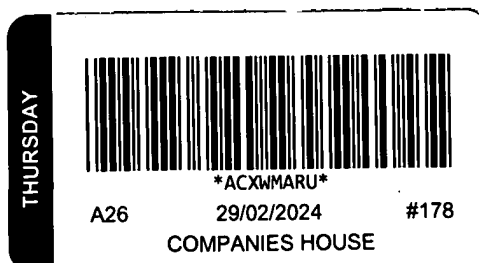


Registered number: 05862237

**GPI ROTHERHAM LIMITED (Formerly AR Packaging Rotherham Ltd)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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**COMPANY INFORMATION**

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<b>Directors</b>	Tomas Forsgard Steven Crane Neil Thomas Andrews Thomas Garsed
<b>Company secretary</b>	Steven Anthony Crane
<b>Registered number</b>	05862237
<b>Registered office</b>	C/O Corporation Service Company (UK) Ltd 5 Churchill Place 10th Floor London E14 5HU
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Central Square 29 Wellington Street Leeds LS1 4DL
<b>Bankers</b>	Danske Bank International Corporate Banking 75 King William Street London EC4N 7DT

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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**CONTENTS**

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	Page
<b>Strategic Report</b>	<b>1 - 2</b>
<b>Directors' Report</b>	<b>3 - 5</b>
<b>Independent Auditors' Report</b>	<b>6 - 8</b>
<b>Profit and Loss Account</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Statement of Changes in Equity</b>	<b>11</b>
<b>Notes to the Financial Statements</b>	<b>12 - 26</b>

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**Introduction**

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

**Business review**

The Registrar of Companies for England and Wales certified a change of name from AR Packaging Rotherham Ltd to GPI Rotherham Ltd on 1st September 2022. The company is a wholly indirectly owned subsidiary of Graphic Packaging Holding Company and operates as part of the food packaging division.

The key financial and other performance indicators during the year were as follows:

	2022	2021	Change
	£'000	£'000	%
Turnover	8,416	7,297	15%
EBITDA	613	1,011	-39%
Profit for the financial year	211	420	-50%
Net current (liabilities)/assets	(365)	471	-177%
Average number of employees	36	32	13%

Turnover has increased by 15% due to an increase in sales volume and price, and EBITDA decreased by 17% due to an increase in staffing levels to deal with increased demand. Average number of employees increased with new staff to meet sales demand for 2023. Financial performance for the next financial year is expected to be at a higher level than that achieved this year.

The company's principal activities are the design, forming and sale of printed folding cartons to the food and beauty industry in the UK and Europe. There have not been any significant changes in the company's principal activities in the period under review. The directors are not, at the date of this report, aware of any likely major changes in the company's activities in the next period.

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**Principal risks and uncertainties**

The company's operations expose it to a variety of financial risks that include the effects of changes in cost prices and competitive pressure. The company has in place a risk management programme that seeks to limit the adverse effects. No hedge accounting is applied.

**Price risk**

*The company is exposed to commodity price risk as a result of its operations. However, given the size of the operations and nature of the price risks this risk is managed through the normal procurement processes within the business. The directors will revisit the appropriateness of this policy should the price risks change in size or nature.*

**Competitive pressure**

Competitive pressure in the UK and Europe is a continuing risk for the company, which could result in it losing turnover. To manage this risk, the company strives to provide added-value products and services to its customers, utilising lean manufacturing processes, with regular capital expenditure in state of the art equipment and prompt response times in the supply of products and services.

**Liquidity risk**

The company has entered into an agreement with its parent company to be provided with long term debt finance that is designed to ensure that the company has sufficient available funds for future operations (see Going concern and the European cash pool facility).

**Foreign exchange transactional currency exposure**

The company is exposed to currency exchange rate risk due to a proportion of its payables and receivables being denominated in non-sterling currencies. The net exposure of each currency is monitored and managed by using foreign currency loans and overdrafts and these risks are not deemed to be material given the majority of the trade is within the UK.

Other geopolitical events such as the war in Ukraine have impacted the inflationary environment in the UK, which in turn has driven a downturn in the UK economic outlook. It is hard to know if there will be any significant ongoing implications to the business but the directors are confident in the company's and wider group's financial risk management practices.

