
TOTAL MARKETING SUPPORT GLOBAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

TOTAL MARKETING SUPPORT GLOBAL LIMITED

COMPANY INFORMATION

Directors	Stewart John Clough William Beverley Hicks Jeremy Andrew Aron
Company secretary	Z W Stone
Registered number	09948508
Registered office	350 Euston Road London United Kingdom NW1 3AX
Independent auditors	Deloitte LLP Cardiff United Kingdom
Bankers	Citibank London

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TOTAL MARKETING SUPPORT GLOBAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2021

The Directors present their strategic report for the year ended 30 April 2021.

Principal activities

Total Marketing Support Global Limited ('the Company') is a subsidiary of DS Smith Plc and operates as part of the DS Smith Group ('the Group'). The Company's principal activity is point of sale procurement and related activities and to act as a holding company for investments. The Directors are not aware, at the date of this report, of any likely significant changes in the Company's activities in the forthcoming financial year.

Business review

The loss for the financial year before tax amounted to £1,380,000 (2020: loss before tax of £5,242,000). Dividends of £2,017,000 were received during the year (2020: £nil).

Management uses a range of performance measures to monitor and manage the business. The KPIs measure past performance and provide information to allow the senior leadership team to manage the business into the future. Turnover and Operating Profit indicate the volume of work carried out and its profitability. KPI's for 2021 are shown in the table below, along with prior year comparatives.

	2021 £000	2020 £000	% Change
Turnover	299	1,051	(72)
Operating Loss	(1,051)	(3,067)	66

Given the nature of the Company's activities the Directors are satisfied with the underlying performance of the business during the year.

S172(1) of the Companies Act 2006

The Directors have regard to Section 172(1) of the Companies Act 2006 when performing their duties to promote the success of the Company for the benefit of its shareholder and the Group as a whole. The Board of Directors comprises the Managing Director of Total Marketing Support Global Limited, DS Smith Group Financial Controller and DS Smith Deputy Company Secretary. The Company operates as part of the Group which has as its purpose 'Redefining Packaging for a Changing World' and contributes to the Group's 3 year corporate plan which provides long-term strategic direction for the business. The Directors and management are continuously thinking about the interests of the Company's stakeholders; about the importance of maintaining the Company's reputation for high standards of business conduct; and about the environment.

The Company's key stakeholders have been identified as its employees, its customers, the communities in which the Company operates, non-governmental organisations and its suppliers. Examples of how this has been achieved is provided below:

Customers

The Company supplies external customers. The Company works closely with all customers to continuously add value to their supply chains through product innovation and improvement, reducing waste and while also helping make progress towards a circular economy. During the Covid-19 pandemic, the Company has continued to support its customers.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

Communities and non-governmental organisations

The Directors consult with government and industry organisations as well as non-governmental organisations such as the Ellen MacArthur Foundation on the circular economy and broader sustainability issues. At Kemsley, a wildflower meadow was planted in the year and a number of new initiatives were set up that will improve the environment for plants and animals, protect natural habitats and enhance species diversity benefiting the community as well.

Suppliers

The Company engages with its suppliers, which are largely internal, in connection with the Group's Now and Next sustainability strategy and their progress towards a circular economy. This strategy is supported by appropriate policies, including the Global Supplier Standard which ensures the Company's suppliers and business partners are in alignment with the Company's core values and work to high ethical standards.

Environment

The Company continuously monitors its impact on the environment and takes steps to reduce its impact. In 2020/21 the Group launched its Now and Next sustainability strategy, unveiling its ambitions for the coming decade.

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 and foreign currency risk.

Where applicable, the Company follows the DS Smith Group policy, as outlined below. 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 the DS Smith 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 payable to DS Smith Plc arising from the continued financial support of the operating business. The DS Smith Group Treasury function is responsible for identifying and managing interest rate exposure.

