

Company Registration No. 04346520

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

**Annual report and financial statements
for the year ended 31 December 2019**



GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

F Afarian
T Reeves
T Thompson

SECRETARY

Broughton Secretaries Limited

REGISTERED OFFICE

54 Portland Place
London
W1B 1DY

BANKERS

HSBC Bank plc
8 Canada Square
London
E14 5HQ

SOLICITORS

Myers Lister Price
7 Market Street
Altrincham
Cheshire
WA14 IQE

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Atrium
1 Harefield Road
Uxbridge
Middlesex
UB8 1EX

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activity of the company is to provide employee services to other group companies. The directors do not expect this to change.

REVIEW OF DEVELOPMENTS, FUTURE PROSPECTS AND BREXIT

Details of the company's performance are given in the profit and loss account on page 6.

The profit for the financial year of £32,331 (2018: profit £27,175) has been transferred to reserves.

The directors expect a satisfactory performance from the company in the coming year. No dividend is proposed (2018: £nil).

The Directors have considered Brexit and its potential impact to the company. The outcome of the ongoing Brexit negotiations are uncertain at the moment but the directors are monitoring the situation closely and have considered the potential impact of different outcomes. The company is an internal service provider to Graham Packaging and Rank groups. The Brexit conclusion should not impact any of our relationships between the company and the rest of our organisation, as the company is 100% owned by the group. In case of any additional costs generated, they will be recharged to the internal customers.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

Please refer to note 14.

DIRECTORS

The following directors have held office during the year and up to the date of signing these financial statements unless otherwise stated below:

F Afarian
R Fernandez Del Carmen (Resigned 26 February 2019)
T Reeves
T Thompson (Appointed 26 February 2019)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, 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 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

DIRECTORS' REPORT (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

DISCLOSURE TO AUDITORS

In the case of each director in office at the date the Directors' Report is approved:

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

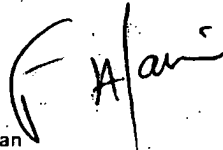
INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP has expressed their willingness to continue in office as auditors. Appropriate arrangements have been put into place for them to be deemed reappointed as auditors in the absence of an annual general meeting.

SMALL COMPANIES' EXEMPTION

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Company has also taken advantage of the small companies' exemption from preparing a Strategic Report and Statement of Cash Flows.

Approved by the Board of Directors
and signed on behalf of the Board



F Afarian
Director

29 July 2020

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

Independent auditors' report to the members of Graham Packaging European Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, Graham Packaging European Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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 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 2019; the Profit and Loss Account, 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 where:

- 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 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.

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

Independent auditors' report to the members of Graham Packaging European Services Limited (continued)

Reporting on other information (continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 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 Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements set out on pages 2 to 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

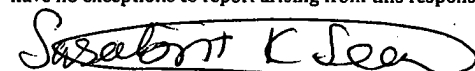
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Sarabjit Seera (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

29 July 2020

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2019

		2019 £	2018 £
	Note		
Turnover	5	2,272,563	1,895,136
Cost of sales		(2,228,003)	(1,857,976)
Gross profit		44,560	37,160
Administrative expenses		(4,391)	(3,528)
Operating profit	6	40,169	33,632
Interest receivable and similar income		45	-
Profit before taxation		40,214	33,632
Tax on profit	8	(7,883)	(6,457)
Profit for the financial year		32,331	27,175

The above results all derive from continuing activities.

There have been no recognised gains and losses attributable to the shareholders other than those included in the profit and loss account of the company for the current and prior years. Accordingly, no separate statement of other comprehensive income has been presented.

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

BALANCE SHEET

As at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	9	222,951	239,740
Cash at bank and in hand		342,638	230,366
		<u>565,589</u>	<u>470,106</u>
Creditors: amounts falling due within one year	10	(384,838)	(321,686)
Net current assets		<u>180,751</u>	<u>148,420</u>
Net assets		<u>180,751</u>	<u>148,420</u>
Capital and reserves			
Called up share capital	11	300,000	300,000
Accumulated losses		(119,249)	(151,580)
Total equity		<u>180,751</u>	<u>148,420</u>

The notes on pages 9 to 14 are an integral part of these financial statements.

