(27)
Loss before tax		(6,203)	(1,658)
Tax on loss	13	(453)	251
Loss for the financial year		(6,656)	(1,407)
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss:			
Actuarial (loss)/ gain on defined benefit pension scheme		(2,543)	1,623
Movements of deferred tax relating to pension surplus/ (deficit)		636	(332)
Total other comprehensive (expense)/ income		(1,907)	1,291
Total comprehensive (expense) for the year		(8,563)	(116)

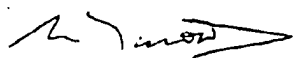
The notes on pages 14 to 34 form part of these financial statements.

AMCOR FLEXIBLES SWANSEA LIMITED
REGISTERED NUMBER: 04039373

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	14	14,303	12,293
Investments	15	6,546	6,546
		<u>20,849</u>	<u>18,839</u>
Current assets			
Stocks	16	4,816	4,383
Debtors: amounts falling due within one year	17	7,200	5,467
Pension asset	22	-	18
Cash at bank and in hand	18	30	4,851
		<u>12,046</u>	<u>14,719</u>
Creditors: amounts falling due within one year	19	(28,241)	(22,666)
Net current liabilities		<u>(16,195)</u>	<u>(7,947)</u>
Total assets less current liabilities		<u>4,654</u>	<u>10,892</u>
Deferred taxation	21	(290)	(470)
		<u>(290)</u>	<u>(470)</u>
Pension liability	22	(2,505)	-
Net assets		<u>1,859</u>	<u>10,422</u>
Capital and reserves			
Called up share capital	25	6,899	6,899
Capital redemption reserve	26	6,954	6,954
Accumulated losses	26	(11,994)	(3,431)
Total shareholders' funds		<u>1,859</u>	<u>10,422</u>

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



.....
M C Burrows
Director

Date: 20 December 2023

The notes on pages 14 to 34 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £000	Capital contribution reserve £000	Accumulated losses £000	Total shareholders' funds £000
At 1 January 2021	6,899	6,954	(3,315)	10,538
Loss for the financial year	-	-	(1,407)	(1,407)
Actuarial gains on pension scheme net of deferred tax	-	-	1,291	1,291
Total comprehensive expense for the year	-	-	(116)	(116)
At 31 December 2021 and 1 January 2022	6,899	6,954	(3,431)	10,422
Loss for the financial year	-	-	(6,656)	(6,656)
Actuarial losses on pension scheme net of deferred tax	-	-	(1,907)	(1,907)
Total comprehensive expense for the year	-	-	(8,563)	(8,563)
At 31 December 2022	6,899	6,954	(11,994)	1,859

The notes on pages 14 to 34 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

Amcor Flexibles Swansea Limited is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Siemens Way, Swansea Enterprise Park, Swansea, West Glamorgan, SA7 9BB, Wales.

The Company's principal business is the manufacture and distribution of specialty plastic film and packaging.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in GBP and rounded to the nearest thousand unless otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare group financial statements as a wholly owned subsidiary of Amcor Plc.

The following principal accounting policies have been applied consistently throughout the year:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flow;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Amcor Plc as at 30 June 2022 and 30 June 2023, and copies of these financial statements may be obtained from the Group's website at www.amcor.com/investors.

2.3 New standards and interpretations and interpretations not yet applied

The Company did not adopt any new standards or interpretations during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Going concern

The financial statements of the Company have been prepared on a going concern basis. The Company has received a letter of support from Amcor plc and the Directors are satisfied that Amcor plc will continue to have access to adequate liquidity and resources for the foreseeable future within its subsidiaries, including the Company.

In reaching this assessment the Directors have considered a variety of information related to present and future projections of profitability, cash flows and capital resources, including the impact of the conflict in Eastern Europe on the wider economic climate. The Directors believe that the Company and Group's cashflow, together with borrowings available under credit and bank facilities, will continue to provide sufficient liquidity to fund operations, capital expenditure and other commitments into the foreseeable future. These operating and funding cash flows will be supported with either borrowings available from fellow subsidiaries under the Group's credit facilities and banking arrangements or in conjunction with the Commercial Paper and Eurobond market programmes. On this basis the directors have continued to adopt the going concern basis of accounting in the Company financial statements.

2.5 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.6 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Term of the lease
Plant and machinery	- 7 to 20 years
Office equipment	- 3 to 5 years
Assets under construction	- Not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

A review for impairment of tangible assets is carried out if events or changes in circumstances indicate that the carrying amount of an asset 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 to sell and the value in use. Value in use is based on the present value of the future cash flows relating to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The directors perform an annual impairment assessment and where a potential exposure is identified a full impairment review. To assess the carrying value of the investments the directors consider underlying net asset values and future earnings where appropriate. Any impairment recognised is taken to the Statement of Comprehensive Income. Where the directors become aware that the circumstances that gave rise to a previous impairment are no longer applicable the impairment is reversed. The credit is recognised in the Statement of Comprehensive Income.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Raw Material Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads and are valued at standard cost.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**2. Accounting policies (continued)****2.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Financial instruments

Financial assets and financial liabilities are initially measured at fair value.

