Registered number: 09223390

TOTAL MARKETING SUPPORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

TOTAL MARKETING SUPPORT LIMITED

COMPANY INFORMATION

Directors	David Fincham William Beverley Hicks Eleanor Morris
Company secretary	Zillah Stone
Registered number	09223390
Registered office	Level 3 1 Paddington Square London United Kingdom W2 1DL
Independent auditor	Ernst & Young LLP One Cambridge Business Park Cambridge United Kingdom CB4 0WZ
Bankers	Citibank Citigroup Centre 33 Canada Square London E14 5LB

TOTAL MARKETING SUPPORT LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2023

The Directors present their strategic report for the year ended 30 April 2023.

Business review

Total Marketing Support Limited ('the Company') is a subsidiary of DS Smith Plc and operates as part of the DS Smith Group ('the Group'). The principal activity of the Company is point of sale procurement and related activities.

The results for the year show a loss before taxation of €7,680,000 (2022: loss before taxation of €3,980,000).

Management uses a range of performance measures to monitor and manage the business. The KPIs are used as a performance indicator and are used to highlight any areas of concern where corrective actions need to be taken. Turnover and Operating Profit indicate the level of activity and the resulting profitability of the business. The KPIs for 2023 are shown in the table below along with the prior year comparatives.

	2023 €000	2022 €000	% Change
Turnover	56,791	38,832	46
Operating Loss	(7,525)	(3,887)	(93)
Gross Profit	8,099	6,984	16

Turnover has increased during the financial year, with gross profit increasing as a result. New customer was acquired towards the last quarter of FY22 and the increase in trade was reflected in full in FY23. Operating costs have also increased from 2022 due to the need for additional headcount to support trade with new customer.

Section 172 (1) statement of the Companies Act 2006

The Directors aim to promote the success of the Company for the benefit of its shareholder and the Group as a whole, taking into account the long-term consequences of its decisions and looking at those decisions through a variety of lenses. This involves the Board and management considering in detail and discussing the interests of the Company's and Group's stakeholders including our customers, our people, our investors, our suppliers, local communities and non-governmental organisations; the importance of maintaining our reputation for high standards of business conduct through our high customer satisfaction results; and the environment. When making decisions during the year the Directors of the Group received relevant information to help them understand the interest and views of these key stakeholder groups and the potential impact these decisions could have on each group. Information included reports regarding financial and operational performance, risk, responsible business matters and the results of specific stakeholder engagement exercises. The Directors of the Company take into account the interests of the parent company and the ultimate parent company when making decisions through regular communications such as the Balance Sheet Committee.
As the Company is an investment holding company within the Group it does not have any direct employees, customers or suppliers. The Directors of this entity make decisions in respect of this Company with regard to its internal stakeholders. For more details on how the Group considers the interests of the Group's employees, the impact actions have on the communities in which the Group operate and the environment, maintaining high standards of business conduct and acting fairly at all times, refer to the Group's annual report which does not form part of this report. A copy of the Group's annual report can be obtained from the address in note 22.

Future developments

The principal activity of the Company is point of sale procurement and related activities. The Directors expect that this will remain the case in the future and that the general level of activity for the Company will remain consistent with 2023.

Streamlined Energy and Carbon Reporting

The Company and Group 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.

The Company is included in the Group reporting of the ultimate parent company which has provided its consolidated CO2 emissions and energy consumption on page 63 of the Strategic report in the Group's 2023 annual report.

Financial risk management objectives and policies

The Company's operations expose it to a variety of financial risks that include liquidity risk, interest rate risk, credit risk and foreign currency risk.

Where applicable, the Company follows the DS Smith Group policy. The Company's financial risk management is centralised to capitalise on economies of scale and synergy effects and to minimise operational risks.

Liquidity risk

The Company actively manages its liquidity risk by short-term debt finance with Group treasury, supported by external borrowings where appropriate, that is designed to ensure the Company has sufficient available funds for operations.

Interest rate risk

The Company has interest-bearing liabilities held with DS Smith Plc and arise from the operation of the Group's cash pooling arrangements in the UK. The DS Smith Group treasury function is responsible for identifying and managing interest rate exposure.

Foreign currency risk

The Company has transactions in foreign currencies which are then translated into the presentation currency, the Euro, for the purposes of the financial statements. The Group treasury function enters into arrangements such as foreign exchange contracts in order to manage the risk arising upon currency translation.

