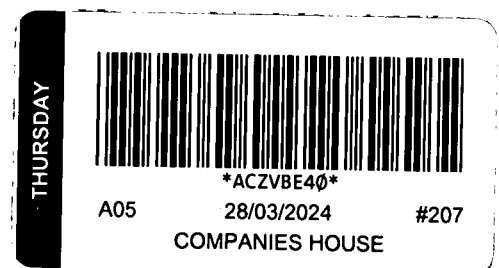


Lax & Shaw Limited
Annual Report and Financial Statements
For The Period Ended 31 December 2023



LAX & SHAW LIMITED

COMPANY INFORMATION

| | |
|-----------------------------|--|
| Directors | Mr A Guilloteau Mr N Jarry |
| Company number | 00127795 |
| Registered office | 69 South Accommodation Road Leeds LS10 1NQ |
| Independent auditors | CLA Evelyn Partners Limited 103 Colmore Row Birmingham B3 3AG |

LAX & SHAW LIMITED

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LAX & SHAW LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2023

The directors present their strategic report for the 14-month period ended 31 December 2023.

Review of the business

The results of the business are set out in the Statement of Comprehensive Income on page 8.

Principal risks and uncertainties facing the Company

The company is entirely dependent on the performance of the other companies within Verallia UK. The principal risks are described within the financial statements of Verallia UK Limited, which are publicly available.

Key performance indicators ("KPIs")

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

Financial risk management

The financial risk management of the company is also dependent on the financial risk management of other Group companies, as disclosed within their respective financial statements.

Employees and diversity

Lax & Shaw Ltd has no employees as at 31 December 2023 (2022: Nil). All associated staff are employed by Verallia UK Limited and full details of employees and diversity can be found in the financial statements of that company.

On behalf of the board



A Guilloteau

Director

26 March 2024

LAX & SHAW LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2023

The directors present their report and the audited financial statements for the 14-month period ended 31 December 2023.

Principal activities

The principal activity of the company continued to be that of the manufacture of glass containers, which are all sold to a fellow subsidiary of the Verallia UK Group (the "Group").

In the current period, Verallia UK Limited and its subsidiaries, including the Company, were purchased by Verallia Holding UK Limited, a subsidiary of Verallia SA, a company incorporated and registered in France.

Results and dividends

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

| | |
|------------------|-----------------------------|
| Mr A S Henderson | (Resigned 29 February 2024) |
| Mr N Jarry | (Appointed 15 June 2023) |
| Mr N A Maskrey | (Resigned 15 June 2023) |
| Mr R Summers | (Resigned 31 December 2022) |
| Mr A Guilloteau | (Appointed 1 March 2024) |

Carbon reporting requirements

The Streamlined Energy and Carbon Reporting (SECR) disclosure for the Company are included in the Verallia UK Limited Statutory accounts for the period ended 31 December 2023.

Statement of disclosure to auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Financial risks and uncertainties

A review of the relevant financial risk and uncertainties for the company has been evaluated within the strategic report which can be found on page 1.

Approval

The Directors' report was approved by the board on 26 March 2024 and signed on its behalf by:



A Guilloteau
Director

LAX & SHAW LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2023

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 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 and 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 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 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.

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2023

Independent auditor's report to the members of Lax & Shaw Limited

Opinion

We have audited the financial statements of Lax & Shaw Limited (the 'company') for the period from 8 November 2022 to 31 December 2023, which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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:

We obtained an understanding of the Company's legal and regulatory frameworks, through enquiry of management concerning their understanding of relevant laws and regulations, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. We also drew on our existing understanding of the Company's industry and regulation.

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

We understand that the Company complies with the framework through:

- Outsourcing tax compliance to external experts.
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements; which are central to the Company's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and UK GAAP in respect of the preparation and presentation of the financial statements.
- UK direct and indirect taxation laws.
- Environmental legislation and regulations in respect of carbon emission tariffs and levies
- Health and Safety at Work Act 1974 and other health and safety legislation/regulation
- Food Safety and Hygiene regulations

The procedures carried out to gain evidence in the above areas included:

- Making enquiries of management and reviewing available board meeting minutes; and
- Obtaining written management representations that they disclosed to us all known instances of non-compliance or suspected non-compliance with laws and regulations and accounted for and disclosed all known actual or possible litigation and claims in the financial statements.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were:

- The risk that management may be incentivised to overstate revenue, particularly in relation to year end cut off; and
- Manipulation of the financial statements to increase revenue and/or profits via fraudulent journal or erroneous entries.

