

SCHULKE & MAYR UK LIMITED
STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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SCHULKE & MAYR UK LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS:

H Nehlsen
R T Blackwood

REGISTERED OFFICE:

Cygnat House
1 Jenkin Road
Meadowhall
Sheffield
South Yorkshire
S9 1AT

REGISTERED NUMBER:

02987168 (England and Wales)

AUDITORS:

Smith Craven
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their strategic report for the year ended 31 December 2021.

The results for the year and financial position of the company are as shown in the annexed financial statements.

The year ended 31 December 2021 proved to be a reasonable year for the company despite the continued impact of the global pandemic.

The company reported a pre-tax profit of £9,655,881 due to the sale of its Personal Care strategic business field at the end of April 2021.

PERFORMANCE SUMMARY

The Covid-19 pandemic has significantly affected the healthcare industry with all elective surgeries either being cancelled or heavily reduced. 2020 witnessed an artificial increase in sales performance as demand for hand hygiene products soared which was offset in by 2021 by a sharp reduction in this demand, compounded with the aforementioned declined in elective surgeries.

Despite these challenges, the Company is confident that 2022 will see a significant return to pre-tax profits due to a lower operating cost base and increases sales revenues.

PRINCIPAL RISKS

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks affecting the company are considered to relate to competition, the effect of legislation, and other regulations, government policy and localised NHS procurement. The business seeks to mitigate exposure to all forms of risk where applicable. This is done by forming close relationships with customer, identifying their needs and providing cost effectiveness and high quality products.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

FINANCIAL KEY PERFORMANCE INDICATORS

The management of the business monitors the activities and performance of the Company on a regular basis. Sales and key margins are monitored on an ongoing basis against budget and prior year. The management uses both financial and non-financial indicators to assess performance and the indicators below used to the year ending 31 December 2021 will continue to apply to the year ending 31 December 2022:

Key Area	Activity	KPI Indicator	Comments
Sales Activity	Monitoring sales against budget and prior years by customer and by product	Net sales turnover	Turnover decreased by 25% on continuing activity vs 2020, however, is in line with Company's expectations given the artificial sales uplift of 2020 vs 2019
Gross Margin	Analysis of Gross Profit against budget and prior years	Gross Profit as % of Net Sales	Gross margin improved to 33% in 2021 from 25% in 2020
Working Capital Management	Collection of Debtors	Debtor Days	Closing 2021 debtor days were 28 compared to 46 at end of 2020

ON BEHALF OF THE BOARD:

R T Blackwood - Director

28 June 2022

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a chemical and pharmaceutical company supplying services and products that help to protect people and materials against infections and contamination.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021.

DIRECTOR

S Naylor held office from 1 January 2021 until after 31 December 2021 but prior to the date of this report.

H Nehlsen and R T Blackwood were appointed as directors after 31 December 2021 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Smith Craven, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R T Blackwood - Director

28 June 2022

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)**

Opinion

We have audited the financial statements of Schulke & Mayr UK Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit 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 Auditors' 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)**

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 the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to the preparation of statutory accounts and corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation on the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and, where relevant, testing journal entries posted by senior management or with unusual combinations;
- Assessing and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Incorporating elements of unpredictability into the nature, timing and/or extent of audit procedures performed.
- Review of board meeting minutes and meetings of those charged with governance.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 misrepresentation, or through collusion.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)**

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 a Report of the Auditors 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.

Kelvin Fitton BA FCA (Senior Statutory Auditor)
for and on behalf of Smith Craven
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

31 August 2022

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

		2021 Continuing £	2021 Discontinued £	2021 Total £
	Notes			
TURNOVER	3	6,524,784	3,054,018	9,578,802
Cost of sales		(4,846,349)	(1,544,718)	(6,391,067)
GROSS PROFIT		1,678,435	1,509,300	3,187,735
Administrative expenses		(1,718,725)	(159,175)	(1,877,900)
		(40,290)	1,350,125	1,309,835
Other operating income		32,677	-	32,677
OPERATING (LOSS)/PROFIT	5	(7,613)	1,350,125	1,342,512
Profit/loss on sale of business segment	6	-	8,348,819	8,348,819
Cost of fundamental reorg	6	-	(232,194)	(232,194)
		(7,613)	9,466,750	9,459,137
Interest receivable and similar income	7	196,744	-	196,744
Amounts written off investments		-	-	-
PROFIT BEFORE TAXATION		189,131	9,466,750	9,655,881
Tax on profit	8	9,081	(1,762,592)	(1,753,511)
PROFIT FOR THE FINANCIAL YEAR		198,212	7,704,158	7,902,370