Credit risk

The Company's credit risk is primarily attributable to its receivables held on the statement of financial position, all of which are inter-group. Recoverability of these receivables is reviewed regularly against the statement of financial position of the counterparty. If required, credit risk is further mitigated through a letter of support from the ultimate parent undertaking.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023

Principal risks and uncertainties

There continues to be global uncertainty within the macroeconomic environment as a result of the war in Ukraine, rising inflation and interest rates and the cost of living crisis. Raw material and other input costs also remain high although energy prices have started to decline. However, these are mitigated by effective supplier arrangements, long-term hedging arrangements and rising packaging prices. The Group has demonstrated resilience in the post-pandemic environment and customer demand remains strong, especially in the FMCG sector. The Group continues to carefully manage our cost base and is confident for the year ahead that sufficient methods are in place to mitigate these increased costs.

Going concern

The financial statements have been prepared using the going concern basis of accounting. In making their assessment on the appropriateness of using the going concern basis, the Directors have considered any material uncertainties relating to events or conditions that may cast significant doubt upon the continuing use of the going concern basis of accounting in future periods. The Directors have considered a period of 12 months from the date the financial statements are authorised for issue.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Company is as shown in the statement of financial position on page 13. At 30 April 2023 the Company reported net liabilities of €14,826,000 (30 April 2022 : €9,305,000).

The financial Statements have been prepared using the going concern basis of accounting. The Company has been issued a support letter from its ultimate parent company, DS Smith Plc, confirming ongoing financial support in meeting liabilities as they fall due for a period of at least 12 months from the day of approval of accounts. DS Smith Plc has undertaken its own assessment of going concern, which it has confirmed and this is disclosed on page 12 of the DS Smith Plc Half Year Report for the period ended 31 October 2023. The Directors are satisfied that no events took place after the release of the DS Smith Plc Half Year Results that give rise to any uncertainties relating to going concern, and accordingly the directors considered it is appropriate to rely upon this support in making their going concern assessment for these financial statements. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of at least 12 months from the day of approval of accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements.

This report was approved by the board on 25 January 2024 and signed on its behalf.

William Beverley Hicks
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2023

The Directors present their report and the financial statements for the year ended 30 April 2023.

Disclosures required by section 416(4) which have been elevated to the strategic report:

- Financial risk management, objectives, and policies
- Going concern
- Principal risks and uncertainties

Results and dividends

The loss for the year, after taxation, amounted to €5,521,000 (2022 - €3,989,000).

No dividends were paid during the year and up to the date of authorising the 30 April 2023 financial statements (2022: €nil).

Directors

The Directors who served during the year and to the point of signing were:

William Beverley Hicks
Eleanor Morris (appointed 9 May 2022)
David Fincham (appointed 14 October 2022)
Stewart John Clough (resigned 14 October 2022)

Directors' and officers' liability insurance

During the year and up to the date of approval of these financial statements, the ultimate parent company maintained liability insurance for the Directors and other Officers of the Company. The Company has not made qualifying third-party indemnity provisions for the benefit of the Group's Directors during the year.

Employees

The Company is fully committed to ensuring that sufficient emphasis is placed on employee involvement and communication through a variety of methods, and continues to keep employees informed on matters affecting them as employees and on the various factors affecting the performance of the Company and the wider Group. The Company is committed to both the principle and achievement of equal opportunities in employment and policies are designed to provide such equality irrespective of sex, creed, ethnic origin, nationality, sexual orientation, age or disability. Dependent upon their skills and abilities, the Company applies the same criteria to disabled persons as it does to other employees whether in selection, promotion or training. If any employee becomes disabled during employment with the Company, every effort is made to find suitable continuing employment. The Company fully recognises its responsibilities and continues to promote all aspects of health and safety in the interests of its employees and members of the public.

Political contributions

No political or charitable contributions were made during the year (2022: €nil).

Disclosure of information to auditor

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Ernst & Young LLP (EY) were appointed as external auditor to the Company in 2023 and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the board on 25 January 2024 and signed on its behalf.

