Amcor Flexibles Winterbourne Limited

Directors' report and financial statements
for the year ended 30 June 2015

Registered number 2456291

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Directors, officers and advisers

Directors

Nicholas John Brookes
Roy van den Oudenhoven
Andrew Berrisford

Registered office

Amcor Central Services Bristol
83 Tower Road North
Warmley, Bristol
BS30 8XP

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Glass Wharf,
Bristol,
BS2 0FR

Directors' report

The directors submit their report and audited financial statements of the company for the year ended 30 June 2015.

Future developments and financial risk management

See details of future developments and financial risk management within the Strategic report.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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 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 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.

Results and dividends

The profit for the financial year after taxation amounted to £2,273,000 (2014: *profit of* £4,161,000). The directors do not recommend the payment of a dividend (2014: £nil).

Directors

The directors who served during the year and up to the date of this report were:

Nicholas John Brookes
Michael Frank Orye (resigned 1 September 2015)
Andrew Berrisford
Roy van den Oudenhoven (appointed 1 September 2015)

Research and development

Expenditure on research and development activities is incurred in order to formulate new products. The costs are written off to the profit and loss account as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can be foreseen with reasonable assurance. Expenditure during the year amounted to £389,000 (2014: £443,000).

Directors' report (continued)

Political and charitable contributions

During the year, the company made charitable donations amounting to £1,450 *(2014: £4,017),* and political donations amounting to £nil *(2014: £nil).* The charitable donations are made to small registered charities recommended by the employees of the Winterbourne site.

Staff information, consultation and involvement

The company actively encourages the involvement of all its employees in the performance of the area of activity in which they are involved and aims to achieve a sense of shared commitment. The company holds regular briefing sessions at which staff are encouraged to raise issues with the directors and senior managers. The company is accredited to the Investors In People standard.

Employment of disabled persons

It is the policy of the company to give full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. Wherever possible, arrangements are made for the continued employment of persons who have become disabled during service and for appropriate training, career development and promotion of disabled employees.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Appointment of independent auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of PricewaterhouseCoopers LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting. It is the policy of the Amcor Group, of which the company is a part, to periodically review the auditors' appointment.

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

Andrew Berrisford
Director

Amcor Central Services Bristol
83 Tower Road North
Warmley, Bristol
BS30 8XP

Registered number 2456291

27 November 2015

Strategic report

Review of business and future developments

Key financial results	**2015** **£000**	2014 £000
Turnover	**47,765**	46,382
Gross profit	**10,894**	10,457
Margin	**22.8%**	22.5%
Operating profit	**3,089**	3,462
Profit for the financial year	**2,273**	4,161
Key non-financial performance indicators	**Number**	Number
Number of employees	**166**	159
Number of workplace accidents requiring medical treatment		
- with no loss of production time	-	-
- with loss of production time	-	-

The year to 30 June 2015 saw top line sales growth delivered through new business wins. Ensuring product availability in a challenging supply chain environment has been a contributor to this, allied with ever stronger customer focus. Profit for the financial year is lower than prior year due to movements in the deferred tax balance. The financial position of the company remains strong with net current assets increasing to £19.9m and net assets to £32.0m.

The directors consider the results to be satisfactory, and look forward to profitable growth as we focus on delivering quality products and services to our customers.

Principal risks and uncertainties and financial risk management

The company principal financial assets are bank balances, amounts owed by group undertakings and trade debtors.

The company participates in a group pooling arrangement, which optimises the use of cash resources across the Amcor group. This limits the company's exposure to default by individual financial institutions. Cash deposits are subject to cross guarantee's from the fellow group companies participating in the cash pooling arrangement.

The company manages its credit risk in relation to trade debtors by spreading exposure over a large number of customers, and by holding credit insurance if felt necessary.

The company has overseas business, and as a result is exposed to movements in exchange rates. The currency risk is managed by entering into forward contracts for key foreign companies, which fix a significant portion of these exposures, thereby giving certainty over a substantial part of the company's income stream and costs. The company does not enter into speculative financial instruments.