Foreign currency risk

The Company is exposed to foreign currency exchange rate fluctuations between its functional currency of sterling and primarily USD. These exchange rate risks are mitigated by the use of a USD bank account and the operating model of buying and selling in the same currency, although no formal hedging activities are undertaken

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

Principal risks and uncertainties**Covid-19**

The Covid-19 pandemic has resulted in the shutdown of economies across the world, resulting in job losses and business failures and a global recession, including the UK. In response to the pandemic the Group has undertaken measures to reinforce its financial position and ongoing performance through conserving cash and managing costs.

The Company's risk is low, as its principal activities and trading has continued uninterrupted. There is a risk that the Company's related party's business performance may be adversely impacted by the Covid-19 pandemic resulting in an impairment of these investments. However, the Directors consider that this risk is minimal, as the Group has continued to trade through the pandemic and has focused on maintaining an uninterrupted supply to its customers.

Brexit

In line with the guidance issued by the Financial Reporting Council (FRC), the leadership team continues to assess, on an ongoing basis, the consequential risks and uncertainties in the political and economic environment following the UK officially leaving the EU as of 1 January 2021, and the impacts of those risks and uncertainties on the Company.

The leadership team have considered these regular updates and have monitored the impact on the Company since the UK left the EU. Whilst the short and medium-term impact of Brexit remains uncertain, the leadership team continue to believe that the Company is not likely to be materially directly impacted by Brexit and that appropriate plans are in place to manage any trading or other impact. Since the 1 January 2021 the Company has not observed any major changes to trading and supply chain with the company primarily providing goods and services to its customers outside of the EU. The leadership team will continue to assess the wider impact of Brexit on an ongoing basis.

Going concern

At 30 April 2021 the Company had net liabilities of £16,518,000 (2020: net liabilities of £15,730,000). The Company benefits from the ongoing support of its ultimate parent company, DS Smith Plc, who the Directors believe have the ability to provide sufficient support and this has been evidenced through a written undertaking from the parent company to provide financial support if required from a period of at least 12 months from the date of signing of the financial statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

This report was approved by the board on 27 January 2022 and signed on its behalf.

Stewart John Clough
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2021**

The Directors present their report and the financial statements for the year ended 30 April 2021.

Disclosures required by s416(4) which have been elevated to the strategic report:

- Financial risk management objectives and policies.
- Going concern

Results and dividends

The loss for the year, after taxation, amounted to £788,000 (2020 - loss £4,273,000).

Directors

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

Stewart John Clough
William Beverley Hicks
Jeremy Andrew Aron (resigned 29 May 2020)

Directors' and Officers' liability insurance

During the year and up to the date of approval of these financial statements, the ultimate controlling 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.

Political contributions

No political contributions were made during the year (2020: £nil).

Future developments

The Company will strive to remain a low-cost, flexible provider of its core services and maintain its focus on quality and customer service.

Engagement with suppliers, customers and others in a business relationship with the company

The Directors aim to promote the success of the Company, taking into account the long-term consequences of its decisions and looking at those decisions through a variety of lenses. This involves management thinking about the interests of the Company's stakeholders, including our people, our customers, local communities, non governmental organisations and our suppliers; about the importance of maintaining our reputation for high standards of business conduct; and about the environment.

Engagement with customers is the lifeblood of our business, and takes place across all of our teams.

Subsequent Events

There are no subsequent events to disclose.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

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.

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

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be reappointed as Auditor in the absence of an Annual General Meeting.

This report was approved by the board on 27 January 2022 and signed on its behalf.

Stewart John Clough
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 APRIL 2021**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Total Marketing Support Global Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 30 April 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- statement of comprehensive income;
- statement of financial position;
- the statement of changes in equity;
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 United Kingdom, including the Financial Reporting Council'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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED (CONTINUED)

Other information

The Directors' are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED (CONTINUED)

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Manual adjustments to revenue is an area of increased judgement and estimation, giving an opportunity for management bias in the revenue recognised. As part of the procedures to address the risk, we tested the design and implementation of the key controls designed to mitigate the risk. We performed a test of details over the revenue postings to ensure that the revenue was correctly recorded.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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 the Directors' Report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Strategic Report or Directors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTAL MARKETING SUPPORT GLOBAL LIMITED (CONTINUED)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.