William Beverley Hicks
Director

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 APRIL 2023

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law), including Financial Reporting standard 101 ‘Reduced Disclosure Framework’. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT LIMITED

Opinion

We have audited the financial statements of Total Marketing Support Limited for the year ended 30 April 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 22, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 101 “Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company’s affairs as at 30 April 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors’ report for the financial year for which the

financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (the Companies Act 2006 and FRS 101 'Reduced Disclosure Framework') and relevant tax compliance regulations in the UK. In addition, we concluded that there are certain significant laws and regulations that may have an indirect effect on the determination of the amounts and disclosures in the financial statements. These are those laws and regulations relating to General Data Protection Regulation (GDPR) and bribery and corruption practices.

- We understood how the company is complying with those frameworks by making enquiries of management. We corroborated our enquiries by performing a review of the company's board minutes as well as any relevant correspondence received from regulatory bodies.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company established to address risks identified by the company or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the company applies through meeting with management across the business.

- We assessed revenue cut off and associated adjustments to be an area of audit which might be more susceptible to fraud. We obtained an understanding of the controls over this process. We performed testing to ensure revenue recorded in correct period and verified subsequent proof of delivery.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and to respond to the assessed risks. We determined there to be a risk of management override and a fraud risk over manual adjustments to revenue. To address the fraud risk on revenue, we identified manual journal entries impacting revenue and selected a sample of specific transactions. We understood the transactions identified for testing and agreed them to source documentation. Our procedures also included verifying that material transactions are recorded in compliance with FRS 101 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through inquiry with management and the Directors, reading of the board meeting minutes and correspondence with the relevant authorities with no indication of non-compliance identified. Furthermore, we performed procedures to conclude on the compliance of disclosures made in the annual report and accounts with all applicable requirements.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Luke Little (Senior statutory auditor)

for and on behalf of

Ernst & Young LLP, Statutory Auditor

Cambridge, UK

25 January 2024

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2023

	Note	2023 €000	2022 €000
Turnover	4	**56,791**	38,832
Cost of sales		**(48,692)**	(31,848)
Gross profit		**8,099**	6,984
Administrative expenses		**(15,480)**	(10,709)
Other operating charges		**(144)**	(162)
Operating loss	5	**(7,525)**	(3,887)
Interest receivable and similar income	9	**73**	-
Interest payable and similar expenses	10	**(149)**	(85)
Other finance expense		**(79)**	(8)
Loss before tax		**(7,680)**	(3,980)
Tax on loss	11	**2,159**	(9)
Loss for the financial year		**(5,521)**	(3,989)

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

The notes on pages 13 to 29 form part of these financial statements.

The results shown above are from continuing operations.

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2023

	Note		2023 €000		2022 €000
Fixed assets					
Intangible assets	12		**1,226**		901
Tangible assets	13		**171**		283
Investments	14		**1**		1
			1,398		1,185
Current assets					
Debtors: amounts falling due within one year	15	**26,144**		8,922	
Cash at bank and in hand	16	**6,677**		14,090	
		32,821		23,012	
Creditors: amounts falling due within one year	17	**(49,045)**		(33,480)	
Net current liabilities			**(16,224)**		(10,468)
Total assets less current liabilities			**(14,826)**		(9,283)
Creditors: amounts falling due after more than one year	18		**-**		(22)
			(14,826)		(9,305)
Net assets			**(14,826)**		(9,305)
Net liabilities			**(14,826)**		(9,305)
Capital and reserves					
Profit and loss account			**(14,826)**		(9,305)
			(14,826)		(9,305)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 January 2024.

William Beverley Hicks
Director

The notes on pages 13 to 29 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2023

	Profit and loss account	Total equity
	€000	€000
At 1 May 2022	**(9,305)**	**(9,305)**
Comprehensive income for the year		
Loss and total comprehensive expense for the year	**(5,521)**	**(5,521)**
Total comprehensive income for the year	**(5,521)**	**(5,521)**
At 30 April 2023	**(14,826)**	**(14,826)**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022

	Profit and loss account	Total equity
	€000	€000
At 1 May 2021	**(5,316)**	**(5,316)**
Comprehensive income for the year		
Loss and total comprehensive expense for the year	**(3,989)**	**(3,989)**
Total comprehensive income for the year	**(3,989)**	**(3,989)**
At 30 April 2022	**(9,305)**	**(9,305)**

The notes on pages 13 to 29 form part of these financial statements.

1. General information

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered address is Level 3, 1 Paddington Square, London, England, W2 1DL.

