

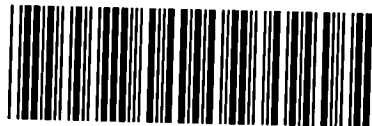
Registered number: 4176956

AMCOR EUROPE GROUP MANAGEMENT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

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AMCOR EUROPE GROUP MANAGEMENT

COMPANY INFORMATION

Directors	C Cheetham R Dixon M Burrows M Watts (resigned 28 September 2018)
Registered number	4176956
Registered office	Ancor Central Services Bristol 83 Tower Road North Warmley Bristol BS30 8XP
Independent auditors	PricewaterhouseCoopers LLP 2 Glass Wharf Bristol BS2 0FR

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Business review and future developments

The Company acts as a services company for other Amcor group companies.

The Company is a wholly owned indirect subsidiary of Amcor Limited ("the group") and the directors of the group manage operations at a group level. Due to the non-complex nature of the Company's activities the Company's directors believe that analysis using key performance indicators is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. Accordingly the development, performance and position of the group, which includes the Company, are set out in the group's annual report which does not form part of this report, but is available at www.amcor.com.

The current level of activity is expected to continue in the future.

Financial risk management

Due to the non-complex nature of the company's activities, its exposure to financial risks is limited. In addition, the directors of the group manage the group's risk at a group level, rather than at an individual entity level. For this reason, the Company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of the business of the Company.

Principal risks and uncertainties

The principal risks and uncertainties of the group, which include those of the Company, are discussed in the group's annual report (which does not form part of this report).

Financial and other key performance indicators

The financial and other key performance indicators of the group, which include those of the Company, are discussed in the group's annual report (which does not form part of this report).

This report was approved by the board on 23 November 2018 and signed on its behalf.



.....
R Dixon
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

The directors present their report and the audited Financial Statements for the year ended 30 June 2018.

Results and dividends

The profit for the financial year, after taxation, amounted to €12,062,000 (2017 - €2,832,000).

No dividend was paid or proposed during the year (2017 - €NIL).

Directors

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

C Cheetham
R Dixon
M Burrows
M Watts (resigned 28 September 2018)

Future developments and financial risk management

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

Employee involvement

It is the policy of the Company to encourage the employment and development of suitable people with disabilities. No unnecessary limitations are placed on the type of work that they perform and the policy ensures that, in appropriate cases, consideration is given to modifications of equipment or premises and to adjustments in working practice.

Employees are provided with information on matters of concern to them, principally through the management structure and notice boards. Views of employees are sought as appropriate through the management structure.

Disabled employees

Full and fair consideration will be given to applicants with disabilities for employment, and existing employees who become disabled will have the opportunity to retrain and continue employment.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

Directors' responsibilities statement

The directors are responsible for preparing the Annual report and the audited Financial Statements in accordance with applicable law and regulation.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), comprising Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). 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 audited 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;
- state whether applicable UK Accounting Standards, comprising FRS 101, 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.

Employee involvement

It is the policy of the Company to encourage the employment and development of suitable people with disabilities. No unnecessary limitations are placed on the type of work that they perform and the policy ensures that, in appropriate cases, consideration is given to modifications of equipment or premises and to adjustments in working practice.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

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.

Subsequent events

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

On 6 August 2018, Amcor Limited, the Company's ultimate parent, announced that it had entered into a definitive agreement under which it will acquire Bemis Company, Inc. in an all-stock combination.

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 23 November 2018 and signed on its behalf.



R Dixon
Director

Independent auditors' report to the members of Amcor Europe Group Management

Report on the audit of the financial statements

Opinion

In our opinion, Amcor Europe Group Management's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 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, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 June 2018; the statement of comprehensive income, 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Reporting on other information

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

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

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require 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 30 June 2018 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 set out on page 3, 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.

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

Use of this report

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

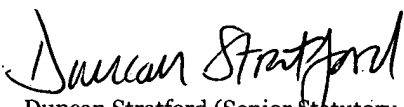
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received 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.