This report was approved by the board on 28 February 2024 and signed on its behalf.



**Steven Crane**  
Director

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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

**Directors' responsibilities statement**

The directors are responsible for preparing the Annual report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited 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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the directors must not approve the audited 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 audited financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited 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 audited 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.

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## **GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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#### **Going concern**

Despite the challenges of COVID 19 the business, whose products are principally used by suppliers to the retail food and beauty industry, has traded well through 2022 and 2023 to date. The cash generated by the company is held in the group's European cash pool, as part of the balances due from parent entities, and is available for the company to draw down on demand if required. The company has no external debt.

The directors have considered the profit projections and cash flow forecasts for at least 12 months from the date of signing the financial statements. The expectation is that the company will continue to contribute to the European cash pool over that time frame but due to the fluctuations of its working capital cycle there may be periods where the company needs access to the amounts deposited in the European cash pool.

The formal cash pooling agreement gives the company the right to access on demand the funds deposited in the European cash pool and the company has also obtained a letter of support from its ultimate parent which would give access to funds in the unlikely event that the funds in the European pool can not be accessed as expected.

Interest rates are not expected to have a significant impact on the total Graphic Packaging Corporation. Inflation has been significant in 2022 but the majority of raw material inflation has been recovered. Inflation on plastic lids has been significant but the investment of new machinery to offer paper alternatives is underway to ensure the impact is not long term. Other inflation to date has been mitigated by operational savings. Energy inflation has not had an impact due to a fixed price agreement up for renewal in September 2025. Energy reduction initiatives have been started and further opportunities explored if the energy crisis is prolonged. Supply chain has not experienced any direct impact as a result of the Ukraine war other than global inflation.

In assessing the ability of the ultimate parent to support the company if needed the directors have received and reviewed a copy of the group going concern assessments which are produced as each set of quarterly results are released to the US market in accordance with ASC 205-40-50. The directors note that the US parent has considerable net current assets and very high levels of liquidity due to a combination of cash reserves and access to undrawn but committed facilities.

Given the above the directors have a reasonable expectation that the company has adequate resources and if needed further financial support to continue in operational existence for the foreseeable future. Thus the financial statements have been prepared on a going concern basis.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £211k (2021 - £420k).

The directors do not recommend the payment of a dividend for the year ended 31 December 2022.

#### **Directors**

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

Tomas Forsgard  
Magnus Warberg (resigned 1 August 2022)  
Steven Crane  
Neil Thomas Andrews (appointed 1 August 2022, resigned 24 August 2023)  
Thomas Garsed (appointed 9 January 2024)

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**Environmental matters**

The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

**Future developments**

The Directors work closely with other companies within the Graphic Packaging International group, to maximise both customer relationships and structural efficiencies wherever possible.

**Engagement with employees**

Details of the number of employees and related costs can be found in note 6 to the financial statements.

*The company participates in Graphic Packaging Holding Company's policies and practices to keep employees informed on matters relevant to them as employees through appropriate means, such as employee meetings and newsletters. Graphic Packaging values diversity within its workforce and the contributions each employee makes. The Company has a long-standing commitment to equal opportunity and is dedicated to maintaining working environments that are free from discrimination and harassment based on gender or sex (including pregnancy), race, colour, religion, national origin, ancestry, age, disability, marital status, sexual orientation, genetic information, gender identity, political affiliation, veteran/military status, and any other status protected by applicable law. Graphic Packaging is an equal opportunity employer.*

**Engagement with suppliers, customers and others**

For detail regarding 'Engagement with suppliers, customers and others', please refer to the Strategic Report - Directors' statement of compliance with duty to promote the success of the Company from page 2.