Further details of risk factors affecting the company are reported in the financial statements of Amcor Limited, the ultimate parent company (see note 18).
On behalf of the board

Andrew Berrisford
Director

Amcor Central Services Bristol
83 Tower Road North
Warmley, Bristol
BS30 8XP

27 November 2015

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

Report on the financial statements

Our opinion

In our opinion, Amcor Flexibles Winterbourne Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Directors' report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 30 June 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Duncan Stratford

Duncan Stratford (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
27 November 2015

Profit and loss account
for the year ended 30 June 2015

	Note	2015 £000	2014 £000
Turnover	*2*	**47,765**	46,382
Cost of sales		**(36,871)**	(35,925)
Gross profit		**10,894**	10,457
Distribution costs		**(1,926)**	(1,826)
Administration expenses		**(5,879)**	(5,169)
Operating profit	*3*	**3,089**	3,462
Profit on ordinary activities before taxation		**3,089**	3,462
Tax on profit on ordinary activities	*6*	**(816)**	699
Profit for the financial year	*13*	**2,273**	4,161

All results relate to continuing operations.

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

Balance sheet

as at 30 June 2015

	Notes	2015		2014	
		£000	**£000**	£000	£000
Fixed Assets					
Tangible assets	*7*		**12,090**		12,159
Current assets					
Stocks	*8*	**5,171**		5,622	
Debtors	*9*	**25,367**		23,018	
		30,538		28,640	
Creditors: amounts falling due within one year	*10*	**(10,605)**		(11,087)	
Net current assets			**19,933**		17,553
Total assets less current liabilities			**32,023**		29,712
Provision for liabilities	*11*		**(38)**		-
Net Assets			**31,985**		29,712
Capital and reserves					
Called up share capital	*12*		**11,204**		11,204
Share premium account	*13*		**1,391**		1,391
Other reserve -capital reserve	*13*		**82,220**		82,220
Profit and loss account	*13*		**(62,830)**		(65,103)
Total shareholders' funds	*14*		**31,985**		29,712

The financial statements on pages 7 to 17 were approved by the board of directors on 27 November 2015 and were signed on its behalf by:

Andrew Berrisford
Director

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared under the going concern concept. The company's ultimate parent has given the necessary assurances that sufficient resources will be made available for the foreseeable future to enable the company to meet its liabilities as they fall due.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Cash flow statement

Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Turnover

Turnover is based on the invoiced value from the sale of goods, net of sales taxes and allowances. Turnover is recognised in the profit and loss account when the significant risks and rewards of ownership have been transferred to the customer.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributed to bringing the asset to its working condition for its intended use. Depreciation is applied on a straight-line basis over the estimated economic lives of the assets. The rates applied are:

Freehold buildings	-	2% per annum
Plant and equipment	-	6.7% to 25% per annum
Fixtures and fittings	-	8% per annum
Computer equipment	-	20% to 33% per annum

Freehold land is not depreciated.

A review for impairment of fixed 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).

Stocks and work-in-progress

Stocks and work-in-progress have been valued at the lower of cost, including applicable overheads, and net realisable value. Cost is determined using the first in first out (FIFO) method. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the associated contractual arrangements. Where those contractual obligations are equivalent to a similar debt instrument, the financial instruments are classified as financial liabilities, and presented as such on the balance sheet.

Finance costs and gains or losses related to financial instruments are included in the profit and loss account.

The company has taken exemption from applicable accounting standards to make disclosures under FRS29 regarding its financial instruments.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Differences arising from fluctuations in exchange rates are taken to the profit and loss account.

Research and development expenditure

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can be foreseen with reasonable assurance.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are only recognised when their recoverability is considered more likely than not. Deferred tax assets and liabilities are not discounted.

Leases

Operating lease rentals are charged to the profit and loss account as incurred.

Pensions

The company participates in a defined contribution pension scheme operated by its parent. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period. The assets of the scheme are held separately from those of the company in an independently administered fund.