The notes form part of these financial statements

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

		2020	2020	2020
	Notes	Continuing	Discontinued	Total
		£	£	£
TURNOVER	3	8,150,343	4,213,939	12,364,282
Cost of sales		(5,746,018)	(3,556,163)	(9,302,181)
GROSS PROFIT		2,404,325	657,776	3,062,101
Administrative expenses		(2,448,374)	(400,168)	(2,848,542)
OPERATING (LOSS)/PROFIT	5	(44,049)	257,608	213,559
Interest receivable and similar income	7	17,716	9,008	26,724
Amounts written off investments		-	-	-
(LOSS)/PROFIT BEFORE TAXATION		(26,333)	266,616	240,283
Tax on (loss)/profit	8	(2,296)	(45,761)	(48,057)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(28,629)	220,855	192,226

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		7,902,370	192,226
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>7,902,370</u>	<u>192,226</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

		2021	2020
	Notes	£	£
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	<u>8,034</u>	<u>14,097</u>
		8,034	14,097
CURRENT ASSETS			
Stocks	12	1,097,972	1,549,209
Debtors	13	11,339,661	3,093,368
Cash at bank and in hand		<u>1,453,153</u>	<u>942,074</u>
		13,890,786	5,584,651
CREDITORS			
Amounts falling due within one year	14	<u>1,766,638</u>	<u>1,368,936</u>
NET CURRENT ASSETS		12,124,148	4,215,715
TOTAL ASSETS LESS CURRENT LIABILITIES		12,132,182	4,229,812
PROVISIONS FOR LIABILITIES	16	<u>3,453</u>	<u>3,453</u>
NET ASSETS		12,128,729	4,226,359
CAPITAL AND RESERVES			
Called up share capital	17	100,000	100,000
Retained earnings	18	<u>12,028,729</u>	<u>4,126,359</u>
SHAREHOLDERS' FUNDS		12,128,729	4,226,359

The financial statements were approved by the Board of Directors and authorised for issue on 28 June 2022 and were signed on its behalf by:

R T Blackwood - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	100,000	4,934,133	5,034,133
Changes in equity			
Dividends	-	(1,000,000)	(1,000,000)
Total comprehensive income	-	192,226	192,226
Balance at 31 December 2020	100,000	4,126,359	4,226,359
Changes in equity			
Total comprehensive income	-	7,902,370	7,902,370
Balance at 31 December 2021	100,000	12,028,729	12,128,729

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	1,049,266	1,590,136
Tax paid		<u>(730,000)</u>	<u>(155,000)</u>
Net cash from operating activities		<u>319,266</u>	<u>1,435,136</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,422)	(4,556)
Sale of tangible fixed assets		6,491	-
Interest received		<u>196,744</u>	<u>26,724</u>
Net cash from investing activities		<u>191,813</u>	<u>22,168</u>
Cash flows from financing activities			
Equity dividends paid		<u>-</u>	<u>(1,000,000)</u>
Net cash from financing activities		<u>-</u>	<u>(1,000,000)</u>
Increase in cash and cash equivalents		<u>511,079</u>	<u>457,304</u>
Cash and cash equivalents at beginning of year	2	942,074	484,770
Cash and cash equivalents at end of year	2	<u>1,453,153</u>	<u>942,074</u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020
	£	£
Profit before taxation	9,655,881	240,283
Depreciation charges	10,993	13,552
Finance income	<u>(196,744)</u>	<u>(26,724)</u>
	9,470,130	227,111
Decrease in stocks	451,237	528,326
(Increase)/decrease in trade and other debtors	(8,253,653)	1,101,740
Decrease in trade and other creditors	<u>(618,448)</u>	<u>(267,041)</u>
Cash generated from operations	<u>1,049,266</u>	<u>1,590,136</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>1,453,153</u>	<u>942,074</u>

Year ended 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	<u>942,074</u>	<u>484,770</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>942,074</u>	<u>511,079</u>	<u>1,453,153</u>
	<u>942,074</u>	<u>511,079</u>	<u>1,453,153</u>
Total	<u>942,074</u>	<u>511,079</u>	<u>1,453,153</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. **STATUTORY INFORMATION**

Schulke & Mayr UK Limited is a limited liability company incorporated in England and Wales. The Registered Office is Cygnet House, 1 Jenkin Road, Meadowhall, Sheffield, South Yorkshire, S9 1AT. The company is limited by shares.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

At the balance sheet date of 31 December 2021, the company made a profit for the year of £9.66m and had net assets at that date of £12.13m. The company's turnover has reduced from the prior year as the company sold its Personal Care division during the year. The company's continuing operations in 2021 made a loss of £73,787 compared with £26,333 in 2020. The company's activity in the pharmaceuticals industry mean it was well placed to take advantage of the coronavirus pandemic and the measures implemented in the UK and overseas to contain it, for example through Government advice to sanitise regularly leading to an increase in demand for antibacterial products.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business, has been fully amortised having exceeded its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to short leasehold property	- 25% on cost
IT and Fixings	- 25% on cost and Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued**Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, 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 taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2021 £	2020 £
United Kingdom	9,508,235	11,822,180
Europe	70,567	542,102
	<u>9,578,802</u>	<u>12,364,282</u>

4. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	930,822	1,382,933
Social security costs	118,625	175,313
Other pension costs	94,815	129,665
	<u>1,144,262</u>	<u>1,687,911</u>