**Disclosure of information to auditors**

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

**Independent Auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 February 2024 and signed on its behalf.



Steven Crane  
Director



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## **GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, GPI Rotherham Limited (formerly AR Packaging Rotherham Ltd)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2022; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

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

##### **Independence**

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

##### **Conclusions relating to going concern**

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

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

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

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

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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## **GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

#### **Responsibilities for the financial statements and the audit**

##### **Responsibilities of the directors for the financial statements**

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

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

##### **Auditors' responsibilities for the audit of the financial statements**

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

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

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

- discussions with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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- evaluation of management's controls designed to prevent and detect fraudulent financial reporting;
- testing accounting estimates that we deemed to present a risk of material misstatement, including assessing the data, methods and assumptions applied by management in the development of each estimate;
- identifying and testing journal entries using a risk-based targeting approach for unexpected account combinations; and
- reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

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

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

**Use of this report**

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

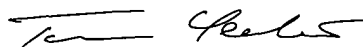
**Other required reporting**

**Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.



Tom Yeates (Senior Statutory Auditor)

for and on behalf of

**PricewaterhouseCoopers LLP**

Leeds

LS1 4DL

28 February 2024

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Note	2022 £000	2021 £000
Turnover	4	8,416	7,297
Cost of sales		(6,301)	(5,196)
<b>Gross profit</b>		<b>2,115</b>	<b>2,101</b>
Distribution costs		(394)	(433)
Administrative expenses		(1,448)	(1,115)
Other operating income	5	17	44
<b>Operating profit</b>	6	<b>290</b>	<b>597</b>
Interest payable and similar expenses	9	(74)	(84)
<b>Profit before tax</b>		<b>216</b>	<b>513</b>
Tax on profit	10	(5)	(93)
<b>Profit for the financial year</b>		<b>211</b>	<b>420</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the profit and loss account and therefore no separate statement of other comprehensive income is presented.

The above results all derive from continuing operations.

**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**  
**REGISTERED NUMBER: 05862237**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

		2022	Restated (Notes 12, 13, 14 & 15) 2021
	Note	£000	£000
<b>Fixed assets</b>			
Tangible assets	11	1,760	1,458
		<u>1,760</u>	<u>1,458</u>
<b>Current assets</b>			
Stocks	12	2,906	1,805
Debtors: amounts falling due within one year	13	2,751	1,455
Cash at bank and in hand		-	24
		<u>5,657</u>	<u>3,284</u>
Creditors: amounts falling due within one year	14	(6,022)	(2,813)
<b>Net current (liabilities)/assets</b>		<u>(365)</u>	<u>471</u>
<b>Total assets less current liabilities</b>		<u>1,395</u>	<u>1,929</u>
Creditors: amounts falling due after more than one year	15	-	(750)
<b>Provisions for liabilities</b>			
Deferred tax	16	(138)	(133)
		<u>(138)</u>	<u>(133)</u>
<b>Net assets</b>		<u>1,257</u>	<u>1,046</u>
<b>Capital and reserves</b>			
Called up share capital	17	240	240
Share premium account		260	260
Profit and loss account		757	546
<b>Total equity</b>		<u>1,257</u>	<u>1,046</u>

The financial statements on pages 9 to 26 were approved and authorised for issue by the board and were signed on its behalf on 28 February 2024.

  
**Steven Crane**  
 Director

The notes on pages 12 to 26 form part of these financial statements.

**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2021</b>	<b>240</b>	<b>260</b>	<b>126</b>	<b>626</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	420	420
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>420</b>	<b>420</b>
<b>At 31 December 2021 and 1 January 2022 (as previously stated)</b>	<b>240</b>	<b>260</b>	<b>524</b>	<b>1,024</b>
Prior year adjustment - correction of error	-	-	22	22
<b>At 31 December 2021 and 1 January 2022 (as restated)</b>	<b>240</b>	<b>260</b>	<b>546</b>	<b>1,046</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	211	211
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>211</b>	<b>211</b>
<b>At 31 December 2022</b>	<b>240</b>	<b>260</b>	<b>757</b>	<b>1,257</b>

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**1. General information**

GPI Rotherham Limited (the "Company") is a private company limited by shares and incorporated and domiciled in England, UK. The registered office is:- C/O Corporation Service Company (UK) Limited, 5 Churchill Place, 10th Floor, London, United Kingdom, E14 5HUH.

