

Kent H. Landsberg Europe Limited

Directors' Report and Financial Statements

Year Ended

23 June 2022

Company Number 04328243



Kent H. Landsberg Europe Limited

Company Information

Directors	C Connelly M J Hansen K K Barlow
Secretary	TMF Corporate Administration Services Limited
Registered number	04328243
Registered office	C/O Tmf Group 8th Floor 20 Farringdon Street London United Kingdom EC4A 4AB
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT

Kent H. Landsberg Europe Limited

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Kent H. Landsberg Europe Limited

Directors' Report For the Year Ended 23 June 2022

The Directors present their report and the audited financial statements for the year ended 23 June 2022.

Principal activity

The principal activity of the company in the year under review was that of sales and distribution of specialised packaging.

Directors

The Directors who served during the year were:

C Connelly
M D'anna (resigned 15 October 2021)
J M Jarosz (resigned 8 September 2022)
F J Pennisi (resigned 18 January 2023)
M J Hansen (appointed 20 September 2022)
K K Barlow (appointed 18 January 2023)

Going concern

The financial statements have been prepared on a going concern basis which the Directors believe is appropriate.

The Company has sufficient financial resources together with strong long term relationships with its customers and suppliers. The Directors have considered the ongoing impact of COVID-19 and the Ukraine/Russia crisis, the level of cash available and its committed fixed annual costs when reviewing prepared forecasts. Having reviewed Company forecasts including reasonable worst case downside scenarios, the Directors consider that the Company have sufficient resources to meet its liabilities as they fall due.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

Qualifying third party indemnity provisions

Orora Ltd, ultimate beneficiary for Kent H. Landsberg Europe Ltd, has purchased Director's liability insurance that has been in force during the financial year and is currently in force. The Directors of the company have the benefit of this insurance, which is a qualifying third party indemnity provision as defined by the Companies Act 2006. Orora Ltd registered office and principle place of business is 109 - 133 Burwood Road, Hawthorn, Victoria 3122 Australia.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is 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 audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Kent H. Landsberg Europe Limited

Directors' Report (continued) For the Year Ended 23 June 2022

Auditor

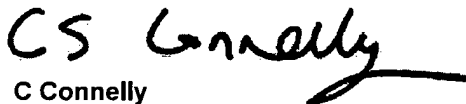
The auditor, BDO LLP, was appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 June 2023

and signed on its behalf.


C Connelly
Director

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Kent H. Landsberg Europe Limited

Directors' Responsibilities Statement For the Year Ended 23 June 2022

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Kent H. Landsberg Europe Limited

Independent Auditor's report to the members of Kent H. Landsberg Europe Limited

Qualified opinion on the financial statements

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 23 June 2022 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.

We have audited the financial statements of Kent H. Landsberg Europe Limited ("the Company") for the year ended 23 June 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion

We were not appointed as auditor of the company until after 23 June 2022 and thus did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the stock quantities held at 23 June 2022, which are included in the balance sheet at \$689,903, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary or whether there was any consequential adjustment to cost of sales or related balances. In addition, were any adjustment to the stock balance to be required, the directors report would also need to be amended.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

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.

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.

Kent H. Landsberg Europe Limited

Independent Auditor's report to the members of Kent H. Landsberg Europe Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. 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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the stock quantities held at 23 June 2022. We have concluded that where the other information refers to the stock balance or related balances such as cost of sales, it may be materially misstated for the same reason.

Other Companies Act 2006 reporting

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, 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 Directors' Report.