David Hedditch FCA (Senior Statutory Auditor)

for and on behalf of

Deloitte LLP

5 Callaghan Square
Cardiff, United Kingdom

27 January 2022

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2021**

	Note	2021 £000	2020 £000
Turnover	4	299	1,051
Cost of sales		(453)	(450)
Gross (loss)/profit		(154)	601
Administrative expenses		(897)	(3,668)
Operating loss	5	(1,051)	(3,067)
Income from fixed assets investments	9	2,017	-
Impairment of investments		(172)	(315)
Interest payable and similar expenses	10	(2,159)	(2,003)
Other finance (expense)/income		(15)	143
Loss before tax		(1,380)	(5,242)
Tax on loss	11	592	969
Loss for financial year and total comprehensive expense		(788)	(4,273)

The results shown above are from continuing operations.

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

The notes on pages 14 to 32 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	12	14	49
Tangible assets	13	37	53
Investments	14	7,503	6,353
		<u>7,554</u>	<u>6,455</u>
Current assets			
Debtors	15	3,679	2,969
Cash at bank and in hand	16	2,997	952
		<u>6,676</u>	<u>3,921</u>
Creditors: amounts falling due within one year	17	(6,360)	(26,106)
Net current assets/(liabilities)		<u>316</u>	<u>(22,185)</u>
Total assets less current liabilities		<u>7,870</u>	<u>(15,730)</u>
Creditors: amounts falling due after more than one year	19	(24,388)	-
		<u>(16,518)</u>	<u>(15,730)</u>
Net liabilities		<u>(16,518)</u>	<u>(15,730)</u>
Capital and reserves			
Profit and loss account		(16,518)	(15,730)
		<u>(16,518)</u>	<u>(15,730)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 January 2022.

Stewart John Clough
 Director

The notes on pages 14 to 32 form part of these financial statements.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021**

	Profit and loss account £000	Total equity £000
At 1 May 2020	(15,730)	(15,730)
Loss for the year	(788)	(788)
At 30 April 2021	<u><u>(16,518)</u></u>	<u><u>(16,518)</u></u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020**

	Profit and loss account £000	Total equity £000
At 1 May 2019	(11,457)	(11,457)
Loss for the year	(4,273)	(4,273)
At 30 April 2020	<u><u>(15,730)</u></u>	<u><u>(15,730)</u></u>

The notes on pages 14 to 32 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

1. General information

The Company is a private company limited by shares and registered in England and Wales under the Company Act 2006. The registered address is 350 Euston Road, London, England NW1 3AX.

The nature of the Company's operations and its principal activities 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 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 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

2.3 Consolidated financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

2. Accounting policies (continued)**2.4 Going concern**

The financial position of the Company is as shown in the statement of financial position. Due to the Company being in a net liability position, a letter of support has been received from the ultimate parent company stating it intends to provide any financial support necessary to meet the Company's financial obligations as they fall due for a period of at least 12 months from the date these financial statements are signed.

The Company's ultimate parent company and controlling party is DS Smith Plc, whose financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group has access to considerable financial resources which would be available to the Company if necessary. As a consequence, the Directors believe the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors have formed a judgement at the time of approving these financial statements, that there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. The directors have considered the impact of the Covid-19 pandemic and believe the risk for the company to be minimal, as outlined in the Strategic Report. Accordingly, they have continued to adopt the going concern basis in preparing these financial statements.

2.5 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

2. Accounting policies (continued)

2.6 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 either the goods are loaded onto the collection vehicle if the buyer is collecting them, or when the goods are unloaded at the delivery address if the Company is responsible for delivery.

2.7 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.

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

2. Accounting policies (continued)**2.9 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
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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.

2.10 Tangible fixed assets

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

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:

Office equipment	-	3 - 5 years
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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.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

2. Accounting policies (continued)

2.14 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.

2.15 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 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 financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price and, where applicable, are subsequently measured at amortised cost. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

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 are required to exercise judgement in applying the exceptional items accounting policy to items of income and expenditure, taking account of their origination, as well as considering similar items in prior years to ensure consistency and appropriate presentation.

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 other than the exceptional costs outlined.