These areas were communicated to the other members of the engagement team who were not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing of revenue transactions close to the year end to underlying documentation to ensure revenue has been recorded in the correct period; and
- Testing of manual journal entries, selected based on specific risk characteristics, including those increasing revenue posted to unusual accounts.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

LAX & SHAW LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Drew
Stephen Drew (Mar 26, 2024 17:48 GMT)

Stephen Drew
Senior Statutory Auditor, for and on behalf of

CLA Evelyn Partners Limited
103 Colmore Row
Birmingham
B3 3AG

26/03/2024

LAX & SHAW LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2023

| | | Period ended 31 December 2023 £'000 | Period ended 7 November 2022 £'000 |
|--|------|---|--|
| | Note | | |
| Revenue | 3 | 105,776 | 60,642 |
| Cost of sales | | <u>(84,373)</u> | <u>(53,464)</u> |
| Gross profit | | 21,403 | 7,178 |
| Administrative expenses | | <u>(13,568)</u> | <u>(1,665)</u> |
| Operating profit and profit before taxation | 4 | 7,835 | 5,513 |
| Tax on profit | 7 | <u>(1,255)</u> | <u>(1,015)</u> |
| Profit and total comprehensive income for the period | | <u>6,580</u> | <u>4,498</u> |

The above results all relate to continuing activities.

There is no difference between the profit before taxation and profit for the financial period stated above and their historical cost equivalents.

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

LAX & SHAW LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

| | | 31 December 2023 £'000 | 7 November 2022 £'000 |
|--|------|------------------------------|-----------------------------|
| | Note | | |
| Current assets | | | |
| Inventories | 8 | 2,496 | 1,926 |
| Trade and other receivables | 9 | 17,914 | 11,884 |
| | | <u>20,410</u> | <u>13,810</u> |
| Current liabilities | | | |
| Trade and other payables | 10 | (1,256) | - |
| Taxation and social security | | (70) | (1,304) |
| | | <u>(1,326)</u> | <u>(1,304)</u> |
| Net current assets | | <u>19,086</u> | <u>12,506</u> |
| Total assets less current liabilities | | <u>19,086</u> | <u>12,506</u> |
| Net assets | | <u>19,086</u> | <u>12,506</u> |
| Equity | | | |
| Called up share capital | 12 | 81 | 81 |
| Retained earnings | | 19,005 | 12,425 |
| Total equity | | <u>19,086</u> | <u>12,506</u> |

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

The financial statements were approved by the board of directors and authorised for issue on 26 March 2024 and are signed on its behalf by:



A Guilloteau
Director

Company Registration No. 00127795

LAX & SHAW LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2023

| | Share capital | Retained earnings | Total |
|--|---------------|-------------------|--------|
| | £'000 | £'000 | £'000 |
| Balances at 4 December 2021 | 81 | 7,927 | 8,008 |
| Period ended 7 November 2022: | | | |
| Profit and total comprehensive income for the period | - | 4,498 | 4,498 |
| Balances at 7 November 2022 | 81 | 12,425 | 12,506 |
| Period ended 31 December 2023: | | | |
| Profit and total comprehensive income for the period | - | 6,580 | 6,580 |
| Balances at 31 December | 81 | 19,005 | 19,086 |

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

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Lax & Shaw Limited is a private company limited by shares incorporated in the United Kingdom. The registered office is 69 South Accommodation Road, Leeds, LS10 1NQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The financial statements cover a 14-month period ending 31 December 2023, the comparative period is 11 months and therefore may not be entirely comparable.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- (a) the requirements of IFRS 7 'Financial Instruments: Disclosure';
- (b) the requirements within IAS 1 relating to the presentation of certain comparative information;
- (c) the requirements of IAS 7 'Statement of Cash Flows' to present a statement of cash flows;
- (d) paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but it not yet effective); and
- (e) the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions and balances between two or more members of a group.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Revenue comprises the fair value of the consideration received or receivable for the net sale of products and services in the ordinary course of the company's activities. Revenue is shown net of value added tax, rebates, discounts and after elimination sales within the company. Under normal circumstances, revenue from product sales is recognised upon delivery to the customer or, in the case of goods supplied ex-works, generally upon when the goods are made available for collection by the customer or their agent.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies (continued)

1.4 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.5 Financial assets

Financial assets are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.6 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies (continued)

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these financial statements, the directors have not made any key estimates or judgements.