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets other than those which meet the criteria to be measured at amortised cost are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in the Statement of Comprehensive Income to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in the Statement of Comprehensive Income includes any dividend or interest earned on the financial asset.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income (FVOCI). The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities**Fair value through profit or loss**

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.11 Financial instruments (continued)

of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in the Statement of Comprehensive Income to the extent that they are not part of a designated hedging relationship.

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through the Statement of Comprehensive Income are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

2.12 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.13 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.14 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

Nonmonetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.15 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.16 Operating leases: the Company as lessor

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**2. Accounting policies (continued)****2.17 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The plan was closed to new entrants and future accrual along with the removal of the salary link for active members benefit with effect from 30 September 2020.

The asset or liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in the Statement of Comprehensive Income as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Statement of Comprehensive Income as 'other finance costs'.

A surplus is recognised when the entity is able to recover the surplus through reduced contributions or through refunds to the plan.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.18 Interest income

Interest income is recognised in the Statement of Comprehensive Income the effective interest method.

2.19 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****3. Critical accounting estimates and judgements**

Estimates and judgments 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 assets

At each reporting date, in line with applicable accounting standards, the Company assess whether assets may be impaired, including tangible assets, investments, stocks and debtors. If there are any indicators that the carrying value may exceed their recoverable amount, the Company estimates the recoverable amount of the asset and, if necessary, the carrying amount is reduced with a corresponding charge recognised in the Statement of Comprehensive Income. When calculating the stock provision, management considers the nature and condition of the stock and estimates the anticipated usage of raw materials or saleability of finished goods. When assessing potential impairment of trade and other debtors, management considers a range of factors including the credit rating of the debtor, the ageing profile and historical experience.

(b) Defined benefit pension scheme

The Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation recognised in the balance sheet. The assumptions reflect historical experience and current trends. The Company uses a specialist third party to advise on the appropriate assumptions to use and the main assumptions are set out in note 22 of the financial statements.

3.2 Critical judgments in applying the entity's accounting policies

The Company makes judgments concerning the future in applying the Company's accounting policies. Management does not believe there are any critical judgments which could cause significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**4. Turnover**

The whole of the turnover is attributable to the principal activity of the Company.

	2022 £000	2021 £000
Sale of goods	30,130	28,582
	<u>30,130</u>	<u>28,582</u>

Analysis of turnover by country of destination:

	2022 £000	2021 £000
United Kingdom	6,876	6,529
Rest of Europe	20,527	20,185
Rest of the world	2,727	1,868
	<u>30,130</u>	<u>28,582</u>

5. Other operating income

	2022 £000	2021 £000
Profit on disposal of tangible assets	19	-
	<u>19</u>	<u>-</u>

6. Operating loss

The operating loss is stated after charging:

	2022 £000	2021 £000
Research & development charged as an expense	820	757
Depreciation of tangible fixed assets	1,614	1,563
Exchange differences	(320)	62
Operating lease rentals	19	42
Defined contribution pension cost	739	722
Defined benefit pension cost	115	142
Cost of stocks recognised as an expense	15,007	11,173

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Auditors' remuneration

	2022	2021
	£000	£000
Fees payable to the Company's auditors and its associates for the audit of the Company's annual financial statements	53	53
	<u><u>53</u></u>	<u><u>53</u></u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2022	2021
	£000	£000
Wages and salaries	5,680	5,770
Social security costs	591	547
Cost of defined benefit scheme	115	142
Cost of defined contribution scheme	739	722
	<u><u>7,125</u></u>	<u><u>7,181</u></u>

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

	2022	2021
	No.	No.
Management	2	3
Administration	13	11
Production	171	171
	<u><u>186</u></u>	<u><u>185</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Directors' remuneration

The directors' emoluments were as follows:

	2022	2021
	£000	£000
Directors' emoluments	151	165
Company contributions to defined contribution pension schemes	11	9
	162	174

The emoluments of some directors are paid by fellow group companies, which make no recharge to the Company. These directors are directors of a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly no emoluments in respect of such directors are disclosed in these financial statements.