The Company's ultimate parent undertaking, Graphic Packaging Holding Company includes the Company in its consolidated financial statements. The consolidated financial statements of Graphic Packaging Holding Company are prepared in accordance with US Generally Accepted Accounting Principles available to the public and may be obtained from Graphic Packaging International Limited, Great Western Business Park, Armstrong Way, Yate, Bristol, BS37 5NG. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Graphic Packaging Holding Company include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Graphic Packaging Holding Company as at 31/12/2022 and these financial statements may be obtained from Graphic Packaging International Limited, Great Western Business Park, Armstrong Way, Yate, Bristol, BS37 5NG.

The Company proposes to continue to adopt the reduced disclosure framework in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The presentation currency amounts are rounded to the nearest £'000.

The preparation of financial statements 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).

**2.2 Going concern**

Despite the challenges of COVID 19 the business, whose products are principally used by suppliers to the retail food and beauty industry, has traded well through 2022 and 2023 to date. The cash generated by the company is held in the group's European cash pool, as part of the balances due from parent entities, and is available for the company to draw down on demand if required. The company has no external debt.

The directors have considered the profit projections and cash flow forecasts for at least 12 months from the date of signing the financial statements. The expectation is that the company will continue to contribute to the European cash pool over that time frame but due to the fluctuations of its working capital cycle there may be periods where the company needs access to the amounts deposited in the European cash pool.

The formal cash pooling agreement gives the company the right to access on demand the funds deposited in the European cash pool and the company has also obtained a letter of support from its ultimate parent which would give access to funds in the unlikely event that the funds in the European pool can not be accessed as expected.

Interest rates are not expected to have a significant impact on the total Graphic Packaging Corporation. Inflation has been significant in 2022 but the majority of raw material inflation has been recovered. Inflation on plastic lids has been significant but the investment of new machinery to offer paper alternatives is underway to ensure the impact is not long term. Other inflation to date has been mitigated by operational savings. Energy inflation has not had an impact due to a fixed price agreement up for renewal in September 2025. Energy reduction initiatives have been started and further opportunities explored if the energy crisis is prolonged. Supply chain has not experienced any direct impact as a result of the Ukraine war other than global inflation.

In assessing the ability of the ultimate parent to support the company if needed the directors have received and reviewed a copy of the group going concern assessments which are produced as each set of quarterly results are released to the US market in accordance with ASC 205-40-50. The directors note that the US parent has considerable net current assets and very high levels of liquidity due to a combination of cash reserves and access to undrawn but committed facilities.

Given the above the directors have a reasonable expectation that the company has adequate resources and if needed further financial support to continue in operational existence for the foreseeable future. Thus the financial statements have been prepared on a going concern basis.



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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**2. Accounting policies (continued)**

**2.3 Revenue**

Revenue arising is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue arising 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 revenue is recognised:

**Sale of goods**

Revenue arising 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 revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.5 Government grants**

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

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

**2.6 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.

**2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**2. Accounting policies (continued)**

**2.8 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.9 Current and deferred taxation**

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 balance sheet date.

**2.10 Tangible fixed assets**

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

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**2. Accounting policies (continued)**

**2.10 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the period of the lease
Plant and machinery	- Over 3 to 20 years
Fixtures and fittings	- Over 3 to 20 years
Office equipment	- Over 3 to 20 years

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

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

Construction in Progress (CIP) contains capital projects which have been approved but are currently in progress. The CIP will transfer to the fixed asset register once the asset is confirmed operational. The depreciation starts in the following month of the asset being transferred to its appropriate category in the fixed asset register.

**2.11 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 on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

**2.12 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.

**2.13 Cash and cash equivalents**

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

**2.14 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.

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**2. Accounting policies (continued)**

**2.15 Provisions for liabilities**

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

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.16 Financial instruments**

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

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

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Impairment of debtors**

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

Critical accounting judgements in applying the Company's accounting policies:

The company does not make any critical judgements in applying the entity's accounting policies.