These financial statements on pages 6 to 14, were approved by the Board of Directors and authorised for issue on 29 July 2020.

Signed on behalf of the Board of Directors


F Afarian
Director

Registered company number: 04346520

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2019

	Called up share capital £	Accumulated losses £	Total equity £
Balance as at 1 January 2018	300,000	(178,755)	121,245
Profit for the financial year	-	27,175	27,175
Balance as at 31 December 2018	<u>300,000</u>	<u>(151,580)</u>	<u>148,420</u>
Balance as at 1 January 2019	300,000	(151,580)	148,420
Profit for the financial year	-	32,331	32,331
Balance as at 31 December 2019	<u><u>300,000</u></u>	<u><u>(119,249)</u></u>	<u><u>180,751</u></u>

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

1. GENERAL INFORMATION

Graham Packaging European Services Limited (also referred to as "the company") is a private company limited by shares and is incorporated in England, the United Kingdom. The address of its registered office is 54 Portland Place, London, England, W1B 1DY.

The principal activity of Graham Packaging European Services Limited is to provide employee services to other group companies.

2. STATEMENT OF COMPLIANCE

The individual financial statements of Graham Packaging European Services Limited have been prepared in compliance with the applicable United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") in the United Kingdom and the Companies Act 2006.

3. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basix of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through profit or loss, and the small companies regime. The FRC has carried out its first interim review of the UK accounting standards. In December 2017, incremental improvements and clarifications to FRS 102 were published, together with amendments to the other accounting standards with the changes being effective for the periods beginning on or after 1 January 2019. The main changes expand the definition of a basic financial instrument so that more instruments can be measured at amortised cost, permit investment property rented to a group entity to be measured based on cost (rather than fair value) and require fewer intangible assets to be separated from goodwill in a business combination. The changes also simplify the measurement of directors' loans to small entities, following the interim relief granted earlier this year. The directors believe that the above changes do not have a material impact on these financial statements.

Going Concern

Since the start of 2020, there has been a developing outbreak of the COVID-19. To date, the company has not seen a material impact on its operations. As a result of COVID-19, we have observed macro-economic uncertainty with regards to consumption, economic growth, inflation and interest rates. Furthermore, recent global developments and uncertainty have caused volatility in the supply chain and workforce. The scale and duration of these developments remain uncertain but could impact the company if they persist for an extended period of time. Despite the COVID-19 pandemic, the Directors have a reasonable expectation that the company has adequate resources that are sustainable for the foreseeable future and that it is appropriate to adopt a going concern basis of accounting in preparing the annual financial statements. The company has received a notification from counter parties that they will continue to honour the cost plus arrangements for a period of at least 12 months from the date of signing the financial statements. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Exemptions for qualifying entities under FRS 102

The company has taken advantage of the following exemptions on the basis that it is a qualifying entity and the disclosures are included in the consolidated financial statements of a parent company, Reynolds Group Holdings Limited, which are publicly available:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows;
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2018

- from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23, concerning its own equity instruments, as the company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and

- from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Foreign currency translation

(i) Functional and presentation currency

The company financial statements are presented in pound sterling.

(ii) 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 profit and loss account.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of services to other group companies in the ordinary nature of the business. The fair value of consideration is stated as inter group recharge of payroll and operating expenses with a 2% margin. Turnover is shown net of Value Added Tax.

Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave and holiday pay that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Pension costs

The company contributes towards employees' private pensions. All payments are in respect of defined contribution schemes and are charged to the profit and loss account as they accrue.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity, respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

UK Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

(ii) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore only recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient taxable profits against which

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2019

to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference. Deferred tax is measured on an undiscounted basis.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The entity is applying section 11 and 12 of FRS102 in respect of the recognition and measurement of financial instruments.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Related parties

In accordance with the exemption available under section 33.1A of FRS 102 'Related Party Disclosures', transactions with other owned group undertakings ultimately owned by Packaging Holdings Limited have not been disclosed in these financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period; or in the period of the revision and future periods where the revision affects both current and future periods. The Directors do not consider there to be any critical estimates or judgements.