4. Turnover

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

	2021	2020
	£000	£000
Sale of goods	299	1,051
	299	1,051

Analysis of turnover by country of destination:

	2021	2020
	£000	£000
United States of America	299	1,051
	299	1,051

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

5. Operating loss

The operating loss is stated after charging:

	2021	2020
	£000	£000
Depreciation of tangible fixed assets	16	-
Amortisation of intangible assets	5	-
Exchange differences	172	(8)
Defined contribution pension cost	-	116
	<u><u> </u></u>	<u><u> </u></u>

6. Auditors' remuneration

	2021	2020
	£000	£000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	29	23
	<u><u> </u></u>	<u><u> </u></u>

No fees in relation to non-audit services were paid to the Company's Auditor in the current and prior year.

7. Directors' emoluments

The emoluments of the Directors are paid by other companies within the DS Smith 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.

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

8. Employees

Staff costs were as follows:

	2021	2020
	£000	£000
Wages and salaries	-	2,409
Social security costs	-	193
Cost of defined contribution scheme	-	116
	<u>-</u>	<u>2,718</u>
	<u>-</u>	<u>2,718</u>

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

	2021	2020
	No.	No.
Selling and distribution	-	21
Management and administration	-	14
	<u>-</u>	<u>35</u>
	<u>-</u>	<u>35</u>

All staff costs in the 12 month period to April 2021 were paid by Total Marketing Support Limited.

9. Income from investments

	2021	2020
	£000	£000
Dividend received	2,017	-
	<u>2,017</u>	<u>-</u>
	<u>2,017</u>	<u>-</u>

Dividend received from Total Marketing Support Pacific PTY Limited on 23/04/2021 for £1,683k, Total Marketing Support Middle East DMCC for £196k and TMS Canada 360 Inc for £138k.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

10. Interest payable and similar expenses

	2021	2020
	£000	£000
Other loan interest payable	2	-
Loans from group undertakings	2,157	2,003
	<u>2,159</u>	<u>2,003</u>

11. Taxation

	2021	2020
	£000	£000
Corporation tax		
Current tax on profits for the year	(600)	(930)
Adjustments in respect of previous periods	8	(39)
	<u>(592)</u>	<u>(969)</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
	<u>(592)</u>	<u>(969)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

11. Taxation (continued)

Factors affecting tax charge for the year

The difference between the actual tax charge and the standard rate of corporation tax in the UK of 19% (2020 - 19%) is as follows:

	2021	2020
	£000	£000
Loss before tax	(1,380)	(5,242)
Profit multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(262)	(996)
Effects of:		
Expenses not deductible for tax purposes	(338)	66
Adjustments to tax charge in respect of prior periods	8	(39)
Total tax credit for the year	(592)	(969)

Factors that may affect future tax charges

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

The Finance Act 2021 included a 6% increase in the main UK corporation tax rate from 19% to 25% effective 1 April 2023, which was substantially enacted on 10 June 2021. As these changes had not been substantially enacted at the balance sheet date, the deferred tax balances as at 30 April 2021 continue to be measured at a rate of 19% (2020: 19%).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

12. Intangible assets

	Computer software £000
Cost	
At 1 May 2020	49
Additions - external	30
Disposals	(60)
At 30 April 2021	<u>19</u>
Amortisation	
At 1 May 2020	-
Charge for the year on owned assets	5
At 30 April 2021	<u>5</u>
Net book value	
At 30 April 2021	<u>14</u>
At 30 April 2020	<u>49</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

13. Tangible fixed assets

	Office equipment £000
Cost	
At 1 May 2020	157
At 30 April 2021	<u>157</u>
Depreciation	
At 1 May 2020	104
Charge for the year on owned assets	16
At 30 April 2021	<u>120</u>
Net book value	
At 30 April 2021	<u>37</u>
At 30 April 2020	<u>53</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

14. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 May 2020	6,353
Additions	1,322
At 30 April 2021	7,675
Impairment	
Charge for the period	172
At 30 April 2021	172
Net book value	
At 30 April 2021	7,503
At 30 April 2020	6,353