Arising solely from the limitation on the scope of our work relating to stock, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- 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
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Kent H. Landsberg Europe Limited

Independent Auditor's report to the members of Kent H. Landsberg Europe Limited (continued)

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 legal and regulatory frameworks that are applicable to the Company. We understood the control environment of the Company in monitoring compliance with the applicable laws and regulations;
- We assessed the susceptibility of the Company financial statements to material misstatement, including performance of a detailed fraud risk assessment;
- We obtained an understanding of the internal control environment relevant to the audit in order to design appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Based on our understanding obtained and risk assessment performed, we designed specific audit procedures to challenge assumptions and judgements made by management in their significant accounting estimates. We focused on estimates in revenue, specifically we carried out the following;
 - Testing a sample of revenue recognised either side of the period end to ensure revenue has been recognised in the correct period;
- We made direct enquiry with management and those charged with governance to understand any known or suspected instances of non-compliance with laws and regulations and fraud;
- In respect of the risk of management override, we completed specific testing of journal entries, with a focus on any manual journals to revenue and cash and journals including specific keywords based on our understanding of the business; and

Kent H. Landsberg Europe Limited

Independent Auditor's report to the members of Kent H. Landsberg Europe Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

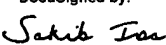
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Further, we agreed the financial statement disclosure to underlying supporting documentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. In addition, the extent to which the audit was capable of detecting irregularities, including fraud was limited by the matter described in the basis for qualified opinion section of our report.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with our engagement letter dated 20 September 2022. 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.

DocuSigned by:

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Sakib Isa (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester
United Kingdom

22 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Kent H. Landsberg Europe Limited

Statement of Comprehensive Income For the Year Ended 23 June 2022

	2022 \$	As restated 2021 \$
Turnover	6,172,384	5,014,011
Cost of sales	(4,317,486)	(3,323,737)
Gross profit	1,854,898	1,690,274
Distribution costs	(614,311)	(560,012)
Administrative expenses	(1,033,178)	(816,214)
Operating profit	207,409	314,048
Interest payable and similar expenses	(87,823)	(595)
Profit before tax	119,586	313,453
Tax on profit	41,016	(42,776)
Profit for the financial year	160,602	270,677
Currency translation differences	20,486	68,059
Other comprehensive income for the year	20,486	68,059
Total comprehensive income for the year	181,088	338,736

The notes on pages 11 to 19 form part of these financial statements.

Please refer to note 12 for more detail of the prior year restatements.

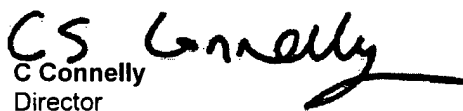
Kent H. Landsberg Europe Limited
Registered number:04328243

Statement of Financial Position
As at 23 June 2022

	Note	2022 \$	2022 \$	As restated 2021 \$	As restated 2021 \$
Current assets					
Stocks	6	695,619		281,554	
Debtors: amounts falling due within one year	7	2,734,693		1,036,139	
Cash at bank and in hand		1,596,529		3,856,418	
		<u>5,026,841</u>		<u>5,174,111</u>	
Creditors: amounts falling due within one year	8	(1,013,007)		(1,341,365)	
Net current assets			4,013,834		3,832,746
Net assets			<u>4,013,834</u>		<u>3,832,746</u>
Capital and reserves					
Called up share capital	10		1		1
Foreign exchange reserve	11		131,509		111,023
Profit and loss account	11		3,882,324		3,721,722
Shareholders' Funds			<u>4,013,834</u>		<u>3,832,746</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 June 2023


C Connelly
Director

The notes on pages 11 to 19 form part of these financial statements.

Kent H. Landsberg Europe Limited

Statement of Changes in Equity For the Year Ended 23 June 2022

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 24 June 2021	1	-	4,037,833	4,037,834
Prior year adjustment - correction of errors	-	111,023	(316,111)	(205,088)
At 24 June 2021 (as restated)	1	111,023	3,721,722	3,832,746
Comprehensive income for the year				
Profit for the year	-	-	160,602	160,602
Currency translation differences	-	20,486	-	20,486
Total comprehensive income for the year	-	20,486	160,602	181,088
At 23 June 2022	1	131,509	3,882,324	4,013,834