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Forming of paperboard containers	<b>8,416</b>	<b>7,297</b>
	<b>8,416</b>	<b>7,297</b>

Analysis of turnover by country of destination:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
United Kingdom	<b>6,143</b>	<b>4,634</b>
Europe	<b>2,198</b>	<b>2,537</b>
Rest of the world	<b>75</b>	<b>126</b>
	<b>8,416</b>	<b>7,297</b>

**5. Other operating income**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Government grants receivable	<b>17</b>	<b>44</b>
	<b>17</b>	<b>44</b>

**6. Operating profit**

The operating profit is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Depreciation of tangible fixed assets	<b>323</b>	<b>414</b>
Fees payable to the company's auditors and its associates for the audit of the company's financial statements	<b>26</b>	<b>14</b>
Stocks recognised as an expense	<b>4,827</b>	<b>4,156</b>
Exchange differences	<b>23</b>	<b>48</b>
Operating lease rentals	<b>134</b>	<b>138</b>

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**7. Employees**

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>1,384</b>	<b>1,084</b>
Social security costs	<b>118</b>	<b>90</b>
Cost of defined contribution scheme	<b>107</b>	<b>100</b>
	<b>1,609</b>	<b>1,274</b>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Production	<b>26</b>	<b>24</b>
Administration	<b>10</b>	<b>8</b>
	<b>36</b>	<b>32</b>

**8. Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Directors' emoluments	<b>122</b>	<b>76</b>
	<b>122</b>	<b>76</b>

**9. Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Loans from group undertakings	<b>74</b>	<b>84</b>
	<b>74</b>	<b>84</b>

**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

**10. Tax on profit**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Corporation tax</b>		
Current tax on profits for the year	-	93
	-	93
<b>Total current tax</b>	-	93
<b>Deferred tax</b>		
Origination and reversal of timing differences	(37)	-
Changes to tax rates	42	-
<b>Total deferred tax</b>	5	-
<b>Taxation on profit on ordinary activities</b>	5	93

**Factors affecting tax charge for the year**

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before tax	216	513
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	41	97
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	-	(4)
Capital allowances for year in excess of depreciation	(4)	-
Non-taxable income	(3)	-
Timing not recognised in the computation	34	-
Group relief	(96)	-
Tax rate differences	33	-
<b>Total tax charge for the year</b>	5	93

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**10. Tax on profit (continued)**

**Factors that may affect future tax charges**

An increase in the UK corporation tax rate from 19% to 25% will be in effect from 1st April 2023, which was substantively enacted on 24 May 2021. As such, deferred tax is recognised at a rate of 25% (2021: 25%) in these financial statements.



**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

**11. Tangible assets**

	Short-term leasehold property £000	Plant and machinery £000	Fixtures and fittings £000	Office equipment £000	Constructio n in progress £000	Total £000
<b>Cost or valuation</b>						
At 1 January 2022	17	4,785	145	204	195	5,346
Additions	-	60	9	3	553	625
At 31 December 2022	17	4,845	154	207	748	5,971
<b>Depreciation</b>						
At 1 January 2022	17	3,593	99	179	-	3,888
Charge for the year on owned assets	-	296	13	14	-	323
At 31 December 2022	17	3,889	112	193	-	4,211
<b>Net book value</b>						
At 31 December 2022	-	956	42	14	748	1,760
At 31 December 2021	-	1,192	46	25	195	1,458

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**12. Stocks**

	<b>2022</b>	<i>Restated</i> <i>(see note 13)</i>
	<b>£000</b>	<b>2021</b> <b>£000</b>
Raw materials and consumables	<b>1,792</b>	780
Finished goods and goods for resale	<b>1,114</b>	1,025
	<b>2,906</b>	<b>1,805</b>

**13. Debtors: amounts falling due within one year**

	<b>2022</b>	<i>Restated</i> <i>2021</i>
	<b>£000</b>	<b>£000</b>
Trade debtors	<b>1,477</b>	1,214
Amounts owed by group undertakings	<b>474</b>	10
Other debtors	<b>135</b>	8
Prepayments and accrued income	<b>665</b>	223
	<b>2,751</b>	<b>1,455</b>

All amounts owed by group undertakings are repayable on demand and non-interest bearing.

In preparing the financial statements an error was identified in the comparative figures for the year ended 31 December 2021 that has been corrected in these financial statements. The value of Finished goods and goods for resale of £1,025k, which should have been included within Stocks, had been incorrectly included in Trade debtors within Debtors: amounts falling due within one year.