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

14. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
TMS 360 SA (PTY) Ltd	Central Office Park, Unit 4, 257 Jean Avenue, Centurion, Gauteng, 0157 South Africa	ZAR ordinary	100%
Total Marketing Support (360) Malaysia Sdn. Bhd	Unit C-12-4, Level 12, Block C Megan Avenue II No. 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Wilayah, Persekutuan Malaysia	RM 1.00 ordinary	99%
TMS Global UK Limited	350 Euston Road London NW1 3AX United Kingdom	£1 ordinary	100%
Total Marketing Support 360 Mexico S.A de C.V	Av. Paseo de las Palmas No. 800, Int. 2501 Col. Lomas de Chapultepec III Sección, Delegación Miguel Hidalgo Ciudad de México C.P. 11000	MXN 1.00 ordinary	99%
Total Marketing Support Argentina SA	Avenida Eduardo Madero 1020, 5th floor, Office "B" The City of Buenos Aires Argentina	ARS 1.00 ordinary	99.9%
Total Marketing Support Brazil Ltda	Avenida Paulista no. 807, conjunto 810, Bela Vista, Cidade de Sao Paulo, Estado de Sao Paulo, CEP 01311- 100, Brazil	BRL 1.00 ordinary	99%
Total Marketing Support Colombia SAS	Calle 72, 10-07 Oficina 401, Edificio Liberty Seguros, Bogotá, Colombia	COP 1.00 ordinary	100%
Total Marketing Support Japan Ltd	Oak Minami-Azabu Building 2F, 3-19-23 Minami-Azabu, Minato-ku, Tokyo, 106-004. 7, Japan	JPY 1.00 ordinary	100%
Total Marketing Support India Private Limited	G-56 Green Park (Main) New Delhi, 110016. India	INR 10.00 ordinary	99.99%
Total Marketing Support Philippines Inc	24/F Philam Life Tower, 8767 Paseo de Roxas Avenue, Bel- Air, City of Makati, Fourth District, NCR1226. Philippines	PHP 100.00 ordinary	99.99%
Total Marketing Support Ukraine	4-5 Floors, 25B, Sagaydachnogo str. Kiev, 04070. Ukraine	UAH 1.00 ordinary	100%

TOTAL MARKETING SUPPORT GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

14. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Total Marketing Support Moscow LLC	Building 2, Floor 7, Room 21, Skakovaya st. 17, 125040, Moscow, Russian Federation	RUB 1.00 ordinary	100%
Total Marketing Support Turkey Baski Yönetimi Hizmetleri A.S.	Goztepe Merdivenkoy Mah. Bora Sk. No:1; Nida Kule Is Merkezi, Kat:7; Kadikoy, Istanbul, 34732. Turkey	TRY 100 ordinary	100%
Total Marketing Support Kazakhstan	Abay Ave. 52, 8 floor, 802-6 office "Innova Tower" BC050008, Almaty, Kazakhstan	KZT 1.00 ordinary	100%
Total Marketing Support Pacific Pty Ltd	Vistra (Australia) Pty Ltd, Suite 902, Level 9, 146 Arthur Street, North Sydney NSW 2060, Australia	AUD 1	100%
TMS Shanghai Trading Ltd	R919, 9/F No.1788 West Nan Jin Rd, Jing An District, Shanghai, 200040, China	No shares – 100% participation interest (RMB)	100%
TMS Pakistan (Private) Ltd	H. No. 193, SQ Margalla Road, SCHS, E-11/2, Islamabad Capital Territory (I.C.T.) 44000, Pakistan	PKR 10 Ordinary	99.998%
Total Marketing Support Middle East DMCC	Unit No: I5-PF-39, Detached Retail I5, Plot No: JLT-PH1-RET-I5, Jumeirah Lakes Towers, Dubai, United Arab Emirates	AED 1 Ordinary	100%
Total Marketing Support 360 Nigeria Limited	3, Ijora- Causeway Ijora, Lagos, Nigeria	NGN 1 Ordinary	99%
TMS Egypt LLC	Nile City Towers, North Tower, 22nd Floor, Cornish El Nil, Cairo, 11624, Egypt	EGP 10 Ordinary	50%
TMS America LLC	340 W. Butterfield Road, Suite 2A, Elmhurst, Illinois 60126, USA	No shares – 100% participation interest	100%
TMS Canada 360 Inc.	215-1673 Carling Avenue, Ottawa, ON K2A 1C4, Canada	No shares – 100% participation interest	100%
Total Marketing Support Chile SpA	Santa Beatriz 111. Of 1104. Providencia, Santiago de Chile, Chile	No shares – 100% participation interest	100%