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

23 November 2018

AMCOR EUROPE GROUP MANAGEMENT

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 €000	2017 €000
Turnover	4	198,016	222,354
Gross profit		198,016	222,354
Administrative expenses		(184,300)	(218,486)
Operating profit	5	13,716	3,868
Interest receivable and similar income	9	29	17
Interest payable and similar expenses	10	(167)	(290)
Profit before taxation		13,578	3,595
Tax on profit	11	(1,516)	(763)
Profit for the financial year		12,062	2,832
Total comprehensive income for the year		12,062	2,832

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

The notes on pages 10 to 24 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 €000	2017 €000
Fixed assets			
Intangible assets	12	3,165	1,040
		<u>3,165</u>	<u>1,040</u>
Current assets			
Debtors	14	125,420	141,779
Cash at bank and in hand	15	7,757	8,853
		<u>133,177</u>	<u>150,632</u>
Creditors: amounts falling due within one year	16	(36,543)	(63,935)
Net current assets		<u>96,634</u>	<u>86,697</u>
Total assets less current liabilities		<u>99,799</u>	<u>87,737</u>
Net assets		<u>99,799</u>	<u>87,737</u>
Capital and reserves			
Called up share capital	19	80,684	80,684
Retained earnings		19,115	7,053
Total shareholders' funds		<u>99,799</u>	<u>87,737</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 November 2018.


.....
R Dixon
Director

The notes on pages 10 to 24 form part of these financial statements.

AMCOR EUROPE GROUP MANAGEMENT

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital	Retained earnings	Total shareholders' funds
	€000	€000	€000
At 1 July 2017	80,684	7,053	87,737
Comprehensive income for the financial year			
Profit for the financial year	-	12,062	12,062
At 30 June 2018	80,684	19,115	99,799

The notes on pages 10 to 24 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Called up share capital	Retained earnings	Total shareholders' funds
	€000	€000	€000
At 1 July 2016	80,684	4,221	84,905
Comprehensive income for the financial year			
Profit for the financial year	-	2,832	2,832
At 30 June 2017	80,684	7,053	87,737

The notes on pages 10 to 24 form part of these financial statements.

1. General information

Amcor Europe Group Management is a company limited by shares and incorporated in the United Kingdom. The address of the registered office is 83 Tower Road North, Warmley, Bristol, BS30 8XP.

The Company acts as a services company for other Amcor group companies.

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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies (see note 3).

The following principal accounting policies have been consistently applied to all years presented:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2. Accounting policies (continued)

2.3 New standards and interpretations

There were a number of amendments to existing standards and interpretations that were effective for the current period, but none of these has a material impact on the company.

IFRS 9 'Financial Instruments' will be effective for the year ended 30 June 2019 onwards, the main impact being the impairment assessment methodology used to value trade receivables. This is not expected to have a significant impact on the Financial Statements.

IFRS 15 'Revenue from contracts with customers' will be effective for the year ended 30 June 2019. The Company is currently in the process of finalising the assessment of the impact on the Financial Statements, however, this is not expected to be significant.

2.4 Going concern

The financial statements have been prepared on the going concern basis in accordance with the Companies Act 2006.

2.5 Revenue

Revenue 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 is measured as the fair value of the consideration received or receivable, net of discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following bases:

Computer software	-	14 % to 33% per annum
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2.7 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.

2. Accounting policies (continued)

2.7 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 bases:

Leasehold improvements - Remaining life of the lease

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 the Statement of comprehensive income.

2.8 Development expenditure

Research and development expenditure is charged to the Statement of Comprehensive Income in the year in which it is incurred. Development expenditure is not capitalised as it does not meet the recognition criteria of IAS 38.

2.9 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.10 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. Accounting policies (continued)

2.11 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

2.12 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

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 the Statement of comprehensive income 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 the Statement of comprehensive income within 'other operating income'.

2.14 Finance costs

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

2.15 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2. Accounting policies (continued)

2.17 Current and deferred taxation

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

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

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

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

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

2.18 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

A limited number of employees also participated in a defined benefit pension scheme operated by one of the Company's fellow subsidiaries. Details of this scheme and its assets are disclosed in the financial statements of Amcor Flexibles UK Limited. The Company is unable to identify its share of the deficit and hence has, as permitted by IAS 19, adopted the multi-employer exemption and accounted for contributions as if the fund was a defined contribution scheme.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Critical accounting estimates and assumptions

Management does not believe that there are any critical accounting estimates or assumptions made when applying the Company's accounting policies.

