

SCHULKE & MAYR UK LIMITED
STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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SCHULKE & MAYR UK LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

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:

Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their strategic report for the year ended 31 December 2022.

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

The company reported a pre-tax profit of £916,637, mainly attributed to the change in market conditions post Covid-19 restrictions lifting.

PERFORMANCE SUMMARY

The healthcare industry opened up following the UK Government's removal of all Covid-19 pandemic restrictions in January 2022 with elective surgeries recommencing close to pre-pandemic levels. This heavily contrasts with the prior year's performance. Significantly, the switch in focus to pure healthcare infection prevention and reduction products following the sale of the Personal care business in 2021 has allowed for a greater concentration on this market segment.

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 customers, identifying their needs and providing cost effectiveness and high quality products.

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 2022 will continue to apply to the year ending 31 December 2023:

Key Area	Activity	KPI Indicator	Comments
Sales Activity	Monitoring sales against budget and prior years by customer and by product	Net sales turnover	Turnover increased by 11% on continuing activity vs 2021
Gross Margin	Analysis of Gross Profit against budget and prior years	Gross Profit as % of Net Sales	Gross margin on continuing activity improved to 30% in 2022 from 26% in 2021
Working Capital Management	Collection of Debtors	Debtor Days	Closing 2022 debtor days for continuing activity were 48 compared to 42 at end of 2021. No doubtful debts were provisioned for.

ON BEHALF OF THE BOARD:

R T Blackwood - Director

24 April 2023

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

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

The total distribution of dividends for the year ended 31 December 2022 will be £ 1,000,000 .

DIRECTORS

The directors who have held office during the period from 1 January 2022 to the date of this report are as follows:

S Naylor - resigned 7 May 2022

H Nehlsen - appointed 28 January 2022

R T Blackwood - appointed 4 April 2022

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.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R T Blackwood - Director

24 April 2023

**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 2022 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 2022 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 three, 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.

Andrew Cribb BFP FCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

25 April 2023

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2022	2022
	Notes	Continuing £	Discontinued £	Total £
TURNOVER	3	7,353,283	-	7,353,283
Cost of sales		<u>(5,155,918)</u>	<u>-</u>	<u>(5,155,918)</u>
GROSS PROFIT		2,197,365	-	2,197,365
Administrative expenses		<u>(1,557,808)</u>	<u>-</u>	<u>(1,557,808)</u>
		639,557	-	639,557
Other operating income		42,471	-	42,471
		<u> </u>	<u> </u>	<u> </u>
OPERATING PROFIT	5	682,028	-	682,028
Cost of fundamental reorganisation	6	<u>(329,613)</u>	<u>-</u>	<u>(329,613)</u>
		352,415	-	352,415
Interest receivable and similar income	7	564,222	-	564,222
Gain/loss on revaluation of assets		-	-	-
PROFIT BEFORE TAXATION		<u>916,637</u>	<u>-</u>	<u>916,637</u>
Tax on profit	8	<u>(152,330)</u>	<u>-</u>	<u>(152,330)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>764,307</u></u>	<u><u>-</u></u>	<u><u>764,307</u></u>

The notes form part of these financial statements

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
PROFIT FOR THE YEAR		764,307	7,902,370
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>764,307</u>	<u>7,902,370</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	10	-	-	-	-
Tangible assets	11	<u>4,253</u>	<u>4,253</u>	<u>8,034</u>	<u>8,034</u>
CURRENT ASSETS					
Stocks	12	766,607	1,097,972		
Debtors	13	11,853,527	11,339,661		
Cash at bank and in hand		<u>563,857</u>	<u>1,453,153</u>		
		13,183,991	13,890,786		
CREDITORS					
Amounts falling due within one year	14	<u>1,291,755</u>	<u>1,766,638</u>		
NET CURRENT ASSETS		<u>11,892,236</u>		<u>12,124,148</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES		11,896,489		12,132,182	
PROVISIONS FOR LIABILITIES	16	<u>3,453</u>		<u>3,453</u>	
NET ASSETS		<u>11,893,036</u>		<u>12,128,729</u>	
CAPITAL AND RESERVES					
Called up share capital	17	100,000		100,000	
Retained earnings	18	<u>11,793,036</u>		<u>12,028,729</u>	
SHAREHOLDERS' FUNDS		<u>11,893,036</u>		<u>12,128,729</u>	

The financial statements were approved by the Board of Directors and authorised for issue on 24 April 2023 and were signed on its behalf by:

R T Blackwood - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	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
Changes in equity			
Dividends	-	(1,000,000)	(1,000,000)
Total comprehensive income	-	764,307	764,307
Balance at 31 December 2022	100,000	11,793,036	11,893,036

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	543,236	1,049,266
Tax paid		<u>(996,754)</u>	<u>(730,000)</u>
Net cash from operating activities		<u>(453,518)</u>	<u>319,266</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(11,422)
Sale of tangible fixed assets		-	6,491
Interest received		<u>564,222</u>	<u>196,744</u>
Net cash from investing activities		<u>564,222</u>	<u>191,813</u>
Cash flows from financing activities			
Equity dividends paid		<u>(1,000,000)</u>	-
Net cash from financing activities		<u>(1,000,000)</u>	-
(Decrease)/increase in cash and cash equivalents		<u>(889,296)</u>	<u>511,079</u>
Cash and cash equivalents at beginning of year	2	1,453,153	942,074
Cash and cash equivalents at end of year	2	<u>563,857</u>	<u>1,453,153</u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	2022	2021
	£	£
Profit before taxation	916,637	9,655,881
Depreciation charges	3,781	10,993
Finance income	<u>(564,222)</u>	<u>(196,744)</u>
	356,196	9,470,130
Decrease in stocks	331,365	451,237
Increase in trade and other debtors	(513,866)	(8,253,653)
Increase/(decrease) in trade and other creditors	<u>369,541</u>	<u>(618,448)</u>
Cash generated from operations	<u>543,236</u>	<u>1,049,266</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 2022

