

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2020



**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

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FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2020**

DIRECTORS: Ms S Mahoney
Ms K Mahoney
Miss M McNamee

SECRETARY: Ms D Robson

REGISTERED OFFICE: Fort Road
Kilroot
Carrickfergus
Co. Antrim
BT38 9BT

REGISTERED NUMBER: NI006389 (Northern Ireland)

AUDITORS: Baker Tilly Mooney Moore
Chartered Certified Accountants
Statutory Auditors
17 Clarendon Road
Clarendon Dock
Belfast
BT1 3BG

BANKERS: Bank of Ireland
4 - 8 High Street
Belfast
Co. Antrim
BT1 2BA

SOLICITORS: Agnew Andress Higgins Solicitors
1st Floor
92 High Street
Belfast
BT1 2BG

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

The directors present their strategic report for the year ended 30 November 2020.

REVIEW OF BUSINESS

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

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic Risk

The business is subject to the normal economic factors impacting on its cost base and manages these on an ongoing basis.

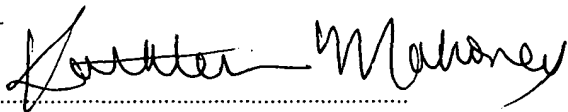
Competition Risk

The directors of the company manage competition risk through close attention to customer service levels.

Financial Risk

The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators to manage credit, liquidity and other financial risk.

ON BEHALF OF THE BOARD:



.....
Ms K Mahoney - Director

Date:

7/20/21

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

The directors present their report with the financial statements of the company for the year ended 30 November 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of mining, processing and distribution of rock salt.

DIVIDENDS

No dividends will be distributed for the year ended 30 November 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2019 to the date of this report.

Ms S Mahoney
Ms K Mahoney
Miss M McNamee

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the company's directors are of the opinion that an analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

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

Each of the Directors confirms that, so far as they are aware, there is no relevant audit information of which the auditors are unaware. Each Director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

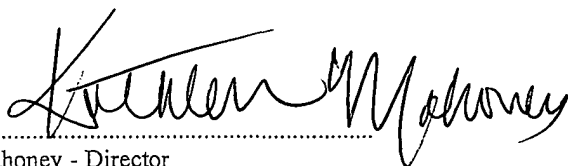
IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2020

AUDITORS

The auditors, Baker Tilly Mooney Moore, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
Ms K Mahoney - Director

Date: 7/20/21

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

Opinion

We have audited the financial statements of Irish Salt Mining And Exploration Company Limited-The (the 'company') for the year ended 30 November 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 30 November 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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
IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

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.

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.

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
IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

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.

Joanne Small

Joanne Small (Senior Statutory Auditor)
for and on behalf of Baker Tilly Mooney Moore
Chartered Certified Accountants
Statutory Auditors
17 Clarendon Road
Clarendon Dock
Belfast
BT1 3BG

Date: *17th August 2021*

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Notes	30.11.20 £	30.11.19 £
TURNOVER		17,893,842	14,985,848
Cost of sales		<u>11,510,880</u>	<u>10,031,830</u>
GROSS PROFIT		6,382,962	4,954,018
Administrative expenses		<u>2,954,544</u>	<u>2,831,046</u>
		3,428,418	2,122,972
Other operating income	3	<u>115,952</u>	<u>8,849</u>
OPERATING PROFIT	5	3,544,370	2,131,821
Interest receivable and similar income		<u>76,829</u>	<u>83,297</u>
		3,621,199	2,215,118
Interest payable and similar expenses	6	<u>13,765</u>	<u>14,764</u>
PROFIT BEFORE TAXATION		3,607,434	2,200,354
Tax on profit	7	<u>1,243,399</u>	<u>349,332</u>
PROFIT FOR THE FINANCIAL YEAR		2,364,035	1,851,022
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>2,364,035</u></u>	<u><u>1,851,022</u></u>

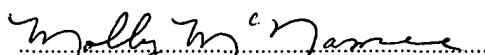
The notes form part of these financial statements

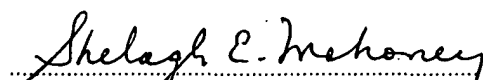
IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE (REGISTERED NUMBER: NI006389)