TOTAL MARKETING SUPPORT GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

14. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

Name	Registered office	Class of shares	Holding
TotalMarketingSupport Bolivia S.A.	Santa Cruz De La Sierra, - Calle Dr. Mariano Zambrana No. 700, UV: S/N MZNO: S/N ZONA: OESTE, Bolivia	BOB 100.00 ordinary	96%
Total Marketing Support Ecuador TM-EC C.L.	Av. República de El Salvador N36-140Edif. Mansión Blanca, Quito, Ecuador, PBX:4007828	USD 1 Ordinary	99%
Total Marketing Support Nicaragua, SA	Car Building, 3rd Floor, Highway to Masaya, Managua, Nicaragua	NIO 1 Ordinary	99%
TMS Global Guatemala, SA	15 Calle 1-04 Zona 10, Céntrica Plaza, Torre I,Oficina 301, Guatemala, Guatemala, 01010	GTQ 100 Ordinary	99%
Total Marketing Support Honduras S.A	Avenida La Paz, No. 2702, Tegucigalpa, M.D. C.PO Box 2735 Honduras C. A.	HNL 960,400 Ordinary	100%
Kozery S.A.	Plaza Independencia 811 PB, Montevideo, Uruguay	USD 1 Ordinary	100%
PT Total Marketing Support Indonesia	Tempo Scan Tower Lantai 32, Jalan H.R. Rasuna Said Kav 3-4, Kel. Kuningan TimurKec. Setiabudi, Kota Adm. Jakarta SelatanProv. DKI Jakarta, Indonesia	IDR 1 Ordinary	99%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

15. Debtors

	2021	2020
	£000	£000
Due after more than one year		
Amounts owed by group undertakings	99	-
	<u>99</u>	<u>-</u>
Due within one year		
Trade debtors	662	570
Amounts owed by group undertakings	1,730	903
Other debtors	399	30
Prepayments and accrued income	789	1,466
	<u>3,679</u>	<u>2,969</u>
	<u><u>3,679</u></u>	<u><u>2,969</u></u>

Current amounts owed by Group undertakings are repayable on demand and non interest bearing. No interest was charged on amounts owing from Group undertakings.

16. Cash and cash equivalents

	2021	2020
	£000	£000
Cash at bank and in hand	2,997	952
	<u>2,997</u>	<u>952</u>
	<u><u>2,997</u></u>	<u><u>952</u></u>

17. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	319	375
Amounts owed to group undertakings	5,699	25,641
Other creditors	153	33
Accruals and deferred income	189	57
	<u>6,360</u>	<u>26,106</u>
	<u><u>6,360</u></u>	<u><u>26,106</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

18. Deferred Tax

Deferred tax asset not recognised

	2021 £000
Loss	191
Decelerated capital allowances	11
	<u>202</u>

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

	2021 £000	2020 £000
Amounts owed to group undertakings	24,388	-
	<u>24,388</u>	<u>-</u>

Amounts owed to group undertakings include loan drawn down against a loan facility with DS Smith Plc, on which interest is charged based on LIBOR plus a margin of 9%. Amounts owed to Group /undertakings are repayable on 21 March 2026.

20. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
50 (2020 - 50) "A" ordinary shares shares of £1.00 each	-	-
50 (2020 - 50) "B" ordinary shares shares of £1.00 each	-	-
	<u>-</u>	<u>-</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

22. Controlling party

The Company's immediate parent company is Total Marketing Support 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 350 Euston Road, London, NW1 3AX, which is its registered address.