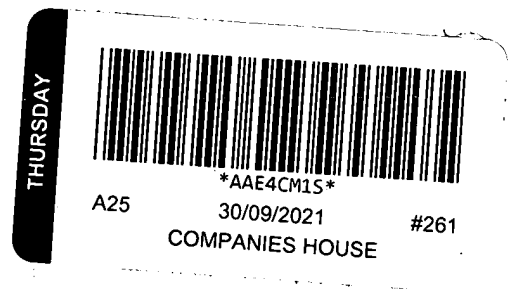


REGISTERED NUMBER: 02987168 (England and Wales)

SCHULKE & MAYR UK LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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SCHULKE & MAYR UK LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTOR: S Naylor

REGISTERED OFFICE: Cygnet House
1 Jenkin Road
Meadowhall
Sheffield
South Yorkshire
S9 1AT

REGISTERED NUMBER: 02987168 (England and Wales)

AUDITORS: Smith Craven
Chartered Accountants
Statutory Auditors
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents her strategic report for the year ended 31 December 2020.

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

The year ended 31 December 2020 proved to be a reasonable year for the company. The company reported a pre-tax profit of £192,255.81.

PERFORMANCE SUMMARY

The company's turnover on continuing activities increased by 5.3% to £12.4m for the year ended 31 December 2020. Market pressure resulted in an increased gross margin from 23.0% in 2019 to 24.8% in 2020. Overheads on continuing activities reduced by 1.8%.

During the year the global COVID 19 pandemic had an overall positive impact on the company. As a company that provides infection control products we are well placed to be able to support the demand to fight the outbreak.

PRINCIPAL RISKS

The director regularly considers the main risks that the company faces and how to mitigate them. The most significant business risks are summarised as follows:

- That the company's strategy and business model does not deliver results.
- There is a further weakening of sterling against foreign currencies, arising from uncertainties relating to post Brexit negotiations.
- That the worldwide economic shock of the Covid-19 pandemic continues or worsens and affects future demand and supply lines.
- That economic conditions in the United Kingdom deteriorate and significantly impact on cash flows.

The company is also dealing with the risks and uncertainties around the impact of the Covid-19 outbreak. We have implemented additional safety measures at our facility to ensure employees are protected. We are also working with our key suppliers to ensure continuity of supply throughout this period

FINANCIAL KEY PERFORMANCE INDICATORS

	2020	2019
Turnover	£12,364,282	£13,727,318
Gross Profit	£3,062,101	£3,157,054
Gross Profit Percentage	24.8%	23.0%
Net Profit Before Tax	£240,283	£1,220,254
Net Current Assets	£4,215,715	£5,014,493
Net Assets	£4,226,359	£5,034,133

EMPLOYEE MATTERS

The company continues to supplement staff competencies in key technical areas through internal skills development and external training courses. The company remains an equal opportunities employer and implements rigorous health and safety management processes and the HR policy of the company falls in line with the Business Strategy.

ENVIRONMENTAL MATTERS

The company is committed to minimising the impact of its activities on the environment and to continually improve its environmental performance.

ONGOING STRATEGY AND FUTURE DEVELOPMENTS

The company's ongoing strategy is to concentrate on developing and growing its core trading business within its strategic pillar, Healthcare. We will focus on reshaping our company for the future as a pure play healthcare company, strengthening the Schülke brand and market position. At the same time the company continues to seek out new markets and opportunities.

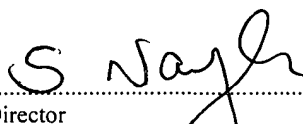
SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

POST BALANCE SHEET EVENT

As shown in the Post Balance Sheet Event note, on 30 April 2021 the company sold its Personal Care Strategic Business field. During the year to 31 December 2020 this division accounted for approximately £4.2m of turnover.

ON BEHALF OF THE BOARD:


.....
Director

Date: 29 September 2021

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents her report with the financial statements of the company for the year ended 31 December 2020.

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 2020 will be £1,000,000.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

S Naylor held office during the whole of the period from 1 January 2020 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is 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 director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She is 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.

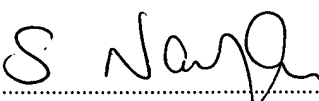
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is 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 she has taken all the steps that she ought to have taken as a director in order to make herself 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:


.....
S Naylor - Director

Date: 28 September 2021

**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 2020 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 2020 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 director's 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, 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 Director 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 Director 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 Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to 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 of 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;
- Review of board meeting minutes and meetings of those charged with governance;- 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.

