

GOONVEAN LIMITED

ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2013

TOGETHER WITH THE STRATEGIC, DIRECTORS' AND AUDITOR'S REPORTS

The Company's registered number is 00258625



GOONVEAN LIMITED
STRATEGIC REPORT
Registered number: 00258625

The directors present their Strategic Report on the affairs of the Company for the year ended 31 December 2013.

Business review

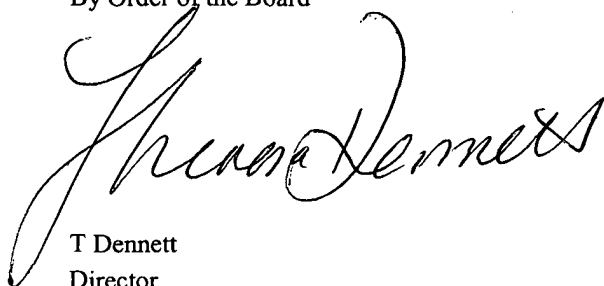
During the year the Company continued to trade in the business of mining and processing kaolin.

The Company is a subsidiary undertaking of Imerys Minerals Limited, incorporated in Great Britain and registered in England and Wales.

During 2013 the business continued its recovery from the recessionary difficulties of recent years. The prior period acquisition by Imerys Minerals Limited was subject to reviews by the Office for Fair Trading and the Competition Commission.

These reviews were finally concluded in December 2013 with only relatively minor remedies. The full integration of the Goonvean business into Imerys Minerals Limited is under way during 2014.

By Order of the Board

A large, stylized handwritten signature in black ink, appearing to read 'T Dennett', is written over the printed name and title.

T Dennett
Director
St. Stephen
St. Austell
Cornwall.
PL26 7QF

13 August 2014

GOONVEAN LIMITED
REPORT OF THE DIRECTORS

The directors present their Annual Report on the affairs of the Company together with the financial statements and auditor's report for the period ended 31 December 2013.

Results and dividends

The loss for the period, after taxation, amounted to £377,000 (2012: loss £461,000). The directors do not recommend the payment of a dividend.

Principal activities and business review

The Company continued to trade in the business of mining and processing kaolin.

Future developments

Following the acquisitions in 2012 of the entire issued share capital of Goonvean Limited by Imerys Minerals Limited, on 1 January 2014 the company transferred its operations to Imerys Minerals Limited.

Principal risks and uncertainties

There are a number of factors which can have an effect on the Company's operations and results. Two principal factors are fluctuations in commodity prices, particularly electricity and gas. Competition is also an ever present threat from local and overseas competitors. Mining operations are vulnerable to a number of factors, particularly health and safety and environmental regulation and sometimes circumstances like natural disasters and unexpected geological variations.

Research and development

The Company did not undertake any research and development during the period (2012: nil).

Directors

The directors who served during the year and subsequently are as shown below:

J Angille (resigned 31 March 2013)
P Bruce (resigned 5 February 2014)
J Beaumont (appointed 25 April 2013, resigned 5 February 2014)
W Debus (resigned 5 February 2014)
J D'Hautefeuille (resigned 18 January 2013)
F Berthier (resigned 5 February 2014)
P Daniellou (appointed 5 February 2014)
T Dennett (appointed 5 February 2014)
A Shopland (appointed 5 February 2014)

Employees

The Company recognises its obligation to comply with health and safety and environmental legislation and encourages employees to be aware of their individual responsibilities in these matters through training and communication.

GOONVEAN LIMITED
REPORT OF THE DIRECTORS (continued)

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquires of fellow directors and the auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

By Order of the Board

A handwritten signature in black ink, appearing to read 'T Dennett', with a stylized flourish at the end.