Statement of Changes in Equity For the Year Ended 23 June 2021

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 24 June 2020	1	-	3,746,265	3,746,266
Prior year adjustment - correction of errors	-	42,964	(295,220)	(252,256)
At 24 June 2020 (as restated)	1	42,964	3,451,045	3,494,010
Comprehensive income for the year				
Profit for the year (as restated)	-	-	270,677	270,677
Currency translation differences (as restated)	-	68,059	-	68,059
Total comprehensive income for the year (as restated)	-	68,059	270,677	338,736
At 23 June 2021 (as restated)	1	111,023	3,721,722	3,832,746

The notes on pages 11 to 19 form part of these financial statements.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

1. General information

Kent H. Landsberg Europe Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the Company Information page and the nature of the Company's operations and its principal activities is set out in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which the Directors believe is appropriate.

The Company has sufficient financial resources together with strong long term relationships with its customers and suppliers. The Directors have considered the ongoing impact of COVID-19 and the Ukraine/Russia crisis, the level of cash available and its committed fixed annual costs when reviewing prepared forecasts. Having reviewed Company forecasts including reasonable worst case downside scenarios, the Directors consider that the Company have sufficient resources to meet its liabilities as they fall due.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional currency is USD. The presentational currency is USD. All amounts presented in the financial statements are to the nearest \$1.

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. Non-monetary 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

The results of overseas branches are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas branches are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas branches at actual rate are recognised in other comprehensive income.

2.4 Turnover

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.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to profit or loss 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.

2.6 Taxation

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 reporting 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.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase, including costs of conversion and other costs incurred bringing the inventories to their present location and condition. Finished goods include labour and attributable overheads.

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 profit or loss.

2.8 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.

2.9 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.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

2. Accounting policies (continued)

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Company's accounting policies described above. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

Taxation

The Company is subject in income taxes in the United Kingdom and foreign jurisdictions and as a result the calculation of the tax charge involves a degree of estimate and judgement in respect of certain items, including assumptions made in the application of tax legislation. There are many transactions and calculations relating to the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognises liabilities for uncertain tax positions based on management's best estimate of whether additional taxes will be due. Deferred tax assets are recognised only if it is probable that future taxable profits are available to utilise those temporary differences and losses. The assumptions regarding future realisation, and therefore the recognition of deferred tax assets, may change due to future operating performance and other factors.

The assumptions made in respect of the recognised tax balances are subject to risk and uncertainty and there is a possibility that changes in circumstances or differences in opinion will alter outcomes which may impact the amount of deferred tax assets and deferred tax liabilities recognised and the amount of tax losses and timing differences not yet recognised.

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

4. Employees

The average monthly number of employees, including directors, during the year was 5 (2021 -5).

5. Interest payable and similar expenses

	2022	As restated 2021
	\$	\$
Bank interest payable	20	-
Foreign exchange loss	87,803	595
	<u>87,823</u>	<u>595</u>

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

6. Stocks

	2022	As restated 2021
	\$	\$
Finished goods and goods for resale	695,619	281,554

There is no material difference between the replacement cost of stocks and the amounts stated above.

7. Debtors: amounts falling due within one year

	2022	As restated 2021
	\$	\$
Trade debtors	1,377,883	747,963
Amounts owed by group companies	1,320,193	-
Corporation tax receivable	22,573	258,497
Prepayments and accrued income	14,044	29,679
	2,734,693	1,036,139

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

Please refer to note 12 for more detail of the prior year restatements.

8. Creditors: amounts falling due within one year

	2022	As restated 2021
	\$	\$
Trade creditors	326,702	411,189
Amounts owed to group undertakings	-	758,829
Other taxation and social security	65,689	171,347
Other creditors	515,841	-
Accruals and deferred income	104,775	-
	1,013,007	1,341,365

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

Please refer to note 12 for more detail of the prior year restatements.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

9. Other financial commitments

At the year end there was a €25,000 (2021 - \$29,840) guarantee in favour of Ontvanger Van De Belastingdienst.