BALANCE SHEET
30 NOVEMBER 2020

	Notes	30.11.20 £	30.11.19 £
FIXED ASSETS			
Intangible assets	8	143,311	146,377
Tangible assets	9	<u>13,634,524</u>	<u>12,500,536</u>
		13,777,835	12,646,913
CURRENT ASSETS			
Stocks	10	1,926,338	1,924,841
Debtors	11	4,363,136	3,330,204
Cash at bank and in hand		<u>26,791,860</u>	<u>26,013,669</u>
		33,081,334	31,268,714
CREDITORS			
Amounts falling due within one year	12	<u>2,538,957</u>	<u>2,656,237</u>
NET CURRENT ASSETS		<u>30,542,377</u>	<u>28,612,477</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		44,320,212	41,259,390
PROVISIONS FOR LIABILITIES	14	<u>1,870,119</u>	<u>1,173,332</u>
NET ASSETS		<u><u>42,450,093</u></u>	<u><u>40,086,058</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	49,998	49,998
Retained earnings	16	<u>42,400,095</u>	<u>40,036,060</u>
SHAREHOLDERS' FUNDS		<u><u>42,450,093</u></u>	<u><u>40,086,058</u></u>

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 20th JULY 2021 and were signed on its behalf by:


Miss M McNamee - Director


Ms S Mahoney - Director

The notes form part of these financial statements

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

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

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 December 2018	49,998	38,185,038	38,235,036
Changes in equity			
Total comprehensive income	-	1,851,022	1,851,022
Balance at 30 November 2019	<u>49,998</u>	<u>40,036,060</u>	<u>40,086,058</u>
Changes in equity			
Total comprehensive income	-	2,364,035	2,364,035
Balance at 30 November 2020	<u>49,998</u>	<u>42,400,095</u>	<u>42,450,093</u>

The notes form part of these financial statements

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

		30.11.20	30.11.19
		£	£
Cash flows from operating activities	Notes		
Cash generated from operations	1	3,264,982	5,419,548
Interest paid		(13,765)	(14,764)
Tax paid		<u>(274,819)</u>	<u>(1,933,425)</u>
Net cash from operating activities		<u>2,976,398</u>	<u>3,471,359</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(2,283,716)	(2,199,806)
Sale of tangible fixed assets		40,224	170,002
Interest received		<u>76,829</u>	<u>83,297</u>
Net cash from investing activities		<u>(2,166,663)</u>	<u>(1,946,507)</u>
 Increase in cash and cash equivalents		809,735	1,524,852
Cash and cash equivalents at beginning of year	2	25,978,380	24,453,528
 Cash and cash equivalents at end of year	2	<u>26,788,115</u>	<u>25,978,380</u>

The notes form part of these financial statements

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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

	30.11.20	30.11.19
	£	£
Profit before taxation	3,607,434	2,200,354
Depreciation charges	1,136,836	1,053,243
Profit on disposal of fixed assets	(24,266)	(61,729)
Repairs and renewals	-	216,722
Finance costs	13,765	14,764
Finance income	(76,829)	(83,297)
	<u>4,656,940</u>	<u>3,340,057</u>
Increase in stocks	(1,497)	(1,003,226)
(Increase)/decrease in trade and other debtors	(1,032,932)	2,657,486
(Decrease)/increase in trade and other creditors	<u>(357,529)</u>	<u>425,231</u>
Cash generated from operations	<u>3,264,982</u>	<u>5,419,548</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 November 2020

	30.11.20	1.12.19
	£	£
Cash and cash equivalents	26,791,860	26,013,669
Bank overdrafts	<u>(3,745)</u>	<u>(35,289)</u>
	<u>26,788,115</u>	<u>25,978,380</u>

Year ended 30 November 2019

	30.11.19	1.12.18
	£	£
Cash and cash equivalents	26,013,669	24,479,347
Bank overdrafts	<u>(35,289)</u>	<u>(25,819)</u>
	<u>25,978,380</u>	<u>24,453,528</u>

The notes form part of these financial statements

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.12.19 £	Cash flow £	At 30.11.20 £
Net cash			
Cash at bank and in hand	26,013,669	778,191	26,791,860
Bank overdrafts	<u>(35,289)</u>	<u>31,544</u>	<u>(3,745)</u>
	<u>25,978,380</u>	<u>809,735</u>	<u>26,788,115</u>
Total	<u>25,978,380</u>	<u>809,735</u>	<u>26,788,115</u>

The notes form part of these financial statements

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

1. STATUTORY INFORMATION

Irish Salt Mining And Exploration Company Limited-The is a private company, limited by shares, registered in Northern Ireland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

Significant judgements and estimates

In preparing these financial statements the directors have made the following judgements:

Establish whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and the business in general.