T Dennett
Director
St. Stephen
St. Austell
Cornwall
PL26 7QF

13 August 2014

GOONVEAN LIMITED

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and 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 Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and 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 statement 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 included 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 GOONVEAN LIMITED

We have audited the financial statements of Goonvean Limited for the period ended 31 December 2013 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its loss for the period 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOONVEAN LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

Ernst & Young LLP

KEN GRIFFIN (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

26 August 2014

GOONVEAN LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2013

		14 months to 31 December 2013	13 months to 31 October 2012
		£'000	£'000
TURNOVER	Note 2		
Continuing operations		20,940	18,778
Discontinued operations		-	3,318
		<hr/> 20,940	<hr/> 22,096
Cost of sales		(17,129)	(17,768)
		<hr/>	<hr/>
GROSS PROFIT		3,811	4,328
Administrative expenses		(4,049)	(4,486)
Exceptional items		(616)	-
Other operating income		2	170
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION			
Continuing operations		(852)	(304)
Discontinued operations		-	316
		<hr/>	<hr/>
	3	(852)	12
Exceptional items	4	-	(731)
Interest receivable	5	452	377
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(400)	(342)
Tax on loss on ordinary activities	6(a)	23	(119)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	17	(377)	(461)

GOONVEAN LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 31 DECEMBER 2013

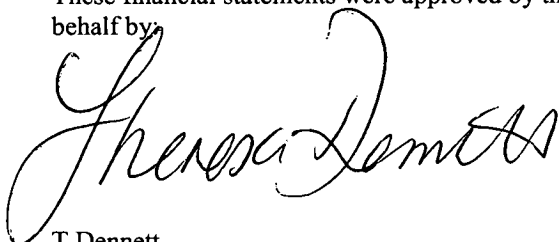
	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
Loss for the period	(377)	(461)
Actuarial loss recognised on defined benefit pension scheme	(1,887)	(2,637)
Movement on deferred tax on actuarial loss relating to defined benefit pension scheme	377	686
TOTAL LOSSES RELATING TO THE PERIOD	<u>(1,887)</u>	<u>(2,412)</u>

GOONVEAN LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2013

Registered number: 00258625

	Note	31 December 2013 £'000	31 October 2012 £'000
FIXED ASSETS			
Tangible assets	8	<u>4,211</u>	<u>5,410</u>
CURRENT ASSETS			
Stocks	9	1,514	2,256
Debtors	10	4,229	3,733
Cash at bank and in hand		<u>555</u>	<u>125</u>
		6,298	6,114
CREDITORS: Amounts falling due within one year	11	(3,895)	(4,039)
NET CURRENT ASSETS		<u>2,403</u>	<u>2,075</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,614	7,485
CREDITORS: Amounts falling due after more than one year	12	(39)	(109)
Provision for liabilities and charges	14	(1,103)	(1,320)
Deferred income		<u>(293)</u>	<u>(316)</u>
NET ASSETS excluding pension liability		5,179	5,740
Net pension liability	19	<u>(3,522)</u>	<u>(2,196)</u>
NET ASSETS		<u>1,657</u>	<u>3,544</u>
CAPITAL AND RESERVES			
Called up share capital	15	115	115
Share premium account	17	977	977
Profit and loss account	17	<u>565</u>	<u>2,452</u>
Equity shareholders' funds	18	<u>1,657</u>	<u>3,544</u>

These financial statements were approved by the Board of Directors on 13 August 2014 and were signed on its behalf by:



T Dennett
Director

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the following applicable accounting policies:

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, as defined in Companies Act 2006 s 464, and under the historical cost accounting rules, modified to include the revaluation of certain freehold property with the exception that Financial Reporting Standard No 20 'Share Based Payments' has not been implemented on the grounds of materiality.

The Company is exempt from the requirement to prepare group accounts under Section 400 of the Companies Act 2006, as it is a wholly owned subsidiary of Imerys Minerals Limited.

These financial statements present information about the Company as an individual and not about its group.

Discontinued operations

On 31 October 2012 Goonvean Limited disposed of its aggregate trade. Given that the aggregates business forms a reportable line of the company's operations these activities have been reported as discontinued in the previous period end accounts.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impaired losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Freehold land is not depreciated.