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u>563,857</u>	<u>1,453,153</u>

Year ended 31 December 2021

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

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,453,153</u>	<u>(889,296)</u>	<u>563,857</u>
	<u>1,453,153</u>	<u>(889,296)</u>	<u>563,857</u>
Total	<u>1,453,153</u>	<u>(889,296)</u>	<u>563,857</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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 2022

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:

	2022	2021
	£	£
United Kingdom	7,079,090	9,508,235
Europe	150,518	70,567
Asia	115,095	-
Africa	8,580	-
	<u>7,353,283</u>	<u>9,578,802</u>

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	763,252	930,822
Social security costs	96,019	118,625
Other pension costs	93,561	94,815
	<u>952,832</u>	<u>1,144,262</u>

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

	2022	2021
Selling and administration	<u>16</u>	<u>24</u>

	2022	2021
	£	£
Directors' remuneration	156,162	112,906
Directors' pension contributions to money purchase schemes	<u>8,558</u>	<u>11,232</u>

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

	2022	2021
Money purchase schemes	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Other operating leases	47,131	73,879
Depreciation - owned assets	3,781	10,994
Auditors' remuneration	10,962	10,500
Auditors' remuneration for non audit work	<u>2,375</u>	<u>20,486</u>

6. EXCEPTIONAL ITEMS

	2022	2021
	£	£
Profit/loss on sale of business segment	-	8,348,819
Cost of fundamental reorganisation	<u>(329,613)</u>	<u>(232,194)</u>
	<u><u>(329,613)</u></u>	<u><u>8,116,625</u></u>

The exceptional items relates to fundamental reorganisation including £167,961 settlement costs paid to the Director and £161,652 stock write off relating to surplus stock purchased in response to the Covid-19 Global Pandemic.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£	£
Deposit account interest	-	(149)
Group undertakings loan interest	<u>564,222</u>	<u>196,893</u>
	<u><u>564,222</u></u>	<u><u>196,744</u></u>

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

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

	2022	2021
	£	£
Current tax:		
UK corporation tax	<u>152,330</u>	<u>1,753,511</u>
Tax on profit	<u><u>152,330</u></u>	<u><u>1,753,511</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

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:

	2022 £	2021 £
Profit before tax	<u>916,637</u>	<u>9,655,881</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	174,161	1,834,617
Effects of:		
Expenses not deductible for tax purposes	1,498	(79,128)
Adjustments to tax charge in respect of previous periods	(23,783)	(1,978)
profit and taxable profit on		
Overprovision	<u>454</u>	-
Total tax charge	<u>152,330</u>	<u>1,753,511</u>

9. DIVIDENDS

	2022 £	2021 £
Interim	<u>1,000,000</u>	-

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2022	
and 31 December 2022	<u>278,169</u>
AMORTISATION	
At 1 January 2022	
and 31 December 2022	<u>278,169</u>
NET BOOK VALUE	
At 31 December 2022	-
At 31 December 2021	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. TANGIBLE FIXED ASSETS

	Improvements to short leasehold property £	IT and Fixings £	Totals £
COST			
At 1 January 2022 and 31 December 2022	<u>163,715</u>	<u>121,148</u>	<u>284,863</u>
DEPRECIATION			
At 1 January 2022	163,715	113,114	276,829
Charge for year	<u>-</u>	<u>3,781</u>	<u>3,781</u>
At 31 December 2022	<u>163,715</u>	<u>116,895</u>	<u>280,610</u>
NET BOOK VALUE			
At 31 December 2022	<u>-</u>	<u>4,253</u>	<u>4,253</u>
At 31 December 2021	<u>-</u>	<u>8,034</u>	<u>8,034</u>

12. STOCKS

	2022 £	2021 £
Goods in transit	124,141	-
Finished goods	<u>642,466</u>	<u>1,097,972</u>
	<u>766,607</u>	<u>1,097,972</u>

13. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,172,316	750,757
Other debtors	1,056	1,720
Prepayments	<u>340,829</u>	<u>60,888</u>
	<u>1,514,201</u>	<u>813,365</u>
Amounts falling due after more than one year:		
Due from group undertakings	<u>10,339,326</u>	<u>10,526,296</u>
Aggregate amounts	<u>11,853,527</u>	<u>11,339,661</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	89,441	72,108
Tax	171,727	1,016,151
Social security and other taxes	-	24,570
VAT	375,003	270,221
Other creditors	7,037	6,597
Due to group undertakings	438,336	144,946
Accrued expenses	<u>210,211</u>	<u>232,045</u>
	<u>1,291,755</u>	<u>1,766,638</u>

15. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	106,147	118,443
Between one and five years	345,165	366,942
In more than five years	<u>105,463</u>	<u>189,833</u>
	<u>556,775</u>	<u>675,218</u>

16. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Deferred tax		
Accelerated capital allowances	<u>3,453</u>	<u>3,453</u>
		Deferred tax
		£
Balance at 1 January 2022		<u>3,453</u>
Balance at 31 December 2022		<u>3,453</u>

17. CALLED UP SHARE CAPITAL

Allotted and issued:				
Number:	Class:	Nominal value:	2022	2021
			£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

18. RESERVES

	Retained earnings £
At 1 January 2022	12,028,729
Profit for the year	764,307
Dividends	<u>(1,000,000)</u>
At 31 December 2022	<u>11,793,036</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.