10. Interest receivable and similar income

	2022	2021
	£000	£000
Bank interest receivable	16	2
	16	2

11. Interest payable and similar expenses

	2022	2021
	£000	£000
Bank interest payable	289	62
	289	62

12. Other finance costs

	2022	2021
	£000	£000
Net interest on net defined benefit liability	(3)	(27)
	(3)	(27)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tax on loss

	2022 £000	2021 £000
Corporation tax		
Adjustments in respect of previous periods	(2)	-
Total current tax	<u>(2)</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	447	(126)
Changes to tax rates	-	119
Adjustments in respect of prior years	8	(244)
Total deferred tax	<u>455</u>	<u>(251)</u>
Taxation on loss	<u>453</u>	<u>(251)</u>

Factors affecting tax charge/ (credit) for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Loss before tax	<u>(6,203)</u>	<u>(1,658)</u>
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(1,179)	(315)
Effects of:		
Fixed asset differences	(149)	10
Adjustments to tax charge in respect of prior periods	6	(244)
Tax rate change	108	89
Other permanent differences	-	61
Group relief	1,667	148
Total tax charge/ (credit) for the year	<u>453</u>	<u>(251)</u>

The corporation tax receivable for the year has been reduced by £1,667,000 (2021: £148,000) because of group relief surrendered to a fellow subsidiary, for which no payment will be made (2021: £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tax on loss (continued)

Factors that may affect future tax charges

An increase in the main rate of corporation tax in the UK from 19% to 25% was substantively enacted on 24 May 2021 and took effect from 1 April 2023.

The deferred tax balance at year end has been recognised at 25%, being the substantively enacted rate effective from 1 April 2023 and the rate at which deferred tax balances are expected to be reversed.

14. Tangible assets

	Long-term leasehold property £000	Plant and machinery £000	Office equipment £000	Assets under construction £000	Total £000
Cost or valuation					
At 1 January 2022	4,380	37,254	364	652	42,650
Additions	-	-	-	3,745	3,745
Disposals	-	(1,455)	(18)	(35)	(1,508)
Transfers between classes	140	930	7	(1,077)	-
At 31 December 2022	4,520	36,729	353	3,285	44,887
Accumulated depreciation					
At 1 January 2022	2,439	27,657	261	-	30,357
Charge for the year on owned assets	157	1,442	15	-	1,614
Disposals	-	(1,369)	(18)	-	(1,387)
At 31 December 2022	2,596	27,730	258	-	30,584
Net book value					
At 31 December 2022	1,924	8,999	95	3,285	14,303
At 31 December 2021	1,941	9,597	103	652	12,293

The net book value of land and buildings may be further analysed as follows:

	2022 £000	2021 £000
Long leasehold	1,925	1,941
	1,925	1,941

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2022	6,546
At 31 December 2022	<u>6,546</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Amcor Flexibles Distribution Espana	Avenida Sant Julia, 222 Granollers, Barcelona, Spain	Ordinary	100%
Bemis Flexible Packaging Canada Ltd	180 Dundas St. West Suite 1200 Toronto ON, M5G 1Z8, Canada	Ordinary	100%

The directors consider the value of the investments to be supported by their underlying assets.

16. Stocks

	2022 £000	2021 £000
Raw materials and consumables	2,364	1,750
Work in progress (goods to be sold)	1,561	2,043
Finished goods and goods for resale	891	590
	<u>4,816</u>	<u>4,383</u>

Stocks are stated after provision for impairment of £180,000 (2021: £95,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**17. Debtors: amounts falling due within one year**

	2022	2021
	£000	£000
Trade debtors	2,886	2,324
Amounts owed by group undertakings	3,958	2,857
Other debtors	109	107
Prepayments and accrued income	247	179
	7,200	5,467

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

Trade debtors are stated after provision for impairment of £19,000 (2021: £39,000).

18. Cash and cash equivalents

	2022	2021
	£000	£000
Cash at bank and in hand	30	4,851
	30	4,851

19. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Bank overdrafts	20,722	15,785
Trade creditors	2,720	3,084
Amounts owed to group undertakings	2,583	2,259
Other taxation and social security	518	98
Other creditors	67	106
Accruals and deferred income	1,631	1,334
	28,241	22,666

Amounts owed to group undertakings are unsecured, bear interest at various rates and repayable on demand.

Bank overdrafts are unsecured, repayable on demand and interest is payable at various rates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Financial instruments

	2022 £000	2021 £000
Financial assets		
Financial assets measured at fair value through profit and loss	30	4,851
Financial assets measured at amortised cost	6,953	5,467
	<u>6,983</u>	<u>10,318</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(26,092)</u>	<u>(21,234)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings and other creditors.

21. Deferred taxation

	2022 £000
At beginning of year	(470)
Charged to profit or loss	(456)
Credited to other comprehensive income	636
At end of year	<u><u>(290)</u></u>

The provision for deferred taxation is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	(937)	(497)
Short term timing differences	21	32
Pension liability/ (asset)	626	(5)
	<u>(290)</u>	<u>(470)</u>

Of the deferred tax liability at the end of the year, it is anticipated that an asset of £21,000 will reverse in the year beginning after the reporting period due to the unwinding of short-term timing differences.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

22. Pension commitments**Company defined contribution pension scheme**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions payable by the Company to the fund amounted to £739,000 (2021: £722,000). The balance of the defined contributions pension scheme at the year end is £67,000 (2021: £63,000).