3 Revenue

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Revenue analysed by class of business | | |
| All revenue is derived from the same class of business and originates from the UK. | 105,776 | 60,642 |

4 Operating profit and profit before taxation

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Operating profit for the period is stated after charging/(crediting): | | |
| Operating lease rentals: | | |
| Plant and machinery | 8,563 | 4,972 |
| Cost of inventories recognised as an expense | 32,512 | 20,182 |

Operating lease rentals are paid on a short term and informal basis to the parent company.

Fees payable of £28.5k (2022: £12k) to the company's auditors were borne by Verallia UK Limited, the parent company.

5 Employees

The average monthly number of persons (including directors) whose costs were recharged to the company during the period was:

| | 2023 Number | 2022 Number |
|------------|----------------|----------------|
| Production | 207 | 202 |

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

5 Employees (continued)

Their aggregate remuneration comprised:

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Wages and salaries | 10,125 | 7,632 |
| Social security costs | 1,092 | 856 |
| Other pension costs | 1,034 | 796 |
| Employee benefit expenses included in profit before taxation | 12,251 | 9,284 |

Employees of the Verallia group are employed and paid by Verallia UK for administrative purposes. The costs associated with the staff are recharged by Verallia UK Limited on a quarterly basis to the company. The amount of the recharge is set out above.

All directors of the company are employed and remunerated by other Group companies. The amounts paid by other Group companies are disclosed in note 6 to the financial statements and it is not practicable to ascertain the proportion of the director's emoluments that specifically relate to this company. The directors receive no remuneration in respect of services to the company (2022: £nil).

6 Directors' remuneration

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Remuneration for qualifying services | 507 | 497 |
| Company pension contributions to defined contribution schemes | 27 | 35 |
| | 534 | 532 |

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2022 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

| | | |
|---|-----|-----|
| Remuneration for qualifying services | 279 | 192 |
| Company pension contributions to defined contribution schemes | 19 | 14 |

The above remuneration was accounted for and paid by a separate group entity.

7 Tax on profit

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Current tax | | |
| UK corporation tax on profits for the current period | 1,255 | 1,047 |
| Adjustments in respect of prior periods | - | (32) |
| Total UK current tax | 1,255 | 1,015 |

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

7 Tax on profit (continued)

The charge for the period can be reconciled to the profit per the Statement of Comprehensive Income as follows:

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Profit before taxation | 7,835 | 5,513 |
| Expected tax charge based on a corporation tax rate of 22.95% (2022: 19.00%) | 1,798 | 1,047 |
| Adjustment in respect to prior period | - | (32) |
| Group relief received for no payment | (543) | - |
| Taxation charge for the period | 1,255 | 1,015 |

A change to the future UK corporation tax rate was introduced in the March 2021 budget, increasing the rate of corporation tax to 25% from April 2023. The effective UK corporation tax rate was 22.95% (2022: 19%) throughout the period.

8 Inventories

| | 2023 £'000 | 2022 £'000 |
|-------------------------------|---------------|---------------|
| Raw materials and consumables | 2,496 | 1,926 |

No provision for inventory is recognised.

9 Trade and other receivables

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Amounts owed by fellow Group undertakings | 17,914 | 11,884 |

Amounts owed by Group undertakings are repayable on demand and incur no interest. The company holds no security in respect of the amounts owed.

10 Trade and other payables

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Amounts owed to fellow Group undertakings | 1,256 | - |

Amounts owed to Group undertakings are unsecured, repayable on demand and incur no interest.

LAX & SHAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

11 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £1,034k (2022: £796k).

| 12 Called up share capital | 2023 £'000 | 2022 £'000 |
|------------------------------------|---------------|---------------|
| Ordinary share capital | | |
| Authorised | | |
| 100,000 Ordinary shares of £1 each | 100 | 100 |
| Issued and fully paid | | |
| 80,800 Ordinary shares of £1 each | 81 | 81 |

13 Contingent liabilities

The company has no contingent liabilities as at the period end. In the prior period, the company was a guarantor to the Group's £85.3m term loan and £45m working capital facility.

14 Controlling party

On 8 November 2022, the group was restructured as part of an acquisition. This entity and related group companies were acquired by Verallia Holding UK Limited, a newly incorporated company registered in England and Wales.

As at the financial period end, the immediate holding company is Verallia UK Limited, a company incorporated and registered in England and Wales. The ultimate parent company is Verallia SA, a company incorporated and registered in France.