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
Chartered Accountants
Statutory Auditors
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date: 29 September 2021

SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 Continuing £	2020 Discontinued £	2020 Total £
TURNOVER	3	12,364,282	-	12,364,282
Cost of sales		(9,302,181)	-	(9,302,181)
GROSS PROFIT		3,062,101	-	3,062,101
Administrative expenses		(2,848,542)	-	(2,848,542)
OPERATING PROFIT	5	213,559	-	213,559
Interest receivable and similar income	7	26,724	-	26,724
Amounts written off investments		-	-	-
PROFIT BEFORE TAXATION		240,283	-	240,283
Tax on profit	8	(48,057)	-	(48,057)
PROFIT FOR THE FINANCIAL YEAR		192,226	-	192,226

The notes form part of these financial statements

SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2019 Continuing £	2019 Discontinued £	2019 Total £
TURNOVER	3	11,741,479	1,985,839	13,727,318
Cost of sales		(8,989,072)	(1,581,192)	(10,570,264)
GROSS PROFIT		2,752,407	404,647	3,157,054
Administrative expenses		(2,901,506)	(176,964)	(3,078,470)
OPERATING (LOSS)/PROFIT	5	(149,099)	227,683	78,584
Profit/loss on sale of business segment	6	-	1,077,724	1,077,724
		(149,099)	1,305,407	1,156,308
Interest receivable and similar income	7	63,946	-	63,946
Amounts written off investments		-	-	-
(LOSS)/PROFIT BEFORE TAXATION		(85,153)	1,305,407	1,220,254
Tax on (loss)/profit	8	14,684	(194,730)	(180,046)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(70,469)	1,110,677	1,040,208

The notes form part of these financial statements

SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		192,226	1,040,208
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		192,226	1,040,208

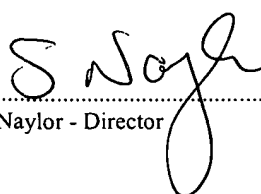
The notes form part of these financial statements

SCHULKE & MAYR UK LIMITED (REGISTERED NUMBER: 02987168)

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

		2020	2019
	Notes	£	£
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	14,097	23,093
		<u>14,097</u>	<u>23,093</u>
CURRENT ASSETS			
Stocks	12	1,549,209	2,077,535
Debtors	13	3,093,368	4,187,748
Cash at bank and in hand		942,074	484,770
		<u>5,584,651</u>	<u>6,750,053</u>
CREDITORS			
Amounts falling due within one year	14	1,368,936	1,735,560
NET CURRENT ASSETS		<u>4,215,715</u>	<u>5,014,493</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,229,812</u>	<u>5,037,586</u>
PROVISIONS FOR LIABILITIES	16	3,453	3,453
NET ASSETS		<u>4,226,359</u>	<u>5,034,133</u>
CAPITAL AND RESERVES			
Called up share capital	17	100,000	100,000
Retained earnings	18	4,126,359	4,934,133
SHAREHOLDERS' FUNDS		<u>4,226,359</u>	<u>5,034,133</u>

The financial statements were approved by the director and authorised for issue on 29 September 2021 and were signed by:


S Naylor - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	100,000	3,893,925	3,993,925
Changes in equity			
Total comprehensive income	-	1,040,208	1,040,208
Balance at 31 December 2019	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

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	1,590,136	(183,085)
Tax paid		(155,000)	(95,576)
Net cash from operating activities		1,435,136	(278,661)
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,556)	(10,081)
Interest received		26,724	63,946
Net cash from investing activities		22,168	53,865
Cash flows from financing activities			
Equity dividends paid		(1,000,000)	-
Net cash from financing activities		(1,000,000)	-
Increase/(decrease) in cash and cash equivalents		457,304	(224,796)
Cash and cash equivalents at beginning of year	2	484,770	709,566
Cash and cash equivalents at end of year	2	942,074	484,770

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020	2019
	£	£
Profit before taxation	240,283	1,220,254
Depreciation charges	13,552	17,751
Finance income	(26,724)	(63,946)
	<u>227,111</u>	<u>1,174,059</u>
Decrease/(increase) in stocks	528,326	(340,340)
Decrease in trade and other debtors	1,101,740	1,047,674
Decrease in trade and other creditors	(267,041)	(2,064,478)
	<u>1,590,136</u>	<u>(183,085)</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 2020

	31/12/20	1/1/20
	£	£
Cash and cash equivalents	<u>942,074</u>	<u>484,770</u>

Year ended 31 December 2019

	31/12/19	1/1/19
	£	£
Cash and cash equivalents	<u>484,770</u>	<u>709,566</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20	Cash flow	At 31/12/20
	£	£	£
Net cash			
Cash at bank and in hand	484,770	457,304	942,074
	<u>484,770</u>	<u>457,304</u>	<u>942,074</u>
Total	<u>484,770</u>	<u>457,304</u>	<u>942,074</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020, the company made a profit for the year of £192,266 and had net assets at that date of £4.23m. The company's turnover appears reduced from the prior year but has increased when compared to only the turnover generated from continuing operations in 2019. The company's continuing operations in 2019 made a loss of £70,469 compared with the profit in 2020 of £192,266. 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 2020