Depreciation is provided on tangible fixed so as to write off the cost, less any estimated residual value, over their expected useful economic life on a straight line basis as follows:

Freehold buildings	40 years
Plant and machinery	5-20 years
Motor vehicles	4-5 years
Office furniture and equipment	3-5 years

Leased assets

Operating lease rentals are charged to the profit and loss account on an appropriate basis, dependent on the terms of the lease. Assets acquired under finance leases are included in tangible fixed assets. The capital element of future obligations under these agreements is included in creditors and the interest element is charged to the profit and loss account over the life of the agreement.

Grants

Regional development grants are treated as deferred income and are written off over the expected useful life of the relevant assets to match related depreciation.

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

1. ACCOUNTING POLICIES (continued)

Deferred taxation

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

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The Company operates a defined benefit pension scheme, which requires contributions to be made to a separately administered fund. The regular cost of providing retirement benefits to employees during the year is charged to operating profit in the year. The full cost of providing amendments to benefits in respect of past service is also charged to operating profit in the year. The expected return on the assets of the scheme during the year based on the market value of scheme assets at the start of the financial year is included within other finance income in accordance with FRS 17. This also includes a charge representing the expected increase in liabilities of the scheme during the year, arising from liabilities of the scheme being one year closer to payment. Differences between actual and expected returns on assets during the year are recognised in the statement of recognised gains and losses in the year, together with differences from changes in assumptions.

The net deficit on the defined benefit scheme is reported on the balance sheet within net assets. This is net of related deferred tax.

Payments to the defined contribution scheme are recognised as an expense as they fall due.

Environmental compliance provision

Provisions are created in recognition of certain constructive and legal obligations in respect of environmental matters and land restoration. These provisions recognise the potential restoration and environmental costs to be incurred over the following 35 years. The cost of complying with these requirements and obligations will be incurred at the various locations both during and after the end of the site's working life.

The provisions are reviewed annually.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. The foreign currency assets and liabilities of the company are translated into sterling at the rates ruling at the accounting reference date and any adjustment is taken to the profit and loss account.

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are valued at the lower of cost and estimated net realisable value. For finished goods manufactured by the company, cost includes, where appropriate, an element of overhead cost.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch.

Interest income:

Revenue is recognised as interest accrues using the effective interest method.

2. TURNOVER

Turnover represents the amounts derived from the provision of goods and services which fall within the Company's ordinary activities, stated net of value added tax.

Turnover is attributable to the mining and processing of china clay and freight charges.

An analysis of turnover by geographical destination is given below:

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
- United Kingdom	3,392	5,938
- Overseas	17,548	16,158
	<u>20,940</u>	<u>22,096</u>

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

3. OPERATING (LOSS)/PROFIT

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
The operating (loss)/profit is stated after charging/(crediting):		
Auditors' remuneration	32	7
Hire of plant and machinery		
- under operating leases	11	38
Other operating lease rentals	180	150
Depreciation of fixed assets		
- owned	1,465	1,636
- assets on hire purchase and finance lease contracts	39	38
Profit on disposal of plant and machinery	(23)	(13)
Grants released	(124)	(105)
Redundancy costs	616	-

4. EXCEPTIONAL ITEMS

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
Directors compensation for loss of office (including employers NI)	-	731
	-	731

Compensation payments were made to Directors for loss of office in 2012, including employers NI.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
Bank interest	-	46
Other interest receivable – FRS17 (note19)	452	331
	452	377

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

6. TAX ON LOSS ON ORDINARY ACTIVITIES

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
(a) The tax (credit)/charge is made up as follows:		
(i) Current tax:		
Corporation tax charge	69	13
Total current tax charge – Note 6(b)	69	13
(ii) Deferred tax:		
Origination and reversal of timing differences	(247)	(216)
Deferred tax adjustment relating to prior years	2	81
Movement on pension scheme deficit	153	241
Total deferred tax	(92)	106
Total tax (credit)/charge on loss on ordinary activities	(23)	119

(b) Factors affecting the current tax charge for the period:

The tax assessed on the loss on ordinary activities for the period is higher (2012: higher) than the standard rate of corporation tax in the UK of 23.36% (2012:24%). The differences are reconciled below:

	2013 £'000	2012 £'000
Loss on ordinary activities before tax	(400)	(342)
Standard rate of corporation tax of 23.25% (2012: 24%) thereon	(93)	(82)
Effects of:		
Pension adjustments	(79)	(143)
Grants received	(29)	(25)
Depreciation in excess of capital allowances	270	268
Expenses not deductible for tax purposes	-	2
Other adjustments	-	(7)
Total current tax charge – Note 6(a)	69	13

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

(c) The deferred tax included in the balance sheet is as follows:

	31 December 2013 £'000	31 October 2012 £'000
Included in defined benefit pension liability (note 19)	880	656
Included in provisions for liabilities and charges (note 14)	(161)	(406)
	<u>719</u>	<u>250</u>

The deferred tax asset reflected in the accounts is as follows:

	Accelerated Capital Allowances £'000	Pension Costs £'000	Total £'000
At 1 November 2012	(406)	656	250
Credit for the year	245	224	469
At 31 December 2013	<u>(161)</u>	<u>880</u>	<u>719</u>

(d) Factors that may affect future tax charges

Recent Finance Acts and budgets have legislated or proposed that the main rate of corporation tax will reduce to 21% from 1 April 2014 with a further reduction of 1% in April 2015. Deferred tax has been calculated at a rate of 20% accordingly.

7. EMPLOYEES AND DIRECTORS

(a) Employment costs

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
Wages and salaries	4,203	5,215
Social security costs	342	336
Other pension costs	<u>363</u>	<u>393</u>
	<u>4,908</u>	<u>5,944</u>

Included within the above is £616,000 (2012: nil) in relation to redundancy payments.

(b) The average number of persons employed during the period was 123 (2012: 152).

The employee split by category is as follows:

	14 months to 31 December 2013 No.	13 months to 31 October 2012 No.
Administration and support	23	32
Production	<u>100</u>	<u>120</u>
	<u>123</u>	<u>152</u>

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

7. EMPLOYEES AND DIRECTORS (continued)

(c) Directors remuneration

	14 months to 31 December 2013 £'000	13 months to 31 October 2012 £'000
Remuneration	157	457
Company contributions paid to money purchase	-	19
Compensation for loss of office	-	654
	<hr/>	<hr/>

The amounts in respect of the highest paid director are

	14 months to 31 December 2013 £'000	13 months t 31 October 2012 £'000
Remuneration	113	150
Compensation for loss of office	-	298
Company contribution to money purchase scheme	-	19
	<hr/>	<hr/>
	113	467

8. FIXED ASSETS

Tangible fixed assets and depreciation

	Freehold property £'000	Plant and machinery £'000	Total £'000
Cost or Valuation			
At 1 November 2012	2,647	24,163	26,810
Additions	221	121	342
Disposals	-	(238)	(238)
At 31 December 2013	<hr/>	<hr/>	<hr/>
	2,868	24,046	26,914
Depreciation			
At 1 November 2012	1,123	20,277	21,400
Provision for period	66	1,438	1,504
Disposals	-	(201)	(201)
At 31 December 2013	<hr/>	<hr/>	<hr/>
	1,189	21,514	22,703
Net Book Value			
At 31 October 2012	1,524	3,886	5,410
At 31 December 2013	<hr/>	<hr/>	<hr/>
	1,679	2,532	4,211

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

8. FIXED ASSETS (continued)

Included in the amounts for plant and machinery above are the following amounts relating to assets held under finance leases and hire purchase contracts:

	£'000
Cost:	
At 1 November 2012 and 31 December 2013	<u>222</u>
Depreciation:	
At 1 November 2012	5
Depreciation provided during the year	<u>39</u>
At 31 December 2013	<u>44</u>
Net Book Value:	
At 31 December 2013	<u>178</u>
At 31 October 2012	<u>217</u>

9. STOCKS

	31 December 2013 £'000	31 October 2012 £'000
Raw materials and consumables	934	1,146
Clay stock for resale	<u>580</u>	<u>1,110</u>
	<u>1,514</u>	<u>2,256</u>

Included in the stock of finished goods at 31 December 2013 is stock of £192,000 (2012: £234,000) on consignment at customers' premises. These stocks are held under specific agreements under which the consumption in the month is invoiced.