The nature of the Company's operations and its principal activity are set out in the strategic report on page 1.

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 judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

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 requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
    - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
    - paragraph 118(e) of IAS 38 Intangible Assets;
- 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 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 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of DS Smith Plc as at 30 April 2023 and these financial statements may be obtained from: https://www.dssmith.com/investors/results-presentations/annual-reports.

2. Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions (continued)

The following new standards, amendments or interpretations have been adopted by the Company as of 01 May 2021:

- Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The adoption of the amendments has not had a material effect on the results for the year or the financial position at the year end. Where relevant, equivalent disclosures have been made available in the Group accounts.

2.3 IFRS standards and interpretations in issue but not yet effective

The International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) have issued new standards and interpretations with an effective date after the date of these financial statements:

- Amendments to IAS 16 (Property, Plant and Equipment - Proceeds Before Intended Use)
- Amendments to IFRS 3 (Reference to the Conceptual Framework)
- Amendments to IAS 37 (Onerous Contracts - Cost of Fulfilling a Contract)
- Amendments to IAS 1 and IFRS Practice Statement (Disclosure of Accounting Policies)
- Amendments to IAS 12 (Deferred tax related to Assets and Liabilities arising from a single transaction
- Amendments to IAS 8 (Definition of accounting estimates)
- Amendments to IAS 1 (Classification of liabilities as current or non-current)

These standards are currently not expected to have a material impact on the financial statements of the Company.

2.4 Consolidated financial statements

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of DS Smith Plc which prepares consolidated financial statements which are publicly available.

2. Accounting policies (continued)

2.5 Going concern

The financial statements have been prepared using the going concern basis of accounting. In making their assessment on the appropriateness of using the going concern basis, the Directors have considered any material uncertainties relating to events or conditions that may cast significant doubt upon the continuing use of the going concern basis of accounting in future periods. The Directors have considered a period of 12 months from the date the financial statements are authorised for issue.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out within the strategic report. The financial position of the Company is as shown in the statement of financial position on page 12. At the 30 April 2023 the Company reported net current liabilities of €14,826,000 (30 April 2022 : €9,305,000).

The financial Statements have been prepared using the going concern basis of accounting. The Company has been issued a support letter from its ultimate parent company, DS Smith Plc, confirming ongoing financial support in meeting liabilities as they fall due for a period of at least 12 months from the day of approval of accounts. DS Smith Plc has undertaken its own assessment of going concern, which it has confirmed and this is disclosed on page 12 of the DS Smith Plc Half Year Report for the period ended 31 October 2023. The Directors are satisfied that no events took place after the release of the DS Smith Plc Half Year Results that give rise to any uncertainties relating to going concern, and accordingly the directors considered it is appropriate to rely upon this support in making their going concern assessment for these financial statements. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of at least 12 months from the day of approval of accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros, which is the currency of the primary economic environment in which the Company operates.

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.

2. Accounting policies (continued)

2.7 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, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- all significant performance obligations have been met;
- the Company retains neither continuing managerial involvement nor effective control over the goods sold;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the amount of revenue can be measured reliably.

This is typically when the goods are unloaded at the delivery address if the Company is responsible for delivery.

2.8 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Creditors' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

2. Accounting policies (continued)

2.8 Leases (continued)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Intangible Assets', 'Tangible Fixed Assets' and 'Investment Property' lines, as applicable, in the Statement of Financial Position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.14.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 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.

2.11 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.12 Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

For the year ended 30 April 2022 and onwards, DS Smith Group entities will no longer receive payment for current year tax losses surrendered or make payment for group relief claimed at the rate of tax prevailing in the year. However, where an entity has negative reserves and losses which will be surrendered to other members of the DS Smith Group, the claimant company will need to make payment for those tax losses at the rate of tax prevailing in the year.

Deferred tax is provided for using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.13 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.

The estimated useful lives range as follows:

Computer software	-	3 - 5 years

Amortisation of intangible assets (excluding goodwill) is charged to the income statement on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets (other than goodwill) are amortised from the date they are available for use.

2.14 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)

2.14 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.

The estimated useful lives range as follows:

Long-term leasehold property	- 1 - 3 years
Office equipment	- 2 - 3 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.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.17 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.

2.18 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.

2.19 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.