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:

	2020 £	2019 £
United Kingdom	11,822,180	13,305,570
Europe	542,102	421,748
	<u>12,364,282</u>	<u>13,727,318</u>

4. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	1,382,933	1,449,879
Social security costs	175,313	173,315
Other pension costs	129,665	181,515
	<u>1,687,911</u>	<u>1,804,709</u>

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

	2020	2019
Selling and administration	<u>33</u>	<u>33</u>

	2020 £	2019 £
Directors' remuneration	129,946	258,861
Directors' pension contributions to money purchase schemes	<u>11,124</u>	<u>49,727</u>

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

	2020	2019
Money purchase schemes	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. OPERATING PROFIT

The operating profit is stated after charging:

	2020	2019
	£	£
Other operating leases	102,563	120,197
Depreciation - owned assets	13,552	17,751
Auditors' remuneration	9,900	9,500
Auditors' remuneration for non audit work	46,430	39,935
	<u>172,445</u>	<u>187,383</u>

6. EXCEPTIONAL ITEMS

	2020	2019
	£	£
Profit/loss on sale of business segment	-	1,077,724
	<u>-</u>	<u>1,077,724</u>

An exceptional item in 2019 of £1,077,724 related to the profit on disposal of a proportion of the company's Technical Biocide & Fuel, Oil and Gas business segment in the year.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020	2019
	£	£
Deposit account interest	20,970	6,368
Other interest	-	57,578
Group undertakings loan interest	5,754	-
	<u>26,724</u>	<u>63,946</u>

8. TAXATION

Analysis of the tax charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	48,057	181,503
Deferred tax	-	(1,457)
Tax on profit	<u>48,057</u>	<u>180,046</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

	2020 £	2019 £
Profit before tax	<u>240,283</u>	<u>1,220,254</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	45,654	231,848
Effects of:		
Expenses not deductible for tax purposes	1,056	(3,790)
Adjustments to tax charge in respect of previous periods	1,347	23,782
Difference between accounting profit and taxable profit on disposal of assets	-	(71,794)
Total tax charge	<u>48,057</u>	<u>180,046</u>

9. DIVIDENDS

	2020 £	2019 £
Interim	<u>1,000,000</u>	<u>-</u>

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2020 and 31 December 2020	<u>509,542</u>
AMORTISATION	
At 1 January 2020 and 31 December 2020	<u>509,542</u>
NET BOOK VALUE	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS

	Improvements to short leasehold property £	IT and Fixings £	Totals £
COST			
At 1 January 2020	163,715	140,082	303,797
Additions	-	4,556	4,556
At 31 December 2020	163,715	144,638	308,353
DEPRECIATION			
At 1 January 2020	163,715	116,989	280,704
Charge for year	-	13,552	13,552
At 31 December 2020	163,715	130,541	294,256
NET BOOK VALUE			
At 31 December 2020	-	14,097	14,097
At 31 December 2019	-	23,093	23,093

12. STOCKS

	2020 £	2019 £
Finished goods	1,549,209	2,077,535

13. DEBTORS

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,932,803	2,031,470
Other debtors	6,400	16,492
Due from group undertakings	-	2,078,780
Tax	7,360	-
Prepayments	82,559	61,006
	2,029,122	4,187,748
Amounts falling due after more than one year:		
Due from group undertakings	1,064,246	-
Aggregate amounts	3,093,368	4,187,748

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	151,232	208,444
Tax	-	99,583
Social security and other taxes	36,952	34,136
VAT	302,981	11,583
Other creditors	10,923	24,431
Due to group undertakings	342,431	860,467
Accrued expenses	524,417	496,916
	<u>1,368,936</u>	<u>1,735,560</u>

15. LEASING AGREEMENTS

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

	2020	2019
	£	£
Within one year	161,102	157,585
Between one and five years	412,157	431,991
In more than five years	274,203	365,603
	<u>847,462</u>	<u>955,179</u>

16. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	3,453	3,453
	<u></u>	<u></u>
		Deferred tax
		£
Balance at 1 January 2020		3,453
Balance at 31 December 2020		<u>3,453</u>

17. CALLED UP SHARE CAPITAL

Allotted and issued:		Nominal value:	2020	2019
Number:	Class:		£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

18. RESERVES

	Retained earnings £
At 1 January 2020	4,934,133
Profit for the year	192,226
Dividends	(1,000,000)
At 31 December 2020	<u>4,126,359</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. Its immediate parent company is Schulke & Mayr GmbH, which is registered in Germany.

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.

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

21. POST BALANCE SHEET EVENTS

On 30 April 2021, the company sold its Personal Care Strategic Business Field. During the year to 31 December 2020 this division accounted for approximately £4.2m of turnover.