2. Critical judgments in applying the entity's accounting policies

Certain employees participate in a multi-employer defined benefit pension scheme with other companies in the group. In the judgment of the directors, the company does not have sufficient information on the plan assets and liabilities to be able to reasonably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution pension scheme. See Note 20 for further details.

4. Turnover

Analysis of turnover by country of destination:

	2018	2017
	€000	€000
United Kingdom	31,690	31,515
Rest of Europe	154,657	168,839
Rest of the world	11,669	22,000
	198,016	222,354

There is only one class of business and there is no material difference between turnover by destination and origin.

5. Operating profit

The operating profit is stated after charging:

	2018	2017
	€000	€000
Amortisation of intangible assets	285	307
Impairment of intangible assets	41	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**6. Auditors' remuneration**

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2018	2017
	€000	€000
Auditors' remuneration - for Company financial statements	18	18
Auditors' remuneration - for other group companies' financial statements not recharged	18	18
Remuneration to associates of the Company's auditors for other group companies' financial statements and recharge	722	728
	<u><u>722</u></u>	<u><u>728</u></u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

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

	2018	2017
	€000	€000
Wages and salaries	93,573	121,924
Social security costs	19,090	20,381
Other pension costs	5,581	5,802
	<u><u>118,244</u></u>	<u><u>148,107</u></u>

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

	2018	2017
	No.	No.
Administration	766	701
Sales and Marketing	122	237
	<u><u>888</u></u>	<u><u>938</u></u>

AMCOR EUROPE GROUP MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

8. Directors' remuneration

	2018	2017
	€000	€000
Directors' emoluments	292	465
Company contributions to defined contribution pension schemes	16	18
	<u>308</u>	<u>483</u>
	<u><u>308</u></u>	<u><u>483</u></u>

During the year retirement benefits were accruing to 3 directors (2017 - 3) in respect of defined contribution pension schemes.

The Company was recharged costs of €NIL (2017 - €207,000) in respect of staff costs for Directors of fellow subsidiary companies who provided services to Amcor Europe Group Management during the year which includes amounts in respect of employer contributions to defined contribution pension schemes, all of which are recovered through management service charges to Amcor group companies.

9. Interest receivable and similar income

	2018	2017
	€000	€000
Other interest receivable	29	17
	<u>29</u>	<u>17</u>
	<u><u>29</u></u>	<u><u>17</u></u>

10. Interest payable and similar expenses

	2018	2017
	€000	€000
Bank interest payable	124	128
Net foreign exchange losses	43	162
	<u>167</u>	<u>290</u>
	<u><u>167</u></u>	<u><u>290</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

11. Tax on profit

	2018 €000	2017 €000
Foreign tax		
Foreign tax on income for the year	147	119
	<u>147</u>	<u>119</u>
Total current tax	<u>147</u>	<u>119</u>
Deferred tax		
Origination and reversal of timing differences	1,944	507
Adjustment in respect of prior years	(370)	10
Rate change	(205)	127
	<u>1,369</u>	<u>644</u>
Total deferred tax	<u>1,369</u>	<u>644</u>
Taxation on profit on ordinary activities	<u>1,516</u>	<u>763</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - higher than) the standard rate of corporation tax in the UK of 19.00% (2017 - 19.75%). The differences are explained below:

	2018 €000	2017 €000
Profit on ordinary activities before tax	<u>13,578</u>	<u>3,595</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.75%)	2,580	710
Effects of:		
Permanent differences for tax purposes	-	(154)
Expenses not deductible for tax purposes	(67)	44
Irrecoverable foreign tax	147	120
Group relief	(569)	(12)
Prior year adjustment	(370)	10
Rate change	(205)	45
	<u>1,516</u>	<u>763</u>
Total tax charge for the year	<u>1,516</u>	<u>763</u>

The corporation tax payable for the year has been decreased by €569,000 (2017 - €12,000) because of group relief surrendered from a fellow subsidiary for which no payment will be made (2017 - €NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

11. Tax on profit (continued)

Factors that may affect future tax charges

The main rate of corporation tax was reduced from 20% to 19% on 1 April 2017. A further reduction to 17% from 1 April 2020 was legislated by Finance Bill 2016, which was substantially enacted on 6 September 2016.