10. Share capital

	2022 \$	2021 \$
Allotted, called up and fully paid		
1 (2021 -1) Ordinary share of €1.00	<u>1</u>	<u>1</u>

11. Reserves

The Company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Foreign exchange reserve

Comprises translation differences arising from the translation of the financial statements of the Company's foreign branches into USD.

Profit and loss account

Profit and loss represents cumulative profits or losses, net of dividends paid and other adjustments.

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

12. Prior year adjustment

	2021 As previously reported \$	Prior year adjustment 1 \$	Prior year adjustment 2 \$	Prior year adjustment 3 \$	2021 As restated \$
Statement of Comprehensive Income (extract)					
Administrative expenses	(795,918)	74,578	(101,406)	6,532	(816,214)
Operating profit	334,344	74,578	(101,406)	6,532	314,048
Interest payable and similar expenses	-	-	-	(595)	(595)
Profit before tax	334,344	74,578	(101,406)	5,937	313,453
Profit for the year	291,568	74,578	(101,406)	5,937	270,677
Currency translation differences	-	-	-	68,059	68,059
Other comprehensive income	-	-	-	68,059	68,059
Total comprehensive income	291,568	74,578	(101,406)	73,996	338,736

	2021 As previously reported \$	Prior year adjustment 1 \$	Prior year adjustment 2 \$	Prior year adjustment 3 \$	2021 As restated \$
Statement of Financial Position (extract)					
Stocks	263,815	-	-	17,739	281,554
Debtors: amounts falling due within one year	1,181,535	-	(188,672)	43,276	1,036,139
Cash at bank and in hand	3,857,013	-	-	(595)	3,856,418
Creditors: amounts falling due within one year	(1,264,529)	74,578	(190,114)	38,700	(1,341,365)
Net assets	4,037,834	74,578	(378,786)	99,120	3,832,746
Foreign exchange reserve	-	-	-	111,023	111,023
Profit and loss account	4,037,833	74,578	(378,786)	(11,903)	3,721,722
Shareholders' funds	4,037,834	74,578	(378,786)	99,120	3,832,746

Kent H. Landsberg Europe Limited

Notes to the Financial Statements For the Year Ended 23 June 2022

12. Prior year adjustment (continued)

1) *Environmental Tax*

During the period, the Company undertook a review of the carrying value of a historical tax liability that, due to the complex nature of the obligation, had previously been recognised based upon external advice. It was identified that the amount recognised in the comparative periods was not deemed to be an accrual in accordance with FRS 102. As a result, an adjustment of \$74,578 to reduce accruals and increase prior period profit has been recognised within the financial statements.

2) *Income and indirect taxes*

During the period, the Company completed a comprehensive review and reconciliation of its Corporate and sales taxes balances, and it was noted historic amounts recognised which were not deemed recoverable. This review has resulted in a retrospective restatement of the financial statements being an adjustment to opening retained earnings totalling \$378,786 of which \$188,672 related to Corporate taxes \$190,114 relating to sales taxes.

3) *Translation of monetary items and foreign operations*

During the year, it was identified that certain monetary items were not being appropriately revalued to the spot rate at reporting date, a full FX computation was prepared identifying an adjustment to both the current year and prior year earnings. The analysis of the FX translation process identified a \$17,840 loss in FY20 and a \$5,937 gain in prior period profit and loss.

Further, foreign operations were also not being properly retranslated to spot rate at the reporting date. After a full FX computation was prepared, this analysis identified a \$42,964 gain in FY20 and a \$68,059 gain in prior period other comprehensive income.

13. Related party transactions

The Company has taken advantage of the available exemption conferred by Section 1AC.35 of FRS 102 not to disclose transactions with wholly owned members of the Group.

There are no other related party transactions.

14. Controlling party

The ultimate parent undertaking and controlling party is Orora Limited, a company incorporated in Australia, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The consolidated financial statements of the group are available to the public and may be obtained from Orora Limited, 109 Burwood Road, Hawthorn, Victoria, 3122, Melbourne, Australia. The immediate parent of the company is Orora Packaging Australia Pty Ltd, a company incorporated in Australia.