10. DEBTORS

	31 December 2013 £'000	31 October 2012 £'000
Trade debtors	3,994	3,228
Other debtors	5	279
Prepayments and accrued income	99	107
Taxation	<u>131</u>	<u>119</u>
	<u>4,229</u>	<u>3,733</u>

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

11. CREDITORS: Amounts falling due within one year.

	31 December 2013 £'000	31 October 2012 £'000
Trade creditors	1,085	1,698
Amounts owed to group undertakings	1,074	-
Other creditors	14	1,499
Other taxation and social security	91	82
Accruals	1,572	701
Obligations under finance lease and hire contracts (note 13)	59	59
	<u>3,895</u>	<u>4,039</u>

12. CREDITORS: Amounts falling due after more than one year.

	31 December £'000	31 October 2012 £'000
Obligations under finance lease and hire purchase contracts (note 13)	<u>39</u>	<u>109</u>
	<u>39</u>	<u>109</u>

13. FINANCE LEASE OBLIGATIONS

	31 December 2013 £'000	31 October 2012 £'000
Amounts payable:		
Within one year	59	59
In one to five years	39	30
In more than five years	<u>-</u>	<u>79</u>
At period end	<u>98</u>	<u>168</u>

14. PROVISION FOR LIABILITIES AND CHARGES

	Deferred tax £'000	Environmental £'000	Total £'000
At 1 November 2012	406	914	1,320
Charge/(credit) for period	<u>(245)</u>	<u>28</u>	<u>(217)</u>
At 31 December 2013	<u>161</u>	<u>942</u>	<u>1,103</u>

The environmental provision represents the value of restoration work on mining sites expected to be carried out in the next 35 years using management's best estimates of the costs for landscaping coupled with demolition work and plant disposal.

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(Continued)

15. SHARE CAPITAL

	31 December 2013 £'000	31 October 2012 £'000
Allotted, called up and fully paid shares: 1,153 ordinary shares of £100 each	<u>115</u>	<u>115</u>

16. DIVIDENDS

	31 December 2013 £'000	31 October 2012 £'000
Current period interim dividend paid	-	6,500
Prior period final dividend	-	49
Dividend in specie – tangible assets	-	1,183
Dividend in specie – investment in SSL Ltd	<u>-</u>	<u>414</u>
	<u>-</u>	<u>8,146</u>

17. RESERVES

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 1 November 2012	977	2,452	3,429
Loss for period	-	(377)	(377)
Actuarial loss on pension scheme	-	(1,887)	(1,887)
Deferred tax relating to actuarial gain/ loss on pension schemes	-	377	377
At 31 December 2013	<u>977</u>	<u>565</u>	<u>1,542</u>

18. EQUITY SHAREHOLDERS' FUNDS

	£'000	£'000
At 1 November 2012	3,544	14,102
Loss after tax for the period	(377)	(461)
Actuarial loss in the period	(1,510)	(1,951)
Dividends	-	(8,146)
At 31 December 2013	<u>1,657</u>	<u>3,544</u>

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(Continued)

19. PENSIONS

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounts to £20,623 (2012: £70,213).

Defined benefit pension scheme (Goonvean Retirement Benefits Scheme)

The company operates a wholly funded defined benefit scheme in the UK.. A full actuarial valuation was undertaken on 1 October 2010 by a qualified actuary employed by Scottish Widows. The valuation was updated by Mercers, an external party to the company as at 31 December 2013 for FRS17 purposes.

Employer contributions made in respect of the accounting period were £227,000 (2012: £676,000).

Effective 1 January 2014 following the transfer of the business of Goonvean Limited to Imerys Minerals Limited the assets and liabilities of the Scheme were transferred to the Imerys UK Pension Fund.