The impact of the correction of the error is to increase Finished goods and goods for resale within Stocks at 31 December 2021 by £1,025k and reduce Trade debtors within Debtors: amounts falling due within one year by the same value. There was no impact on the profit for the year ended 31 December 2021 or on reserves at either 1 January 2021 or 31 December 2021.

**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

**14. Creditors: Amounts falling due within one year**

	<b>2022</b>	<i>Restated</i>
	<b>£000</b>	<b>2021</b>
		<b>£000</b>
Bank loans and overdrafts	792	356
Trade creditors	2,146	1,411
Amounts owed to group undertakings	2,879	821
Corporation tax	-	45
Other taxation and social security	29	24
Accruals and deferred income	176	156
	<u>6,022</u>	<u>2,813</u>

Within amounts owed to group undertakings are intercompany loans:

- GPI Sweden AB: £675,000 (2021: £0) that bears interest at 3.25% (2021: 3.25%).
- GPI Holding AB: €925,000 (2021: €925,000) that bears interest at 3.25% (2021: 3.25%).

All other amounts owed to group undertakings are repayable on demand and non-interest bearing.

In preparing the financial statements an error was noted in the comparative figures for the year ended 31 December 2021 whereby an amount of £28k was incorrectly classified as part of Amounts owed to group undertakings within Creditors: amounts falling due after more than one year that should have been shown as part of Amounts owed to group undertakings within Creditors: amounts falling due within one year. This error has been corrected by restating the comparative figures in these financial statements.

The impact of the adjustment is to increase Amounts owed to group undertakings within Creditors: amounts falling due within one year at 31 December 2021 by £28k and to decrease Amounts owed to group undertakings within Creditors: amounts falling due after more than one year by the same value. There was no impact on the profit for the year ended 31 December 2021 or on reserves at either 1 January 2021 or 31 December 2021.

**15. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	<i>Restated</i>
	<b>£000</b>	<i>(see note 14)</i>
		<b>2021</b>
		<b>£000</b>
Amounts owed to group undertakings	-	750
	<u>-</u>	<u>750</u>

Amount owed to group undertakings falling due after more than one year is an intercompany loan:

- GPI Sweden AB: £0 (2021: £750,000) that bears interest at 3.25% (2021: 3.25%).

**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

**16. Deferred tax**

	<b>2022 £000</b>
At beginning of year	(133)
Charged to profit or loss	(5)
<b>At end of year</b>	<b>(138)</b>

The provision for deferred taxation is made up as follows:

	<b>2022 £000</b>	<b>2021 £000</b>
Accelerated capital allowances	(133)	(133)
Deferred tax charged in the Profit and Loss	(5)	-
	<b>(138)</b>	<b>(133)</b>

**17. Called up share capital**

	<b>2022 £000</b>	<b>2021 £000</b>
<b>Allotted, called up and fully paid</b>		
240,000 (2021 - 240,000) Ordinary shares of £1.00 each	<b>240</b>	<b>240</b>

**18. Pension commitments**

The company operates a defined contribution scheme for its employees. The charge for the year amounts to £107k (2021: £100k) and represents the contributions payable by the company to the fund for the year.

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**GPI ROTHERHAM LIMITED (FORMERLY AR PACKAGING ROTHERHAM LIMITED)**

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

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**19. Commitments under operating leases**

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Within one year	<b>156</b>	<b>156</b>
Within two to five years	<b>395</b>	<b>551</b>
	<b>551</b>	<b>707</b>

**20. Related party transactions**

The Company has taken advantage of the exemption, as permitted by paragraph 1(A) of chapter 33 of FRS102, not to disclose related party transactions between fellow wholly owned subsidiaries within the Group. There have been no related party transactions in the year other than those with wholly owned subsidiaries within the Group.

**21. Controlling party**

GPI Sweden AB is the immediate parent company, incorporated in Sweden.

The ultimate parent company and ultimate controlling party is Graphic Packaging Holding Company, a company incorporated in the United States of America. The smallest and largest group of which the company is a member and for which group financial statements are prepared is Graphic Packaging Holding Company. A copy of the consolidated financial statements can be obtained from:

Graphic Packaging Holding Company  
1500 Riveredge Parkway  
Suite 100  
Atlanta  
Georgia 30328  
USA