2.20 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:

2. Accounting policies (continued)

2.20 Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Financial assets are derecognised when, and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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

In the application of the accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not deem there to be any critical accounting judgements or key sources of estimation uncertainty in the preparation of the financial statements. Deferred Tax Asset (DTA) non recognition is a material judgement by management. As the company has been loss making, we cannot substantiate or recognise DTA due to lack of certainty over future crystallisation.

4. Turnover

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

	2023 €000	2022 €000
Sale of goods	**56,791**	38,832
	56,791	38,832

Analysis of turnover by country of destination:

	2023 €000	2022 €000
United Kingdom	**13,038**	8,410
Europe	**43,753**	30,422
	56,791	38,832

5. Operating loss

The operating loss is stated after charging:

		2023 €000	2022 €000
Depreciation of tangible fixed assets	13	**202**	209
Amortisation of intangible assets, including goodwill	12	**122**	116
Exchange differences		**(156)**	295
Share based payments		**-**	51

6. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor and its associates:

	2023 €000	2022 €000
Fees payable to the Company's auditor and its associates for the audit of the Company's financial statements	**71**	58

No fees in relation to non-audit services were paid to the Company's auditor in the current or preceding year.

7. Directors' emoluments

The emoluments of the highest paid Director were €204,000 (2022: €291,000) including pension contributions of €6,000 (2022: €8,000)

The emoluments of the Directors of €472,000 are paid by other companies within the Group. The Company receives management and operational recharges for relevant pooled Group costs which may include a portion of the Directors' emoluments along with numerous other costs. The Directors who served during the year are also Directors of a number of fellow subsidiaries within the Group. It is not practical to make an accurate apportionment of the emoluments in respect of each of the subsidiaries. Accordingly, their emoluments are disclosed in the financial statements of the respective companies with whom they have their primary employment contracts.

8. Employees

Staff costs were as follows:

	2023 €000	2022 €000
Wages and salaries	**8,969**	5,783
Social security costs	**1,029**	878
Cost of defined contribution pension scheme	**579**	469
	10,577	7,130

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

	2023 No.	2022 No.
Selling and distribution	**92**	76
Management and administration	**30**	28

8. Employees (continued)

	122	104

Payroll costs and employee numbers disclosed in the financial statements include individuals who hold employment contracts with other group companies but have their payroll cost recharged to the company in full, as DS Smith manages the payroll process which covers a number of payroll across Europe.

9. Interest receivable

	2023 €000	2022 €000
Interest receivable from group companies	**62**	-
Other interest receivable	**11**	-
	73	-

10. Interest payable and similar expenses

	2023 €000	2022 €000
Bank interest payable	**43**	72
Loans from Group undertakings	**103**	5
Interest on lease liabilities	**3**	8
	149	85

11. Taxation

	2023 €000	2022 €000
Corporation tax		
Current tax on profits for the year	**(1,455)**	-
Adjustments in respect of previous periods	**(704)**	9
	(2,159)	9
Total current tax	**(2,159)**	9
Deferred tax		
Total deferred tax	**-**	-
Taxation on loss	**(2,159)**	9

Factors affecting tax charge for the year

The difference between the actual tax charge and the standard rate of corporation tax in the UK of19.5% (2022 - 19%) is as follows:

	2023 €000	2022 €000
Loss before tax	**(7,680)**	(3,980)
Profit multiplied by standard rate of corporation tax in the UK of 19.5% (2022 - 19%)	**(1,498)**	(756)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**43**	44
Adjustments to tax charge in respect of prior periods	**(704)**	9
Group relief	**-**	712
Total tax credit for the year	**(2,159)**	9

11. Taxation (continued)

Factors that may affect future tax charges

In future years, the tax charge will be affected by subsequently enacted changes in tax rate and the extent to which any capital gains can either be rolled over or sheltered by capital losses within the Group.

The Finance Act 2021 included a 6% increase in the main UK corporation tax rate to 25% from 1 April 2023, which was substantially enacted on 10 June 2021.