The expected rate of return is based on the current level of expected return on risk free investments, the historic level of risk premium associated with other asset classes in which the portfolio is invested and the expectation of future returns of each asset class. An allowance for administrative expenses (0.22% p.a.) is deducted from the return for each asset class. The expected return on each asset class is then weighted based on target asset allocation and cross correlation of each asset class to develop the assumption for the portfolio.

	% per annum	
	2013	2012
Rate of increase in salaries	2.90	2.50
Rate of increase in pensions in payment	2.45	2.00
Rate of increase in pensions in deferment	2.45	2.00
Discount rate	4.50	4.40
Inflation assumption	3.30	2.70
Post retirement mortality:		
Current pensioners at retirement age – male	20.60	19.90
Current pensioners at retirement age – female	24.10	22.50
Future pensioners at retirement age – male	22.90	21.80
Future pensioners at retirement age – female	26.30	24.30

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

19. PENSIONS (continued)

	14 months to 31 December 2013	13 months to 31 October 2012
	£'000	£'000
Change in benefit obligation		
Benefit obligation at beginning of the year	24,832	21,182
Service cost	342	305
Interest cost	1,251	1,263
Plan members' contributions	95	105
Actuarial loss	2,030	2,690
Benefits paid	(1,349)	(713)
Benefit obligation at end of year	27,201	24,832
Change in plan assets		
Fair value of plan at beginning of the year	21,980	20,370
Expected return on plan assets	1,703	1,594
Actuarial gain	144	54
Employer contributions	227	570
Member contributions	95	105
Benefits paid from plan	(1,349)	(713)
Fair value of plan assets at end of year	22,799	21,980
Amounts recognised in balance sheet		
Present value of funded obligations	(27,201)	(24,832)
Fair value of plan assets	22,799	21,980
Net deficit	(4,402)	(2,852)

The actuarial valuation at 31 December 2013 showed an increase from a deficit of £2,852,000 to a deficit of £4,402,000. Contributions by the Company were £227,000 which includes 10.2% of pensionable earnings.

	Financial period ending in				
	2013	2012	2011	2010	2009
	£'000	£'000	£'000	£'000	£'000
Fair value of scheme assets	22,799	21,980	20,370	20,356	18,108
Present value of defined benefit obligation	(27,201)	(24,832)	(21,182)	(23,749)	(21,268)
(Deficit)/surplus in the scheme	(4,402)	(2,852)	(812)	(3,393)	(3,160)
Experience adjustment arising on scheme assets	144	54	(1,642)	1,074	374
Experience adjustment arising on plan liabilities	-	-	290	(176)	(176)

GOONVEAN LIMITED
NOTES TO THE ACCOUNTS
(continued)

20. FINANCIAL COMMITMENTS

Operating Leases

	31 December 2013		31 October 2012	
	Property	Plant and	Property	Plant and
	£'000	Machinery	£'000	Machinery
		£'000		£'000
Annual commitments in respect of operating lease rentals expiring:				
Within one year	-	-	-	-
Between two and five years	20	11	-	38
After five years	96	-	150	-
	116	11	150	38

21. ULTIMATE HOLDING COMPANY

The Company is a subsidiary undertaking of Imerys Minerals Limited, incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by Imerys SA, which is incorporated in France, which, in the directors' opinion, is the Company's ultimate parent undertaking and controlling party. The consolidated accounts of this group are available to the public and may be obtained from:

The Secretary
Imerys SA
154-156 rue de l'Universite
75007 Paris
France

22. EXEMPTIONS FROM DISCLOSURE

The Company is exempt from the requirement of Financial Reporting Standard No 1 (revised) to prepare a cash flow statement as 90% or more of the voting rights of the Company's shares are controlled by Imerys SA. The consolidated financial statements of Imerys SA, which include the Company, are publicly available.

The Company, 100% of the voting rights of its shares being controlled by Imerys SA, is exempt from the requirement of Financial Reporting Standard No 8 to disclose transactions with entities that are wholly owned by the group or investees of the group qualifying as related parties.

23. POST BALANCE SHEET EVENTS

On 1 January 2014 the entire trade and assets of the Company were transferred to Imerys Minerals Limited, the Company's immediate parent undertaking.