A limited number of employees also participate in a defined benefit pension scheme operated by the company's parent. Details of this scheme and its assets are disclosed in the annual financial statements of Amcor Flexibles UK Limited, which show that the defined benefit pension scheme has a deficit of £20,027,000 (2014: deficit of £4,640,000) (after recognition of the related deferred tax asset of £4,396,000 at 30 June 2014 (2014: £1,160,000). The deficit is calculated by valuing the scheme assets using market values and the scheme liabilities being measured using a project unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. In accordance with FRS17, Retirement Benefits, the company accounts for its contributions to its parent's defined benefit scheme as though it were a defined contribution scheme. This is because the underlying assets and liabilities of the scheme cover a number of group companies and it cannot be readily split between group companies on a consistent and reliable basis.

Notes to the financial statements *(continued)*

2 Turnover

An analysis of turnover by geographical area of destination:

	2015 £000	2014 £000
United Kingdom	**7,263**	7,512
Rest of Europe	**28,941**	27,546
The Americas	**3,559**	3,298
Rest of the World	**8,002**	8,026
	47,765	46,382

All turnover and profit on ordinary activities before taxation originates in the UK and relates to the company's one class of business, which is the manufacture, sale and distribution of specialised packaging primarily used in the medical sector.

3 Operating profit

Operating profit is stated after charging:	2015 £000	2014 £000
Depreciation	**941**	930
Operating lease rentals – plant and machinery	**149**	146
Services provided by the Company's auditors – fees payable for the statutory audit	**18**	18
– fees paid for other services	**-**	-
Research and development	**389**	443

4 Employees

	2015 Number	2014 Number
Average monthly number of employees by activity:		
Production	**144**	136
Administration	**22**	23
	166	159

	2015 £000	2014 £000
Employee costs:		
Wages and salaries	**5,787**	5,232
Social security costs	**556**	545
Other pension costs	**335**	314
	6,678	6,091

Notes to the financial statements *(continued)*

5 Directors' emoluments

The emoluments of the directors are paid by fellow group companies which make no recharge to the company. All 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 are disclosed in these financial statements.

6 Tax on profit on ordinary activities

(a) Analysis of charge/(credit) in year

	2015		2014	
	£000	**£000**	£000	£000
Current tax				
UK Corporation tax	-		-	
Adjustments in respect of previous periods	-		-	
Total current tax		-		-
Deferred tax				
Origination and reversal of timing differences	**210**		(99)	
Adjustments in respect of prior periods	**606**		(702)	
Deferred tax rate change	-		102	
Total deferred tax		**816**		(699)
Total tax on profit on ordinary activities		**816**		(699)

Notes to the financial statements *(continued)*

6 Tax on profit on ordinary activities *(continued)*

(b) Factors affecting the current tax (credit) for the year

The tax assessed for the year differs from the effective rate of corporation tax in the UK of 20.75% (2014 22.50%). The differences are explained below:

	2015	2014
	£000	£000
Profit on ordinary activities before tax	**3,089**	3,462
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 22.50%)	**641**	779
Effects of:		
Capital allowances (higher)/lower than depreciation	**(139)**	208
Group relief claimed for no payment	**(495)**	(969)
Other short term timing differences	**(7)**	(18)
Current tax (credit) for the year	**-**	-

Factors that may affect future tax charges

The main rate of corporation tax in the UK reduced from 21% to 20% on 1 April 2015. Further reductions in the main rate of corporation tax to 19% and 18%, effective from 1 April 2017 and 1 April 2020 respectively, were announced in the Summer Finance Bill 2015. The Summer Finance Bill 2015 was substantively enacted on 26 October 2015 as the Finance (No.2) Act 2015. The impact of the further reduction to 18% is immaterial and has not been applied in these financial statements as the rate reduction had not been substantively enacted by the balance sheet date

Notes to the financial statements *(continued)*

7 Tangible assets

	Freehold land and buildings	Plant, machinery, fixtures and fittings and computer equipment	Total
	£000	£000	£000
Cost			
At 1 July 2014	14,553	32,002	46,555
Additions	178	694	872
Disposals	-	-	-
At 30 June 2015	**14,731**	**32,696**	**47,427**
Accumulated Depreciation			
At 1 July 2014	7,679	26,717	34,396
Charge for the year	115	826	941
Depreciation on disposals	-	-	-
At 30 June 2015	**7,794**	**27,543**	**35,337**
Net book value			
At 30 June 2015	**6,937**	**5,153**	**12,090**
At 30 June 2014	6,874	5,285	12,159

The net book value of freehold land and buildings at 30 June 2015 includes a value for land of £4,044,000 *(2014: £4,044,000)* which is not depreciated.