12. Intangible assets

	Computer software €000
Cost	
At 1 May 2022	**1,125**
Additions - external	**447**
At 30 April 2023	**1,572**
Amortisation	
At 1 May 2022	**224**
Charge for the year	**122**
At 30 April 2023	**346**
Net book value	
At 30 April 2023	**1,226**
At 30 April 2022	901

13. Tangible fixed assets

	Long-term leasehold property €000	Office equipment €000	Total €000
Cost			
At 1 May 2022	**449**	**310**	**759**
Additions	**-**	**96**	**96**
Revaluations	**(21)**	**-**	**(21)**
At 30 April 2023	**428**	**406**	**834**
Depreciation			
At 1 May 2022	**317**	**159**	**476**
Charge for the year	**-**	**95**	**95**
Charge for the year on right-of-use assets	**107**	**-**	**107**
Revaluations	**(15)**	**-**	**(15)**
At 30 April 2023	**409**	**254**	**663**
Net book value			
At 30 April 2023	**19**	**152**	**171**
At 30 April 2022	132	151	283

14. Investment in subsidiaries

	Shares in subsidiary undertakings €000
Cost and Net book value	
At 1 May 2022 and 30 April 2023	1

The Company's interest in subsidiary undertakings are:

Name	Registered office	Class of shares	Holding
Total Marketing Support Global Limited	Level 3, 1 Paddington Square, London, W2 1DL, United Kingdom	'A' Ordinary 'B' Ordinary	100%
Total Marketing Support Bolivia S.A.	Santa Cruz De La Sierra, Calle Dr. Mariano, Zambrana, No.700, UV: S/N MZNO: S/N ZONA: OESTE, Bolivia	BOB 100 Ordinary	2%
PT Total Marketing Support Indonesia	Tempo Scan Tower Lantai 32, Jalan H.R. Rasuna Said Kav 3-4, Kel. Kuningan Timur, Kec. Setiabudi, Kota Adm. Jakarta Selatan, Prov. DKI Jakarta, Indonesia	IDR 1.00	1%

15. Debtors

	2023 €000	2022 €000
Trade debtors	**19,506**	4,023
Amounts owed by Group undertakings	**1,559**	68
Other debtors	**4,225**	2,222
Prepayments and accrued income	**854**	2,609
	26,144	8,922

No interest was charged on the amounts owed by Group undertakings which are unsecured and repayable on demand. Other debtors includes €2,242,000 (2022: €2,285,000) of VAT receivable balance and €1,097,000 (2022: €nil) of VAT element on intercompany invoices accrued .

16. Cash and cash equivalents

	2023 €000	2022 €000
Cash at bank and in hand	**6,677**	14,090
	6,677	14,090

17. Creditors: Amounts falling due within one year

	2023 €000	2022 €000
Trade creditors	**11,497**	11,557
Amounts owed to Group undertakings	**33,616**	19,048
Lease liabilities	**21**	117
Other creditors	**1,795**	1,966
Accruals and deferred income	**2,116**	792
	49,045	33,480

Amounts owed to Group undertakings includes €17,582,000 (2022: €8,809,000) loan drawing down against a loan facility with DS Smith Plc, on which interest is charged at 2% plus IBOR/SONIA and is repayable on demand. No interest was charged on other amounts to Group undertakings.

Following the discontinuation of LIBOR as an interest rate benchmark, from 01 January 2022 risk free rates will be applied to intercompany loans within the DS Smith Group that are impacted by the reform. To ensure the economics of the transactions are consistent before and after the transition, a credit adjustment spread will be applied to the risk free rates.

18. Creditors: Amounts falling due after more than one year

	2023 €000	2022 €000
Lease liabilities	**-**	22
	-	22

19. Deferred Tax

Deferred tax asset not recognised

	2023 €000	2022 €000
Loss	**49**	49
Decelerated capital allowances	**240**	186
	289	235

20. Share capital

	2023 €000	2022 €000
1 (2022: 1) ordinary share of £1 each	**-**	**-**

21. Related party transactions

The Company has taken the exemption available under FRS 101 from disclosing related party transactions entered into between two or more members of the DS Smith Group, provided that the fellow group entities are wholly owned by the Group. See note 7 for details of Directors' remuneration. There were no other related party transactions.

22. Controlling party

The Company's immediate parent company is DS Smith Holdings Limited, a company incorporated in the United Kingdom.

The ultimate parent company and the ultimate controlling party is DS Smith Plc, a company incorporated in the United Kingdom.

DS Smith Plc represents both the largest and smallest group of undertakings for which Group financial statements are prepared and of which the Company is a member. Copies of the Group financial statements are available from the Company Secretary of DS Smith Plc at Level 3, 1 Paddington Square, London W2 1DL, which is its registered address.