5. TURNOVER

Analysis of turnover by geography:

	2019 £	2018 £
Europe	1,920,275	1,579,807
USA	352,288	315,329
	<u>2,272,563</u>	<u>1,895,136</u>

All turnover is derived from the principal activity of the business.

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2019

6. OPERATING PROFIT

	2019 £	2018 £
Operating profit is stated after charging		
Services provided by the company's independent auditors:		
- Audit fees payable	15,075	11,728
	<u>15,075</u>	<u>11,728</u>

7. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Employee costs during the year:

	2019 £	2018 £
Wages and salaries	971,045	1,089,770
Social security costs	178,580	144,647
Other pension costs	87,883	112,428
Directors' remuneration	400,473	-
	<u>1,637,981</u>	<u>1,346,845</u>

Average monthly number of employees (including directors):

	2019 No	2018 No
Consultancy	15	13
	<u>15</u>	<u>13</u>

Directors

Post-employment benefits are accruing for one director (2018 : none) under a defined contribution scheme. No directors (2018 : none) were members of a defined benefit scheme.

Highest paid director

The highest paid director's emoluments were as follows :

	2019 £	2018 £
Total amount of emoluments	376,298	-
Defined contribution pension payments	24,175	-
	<u>400,473</u>	<u>-</u>

8. TAX ON PROFIT

	2019 £	2018 £
Current tax		
Corporation tax	2,873	11,467
Deferred tax – reversal of short term timing differences	5,010	(5,010)
	<u>7,883</u>	<u>6,457</u>

Total tax year

Tax charge for the year

	<u>7,883</u>	<u>6,457</u>
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GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2019

Factors affecting tax charge for the current year

The tax assessed for the year is equal (2018: higher) to the standard effective rate of corporation tax in the UK for the year ended 31 December 2019 of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Profit before taxation	40,214	33,632
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	7,641	6,390
Effects of expenses not deductible	242	67
Tax on profit	<u>7,883</u>	<u>6,457</u>

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted as part of the Finance Bill 2016 (on 6 September 2016)). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

9: DEBTORS

	Note	2019 £	2018 £
Amounts falling due within one year:			
Amounts owed by group undertakings		195,521	204,446
Other debtors		12,506	11,437
Prepayments and accrued income		14,924	18,847
Deferred tax asset	12	-	5,010
		<u>222,951</u>	<u>239,740</u>

Amounts owed by group undertakings are unsecured, bear no interest and are repayable on demand.

10: CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	33,080	23,279
Corporation tax payable	1,614	8,448
Other taxation and social security	46,741	41,676
Other creditors	4,654	3,848
Accruals and deferred income	298,749	244,435
	<u>384,838</u>	<u>321,686</u>

GRAHAM PACKAGING EUROPEAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2019

11. CALLED UP SHARE CAPITAL

	2019 £	2018 £
Called up, allotted and fully paid		
300,000 ordinary shares (2018: 300,000) of £1 each	<u>300,000</u>	<u>300,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

12. DEFERRED TAX (ASSETS) / LIABILITIES

	2019 £	2018 £
Provision at start of period	(5,010)	-
Deferred tax charge to income statement for the year	<u>5,010</u>	<u>(5,010)</u>
Provision at end of year	<u>-</u>	<u>(5,010)</u>

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

14. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Since early 2020, the Covid-19 outbreak across China and elsewhere has caused disruption to business and economic activity and may ultimately impact the company's future performance. The directors concluded that this event is indicative of conditions that arose after the balance sheet date and is therefore a non-adjusting event that has no impact on the recoverable amounts of assets and liabilities at the balance sheet date.

15. CONTROLLING PARTIES

The company's immediate shareholder is Graham Packaging Company, L.P., an entity registered in the United States. The ultimate parent entity of the company is Packaging Holdings Limited, a New Zealand entity that is wholly owned by Mr. Graeme Hart. The consolidated financial statements for Reynolds Group Holdings Limited (a New Zealand entity) which includes the company, is available at the following website: <http://www.reynoldsgroupholdings.com>.