The average number of employees during the year was as follows:

	2021	2020
Selling and administration	<u>24</u>	<u>33</u>
	2021 £	2020 £
Director's remuneration	112,906	129,946
Director's pension contributions to money purchase schemes	<u>11,232</u>	<u>11,124</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2021	2020
Money purchase schemes	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. OPERATING PROFIT

The operating profit is stated after charging:

	2021	2020
	£	£
Other operating leases	73,879	102,563
Depreciation - owned assets	10,994	13,552
Auditors' remuneration	10,500	9,900
Auditors' remuneration for non audit work	<u>20,486</u>	<u>46,430</u>

6. EXCEPTIONAL ITEMS

	2021	2020
	£	£
Profit/loss on sale of business segment	8,348,819	-
Cost of fundamental reorg	<u>(232,194)</u>	<u>-</u>
	<u>8,116,625</u>	<u>-</u>

The exceptional items relates to £8,117,430 of profit on disposal of goodwill and £231,389 of profit on disposal of fixed assets following the sale of the company's Personal Care business during the year. Proceeds of £1,551,891 relating to the sale of Personal Care stock are recognised in sales. The total proceeds from sale amount to £9,907,202.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Deposit account interest	(149)	20,970
Group undertakings loan interest	<u>196,893</u>	<u>5,754</u>
	<u>196,744</u>	<u>26,724</u>

8. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	<u>1,753,511</u>	<u>48,057</u>
Tax on profit	<u>1,753,511</u>	<u>48,057</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

8. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Profit before tax	<u>9,655,881</u>	<u>240,283</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,834,617	45,654
Effects of:		
Expenses not deductible for tax purposes	(79,128)	1,056
Adjustments to tax charge in respect of previous periods	(1,978)	1,347
profit and taxable profit on		
Total tax charge	<u>1,753,511</u>	<u>48,057</u>

9. DIVIDENDS

	2021 £	2020 £
Interim	<u>-</u>	<u>1,000,000</u>

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2021	509,542
Disposals	(231,373)
At 31 December 2021	<u>278,169</u>
AMORTISATION	
At 1 January 2021	509,542
Eliminated on disposal	(231,373)
At 31 December 2021	<u>278,169</u>
NET BOOK VALUE	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

11. TANGIBLE FIXED ASSETS

	Improvements to short leasehold property £	IT and Fixings £	Totals £
COST			
At 1 January 2021	163,715	144,638	308,353
Additions	-	11,422	11,422
Disposals	-	(34,912)	(34,912)
At 31 December 2021	<u>163,715</u>	<u>121,148</u>	<u>284,863</u>
DEPRECIATION			
At 1 January 2021	163,715	130,541	294,256
Charge for year	-	10,994	10,994
Eliminated on disposal	-	(28,421)	(28,421)
At 31 December 2021	<u>163,715</u>	<u>113,114</u>	<u>276,829</u>
NET BOOK VALUE			
At 31 December 2021	<u>-</u>	<u>8,034</u>	<u>8,034</u>
At 31 December 2020	<u>-</u>	<u>14,097</u>	<u>14,097</u>

12. STOCKS

	2021 £	2020 £
Finished goods	<u>1,097,972</u>	<u>1,549,209</u>

13. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	750,757	1,932,803
Other debtors	1,720	6,400
Tax	-	7,360
Prepayments	<u>60,888</u>	<u>82,559</u>
	<u>813,365</u>	<u>2,029,122</u>
Amounts falling due after more than one year:		
Due from group undertakings	<u>10,526,296</u>	<u>1,064,246</u>
Aggregate amounts	<u>11,339,661</u>	<u>3,093,368</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	72,108	151,232
Tax	1,016,151	-
Social security and other taxes	24,570	36,952
VAT	270,221	302,981
Other creditors	6,597	10,923
Due to group undertakings	144,946	342,431
Accrued expenses	<u>232,045</u>	<u>524,417</u>
	<u>1,766,638</u>	<u>1,368,936</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	118,443	161,102
Between one and five years	366,942	412,157
In more than five years	<u>189,833</u>	<u>274,203</u>
	<u>675,218</u>	<u>847,462</u>

16. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	<u>3,453</u>	<u>3,453</u>

**Deferred
tax**
£
3,453
3,453

Balance at 1 January 2021

Balance at 31 December 2021

17. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	2021	2020
			£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

18. RESERVES

	Retained earnings £
At 1 January 2021	4,126,359
Profit for the year	<u>7,902,370</u>
At 31 December 2021	<u><u>12,028,729</u></u>

19. ULTIMATE PARENT COMPANY

The directors consider that the ultimate parent company of this company is EQT VIII Fund, which is registered in Luxembourg.

20. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Its immediate parent company is Schulke & Mayr GmbH, a company registered in Germany, which itself is owned by Schulke Topco GmbH.

The consolidated accounts of Schulke Topco GmbH, which includes the results of the company, can be obtained from Robert-Koch-Straße 2, 22851 Norderstedt, Germany.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.