The Company also operates a Defined benefit pension scheme.

Company defined benefit pension scheme

The Company operates a defined benefit pension scheme. The plan was closed to new entrants and future accrual along with the removal of the salary link for active member benefits with effect from 30 September 2020. The scheme is held in an independent trust. The valuation of the fund and the pension costs are assessed with the advice of a qualified actuary, using the projected unit method. A full actuarial valuation was carried out as at 31 December 2020.

In accordance with the requirements of FRS 102, a qualified independent actuary updated the results of the valuation, based on information supplied by the scheme administrators, in order to ascertain the valuation of the scheme at 31 December 2022. The projected unit method has been used.

Reconciliation of present value of plan liabilities:

	2022	2021
	£000	£000
At the beginning of the year	(40,954)	(43,200)
Interest cost	(770)	(641)
Administration cost	(115)	(142)
Actuarial gains	16,950	1,615
Benefits paid	1,309	1,414
At the end of the year	(23,580)	(40,954)

Reconciliation of present value of plan assets:

	2022	2021
	£000	£000
At the beginning of the year	40,972	41,260
Interest income on plan assets	767	614
Actuarial (losses)/ gains	(19,493)	8
Employer contributions	138	504
Benefits paid	(1,309)	(1,414)
At the end of the year	21,075	40,972

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**22. Pension commitments (continued)**

Composition of plan assets:

	2022 £000	2021 £000
Equities	8,577	24,171
Bonds	11,775	15,442
Cash	723	1,359
Total plan assets	21,075	40,972
	2022 £000	2021 £000
Fair value of plan assets	21,075	40,972
Present value of plan liabilities	(23,580)	(40,954)
Net pension scheme (liability)/ asset	(2,505)	18

The amounts recognised in the Statement of Comprehensive Income are as follows:

	2022 £000	2021 £000
Net interest expense	(3)	(27)
Administration costs	(115)	(142)
Total	(118)	(169)

The amount of actuarial loss recognised in the Statement of Comprehensive Income for the year was £2,543,000 (2021: gain £1,623,000).

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2022 %	2021 %
Discount rate	5.0	1.5
Future pension increases	2.7	2.6
Inflation assumption	2.7	2.6
Post retirement life expectancy (years)		
- for a male aged 65 now	21.7	21.7
- at 65 for a male aged 50 now	22.4	22.4
- for a female aged 65 now	24.1	24.1
- at 65 for a female member aged 50 now	25.0	25.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**22. Pension commitments (continued)****Mortality rates:**

Mortality male - S3PMA (Year of Birth) CMI 2021 future improvements with a 1% per annum trend.
Mortality female - S3PFA (Year of Birth) CMI 2021 future improvements with a 1% per annum trend.

Sensitivity analysis of plan liabilities:

A 10bp increase in the discount rate will decrease plan liabilities by £385,000 (2021: £860,000).
A 10bp decrease in the discount rate will increase plan liabilities by £395,000 (2021: £886,000).

On 26 October 2018, the High Court issued a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Company is in discussion with the Trustees of the Plan regarding the appropriate equalisation method however, based on an initial assessment, the Company does not expect this to materially impact the financial statements.

23. Capital commitments

At 31 December 2022, the Company had capital commitments of £3,952,000 (2021: £NIL).

24. Commitments under operating lease

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £000	2021 £000
Not later than 1 year	33	42
Later than 1 year and not later than 5 years	21	55
	<u>54</u>	<u>97</u>

25. Called up share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
6,899,407 (2021 - 6,899,407) Ordinary shares of £1.00 each	<u>6,899</u>	<u>6,899</u>

There is a single class of ordinary shares. There are no restrictions on the distributions of dividends and the repayment of capital.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

26. Reserves

Capital contribution reserve

In 2020, following a group restructure, a capital contribution was made to the Company in the form of an investment in Bemis Flexible Packaging Canada Ltd and a cash contribution. The contributed assets are held as part of the capital and reserves of the Company and are not for the purposes of the Company's trade.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

27. Contingent liability

The Company participates in group cash pooling arrangements between banking providers and other members of the Amcor group. All members of the group cash pool arrangements are jointly and severally liable for any payment default. As at 31 December 2022 the cash pools were in a negative net position of £3,930,000 (2021: €40,425,000 negative).

28. Controlling party

The immediate parent undertaking is Amcor Holding registered in England and Wales, UK.

The ultimate parent and controlling party is Amcor plc, a company incorporated in Jersey, Channel Islands. This is the largest and smallest group to consolidate these financial statements. The registered office is the same as that of the Company and copies of Amcor plc consolidated financial statements can be obtained from the group's website at www.amcor.com/investors.