8 Stocks

	2015	2014
	£000	£000
Raw materials	**1,749**	2,352
Work-in-progress	**439**	875
Finished goods and goods for resale	**2,983**	2,395
	5,171	5,622

Notes to the financial statements *(continued)*

9 Debtors

	2015	2014
	£000	£000
Amounts falling due within one year:		
Trade debtors	4,106	5,366
Amounts owed by group undertakings	20,590	16,305
Other debtors	671	569
	25,367	22,240
Amounts falling due after more than one year:		
Deferred tax asset (note 11)	-	778
	25,367	23,018

Amounts owed by group undertakings are unsecured, have no fixed repayment date and bear no interest.

10 Creditors

	2015	2014
	£000	£000
Amounts falling due within one year:		
Trade creditors	6,945	7,371
Amounts owed to group undertakings	913	649
Other taxation and social security	154	143
Accruals and deferred income	2,593	2,924
	10,605	11,087

Amounts owed to group undertakings are unsecured, have no fixed repayment date and bear no interest.

Notes to the financial statements *(continued)*

11 Provisions for liabilities

The movement on the deferred tax asset/(liability) is as follows:

	Deferred tax £000
At 1 July 2014	**778**
Current year charge	**(210)**
Prior year charge	**(606)**
Change in deferred tax rate	**-**
At 30 June 2015	**(38)**

The deferred tax (liability)/asset comprises	**2015 £000**	2014 £000
Accelerated capital allowances	**(53)**	775
Other short term timing differences	**15**	3
	(38)	778

Deferred tax assets are recognised on the basis that it is more likely than not that the company will make taxable profits in the future against which the deferred tax asset may be utilised.

12 Called up share capital

	2015 £000	2014 £000
Allotted, and fully paid		
11,204,002 (2014 11,204,002) ordinary shares of £1 each	**11,204**	11,204

13 Movements in reserves

	Share premium account £000	**Capital reserve £000**	**Profit and loss account £000**	**Total £000**
At 1 July 2014	1,391	82,220	(65,103)	18,508
Profit for the financial year	-	-	2,273	2,273
At 30 June 2015	**1,391**	**82,220**	**(62,830)**	**20,781**

Notes to the financial statements *(continued)*

14 Reconciliation of movements in total shareholders' funds

	2015	2014
	£000	£000
Profit for the financial year	**2,273**	4,161
Net increase in shareholders' funds	**2,273**	4,161
Opening total shareholders' funds	**29,712**	25,551
Closing total shareholders' funds	**31,985**	29,712

15 Commitments under operating leases

At 30 June 2015 the company had annual commitments under operating leases as follows:

	Other- Plant and machinery	
	2015	2014
	£000	£000
Expiring within one year	**72**	23
Expiring between two and five years	**85**	150
Expiring after five years	-	-
	157	173

16 Security

The company participates in a group cash pooling arrangement between the banking providers and other members of the Amcor group. All members of the group cash pool arrangement are jointly and severally liable for any payment default. As at 30 June 2015, the cash pool was in a net deficit position of €1,419,323 (2014 - net surplus position of €22,444,659).

17 Related party transactions

The company has taken advantage of the exemptions available to wholly owned subsidiaries under FRS 8. Accordingly, disclosure is not made of related party transactions with entities which are wholly owned subsidiaries of the group. The consolidated financial statements of Amcor Limited, within which this company is included, can be obtained from the address in note 18.

18 Ultimate parent undertaking

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

The company's ultimate parent undertaking and ultimate controlling party is Amcor Limited, incorporated in Australia, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The consolidated financial statements of this group are available to the public and may be obtained from Amcor Limited, 109 Burwood Road, Hawthorn, Victoria 3000, Australia.