12. Intangible assets

	Computer software €000
Cost	
At 1 July 2017	2,136
Additions - internal	2,451
At 30 June 2018	<u>4,587</u>
Amortisation	
At 1 July 2017	1,096
Charge for the year	285
Impairment charge	41
At 30 June 2018	<u>1,422</u>
Net book value	
At 30 June 2018	<u><u>3,165</u></u>
At 30 June 2017	<u><u>1,040</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

13. Tangible fixed assets

	Leasehold improvements €000
Cost or valuation	
At 1 July 2017	10
At 30 June 2018	<u>10</u>
Depreciation	
At 1 July 2017	10
At 30 June 2018	<u>10</u>
Net book value	
At 30 June 2018	<u>-</u>
At 30 June 2017	<u>-</u>

14. Debtors

	2018 €000	2017 €000
Trade debtors	80	-
Amounts owed by group undertakings	121,602	136,236
Other debtors	74	229
Prepayments and accrued income	3,375	3,656
Deferred taxation	289	1,658
	<u>125,420</u>	<u>141,779</u>

15. Cash at bank and in hand

	2018 €000	2017 €000
Cash at bank and in hand	7,757	8,853
Less: bank overdrafts	(3,723)	(9,474)
	<u>4,034</u>	<u>(621)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

16. Creditors: Amounts falling due within one year

	2018 €000	2017 €000
Bank overdrafts	3,723	9,474
Trade creditors	2,560	1,561
Amounts owed to group undertakings	11,554	13,944
Other creditors	1,113	1,313
Accruals and deferred income	17,593	37,643
	<u>36,543</u>	<u>63,935</u>

Amounts owed to group undertakings are unsecured, have no fixed repayment date, are non-interesting bearing and are repayable on demand.

The overdraft is unsecured, repayable on demand and interest is payable at various rates. See note 21 for details of the security in place in respect of the group cash pooling arrangement in which the Company participates.

17. Financial instruments

	2018 €000	2017 €000
Financial assets		
Financial assets measured at fair value through profit or loss	7,757	8,853
Financial assets that are debt instruments measured at amortised cost	121,755	136,465
	<u>129,512</u>	<u>145,318</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(36,543)</u>	<u>(63,935)</u>

Financial assets that are debt instruments measured at amortised cost comprise amounts owed by group undertakings and other debtors.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

18. Deferred taxation asset

	2018 €000	2017 €000
At beginning of year	1,658	2,302
Adjustment in respect of prior years	369	(10)
Rate change	205	(127)
Other movements	(1,943)	(507)
At end of year	289	1,658

The deferred tax asset is made up as follows:

	2018 €000	2017 €000
Accelerated capital allowances	289	309
Tax losses carried forward	-	1,349
	289	1,658

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

19. Called up share capital

	2018 €000	2017 €000
Allotted, called up and fully paid		
80,684,003 (2017: 80,684,003) Ordinary shares of €1 each	80,684	80,684

20. Pension schemes

The company operates a defined contribution pension schemes and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

A limited number of employees also participated in a defined benefit pension scheme operated by one of the Company's fellow subsidiaries. Details of this scheme and its assets are disclosed in the financial statements of Amcor Flexibles UK Ltd which show that the defined benefit pension scheme has a deficit of £21,900,000 at 30 June 2018 after recognition of the related deferred tax asset of £3,724,000 (2017 - deficit of £35,856,000 after recognition of the related deferred tax asset of £7,344,000). In accordance with IAS 19, as the defined benefit scheme is recognised in the financial statements of the main sponsoring employer of the plan, the Company has accounted for contributions as if the fund was a defined contribution scheme.

21. Security

The Company participates in a group cash pooling arrangement between banking providers and other members of the Amcor group. All members of the group cash pool arrangement are jointly and severally liable for any payment default. As at 30 June 2018, the cash pool was in a net surplus position of €62,700,000 (2017 - €27,000,000).

22. Ultimate Parent Undertaking and Controlling Party

The immediate parent undertaking is Amcor International S.A.S, registered in France.

The ultimate parent undertaking and controlling party is Amcor Limited, incorporated in Australia, which is the parent undertaking of the largest and smallest group to consolidate these financial statements. Copies of Amcor Limited consolidated financial statements can be obtained from the Company Secretary at 109 Burwood Road, Hawthorn, Victoria 3122, Australia.

On 6 August 2018, Amcor Limited, the Company's ultimate parent, announced that it had entered into a definitive agreement under which it will acquire Bemis Company, Inc. in an all-stock combination.