Consider the recoverability of trade debtors and the need for impairment provisions. These considerations are undertaken regularly by the directors, and especially at the year-end date. Factors taken into account include historical experience, current market conditions and knowledge of the sector. Amounts identified as irrecoverable will be provided against in the relevant period.

Consider the valuation of stock and the requirement for write down provisions. These considerations are undertaken regularly by the directors, and especially at the year-end date. Factors taken into account include historical experience, selling prices and knowledge of the sector. Stock identified as impaired will be written down in value in the relevant period.

The directors also consider the depreciation rates on an annual basis to ensure there is sufficient evidence to support these and that the estimates remain reasonable.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold during the year.

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.

Patents and licences are being amortised evenly over their estimated useful life of forty-eight years.

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Freehold property	- 10% on reducing balance
Assets under construction	- not provided
Plant and machinery	- 25% on reducing balance
Development costs	- 4% on cost

The company constructed a drift which was brought into use in February 2015. The related expenditure will be amortised over the life of the estimated reserves of the mine on the unit production basis. Provision for loss is made where a project is abandoned or considered to be of no further interest to the company, or where the directors consider such a provision to be prudent.

Government grants

Grants towards revenue expenditure are credited to the income and expenditure account in the period to which they relate.

Stocks

Stocks have been valued at the lower of cost and net realisable value. Cost is calculated by reference to the mining costs incurred in bringing the minerals to the pithead, with overheads being allocated based on a normal level of activity.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date and any difference is taken to the profit and loss account. Exchange differences arising on transactions during the year are taken directly to the profit and loss account.

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a money purchase (defined contribution) scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. These contributions are invested separately from the company's assets.

Repairs and renewals

Repairs and renewals and purchases of replacement parts are written off in the year in which they are incurred.

Exploration costs

Exploration costs are written off in the year in which they are incurred.

Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and is available to carry forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

3. OTHER OPERATING INCOME

	30.11.20	30.11.19
	£	£
Sundry income	<u>115,952</u>	<u>8,849</u>

4. EMPLOYEES AND DIRECTORS

	30.11.20	30.11.19
	£	£
Wages and salaries	3,355,843	3,166,444
Other pension costs	<u>107,061</u>	<u>89,684</u>
	<u>3,462,904</u>	<u>3,256,128</u>

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

	30.11.20	30.11.19
Administration	7	7
Processing and distribution	<u>51</u>	<u>51</u>
	<u>58</u>	<u>58</u>

	30.11.20	30.11.19
	£	£
Directors' remuneration	<u>30,000</u>	<u>30,000</u>

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.11.20	30.11.19
	£	£
Hire of plant and machinery	7,256	11,492
Depreciation - owned assets	1,133,770	1,050,179
Profit on disposal of fixed assets	(24,266)	(61,729)
Patents and licences amortisation	3,066	3,065
Auditors' remuneration	17,000	16,000
Auditors' remuneration for non audit work	18,100	20,883
Foreign exchange differences	<u>328,032</u>	<u>31,744</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.11.20	30.11.19
	£	£
Bank charges	<u>13,765</u>	<u>14,764</u>

7. TAXATION

Analysis of the tax charge

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

	30.11.20	30.11.19
	£	£
Current tax:		
UK corporation tax	546,612	274,819
Previous year adjustment	-	(114,606)
Total current tax	546,612	160,213
Deferred tax	<u>696,787</u>	<u>189,119</u>
Tax on profit	<u>1,243,399</u>	<u>349,332</u>

UK corporation tax has been charged at 19%.

**IRISH SALT MINING AND EXPLORATION
COMPANY LIMITED-THE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

7. 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:

	30.11.20 £	30.11.19 £
Profit before tax	<u>3,607,434</u>	<u>2,200,354</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	685,412	418,067
Effects of:		
Expenses not deductible for tax purposes	(5,710)	7,372
Income not taxable for tax purposes	(15,460)	(20,696)
Capital allowances in excess of depreciation	(117,630)	(129,924)
Adjustments to tax charge in respect of previous periods	-	(114,606)
Timing differences	<u>696,787</u>	<u>189,119</u>
Total tax charge	<u>1,243,399</u>	<u>349,332</u>

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 December 2019 and 30 November 2020	<u>149,442</u>
AMORTISATION	
At 1 December 2019	3,065
Amortisation for year	<u>3,066</u>
At 30 November 2020	<u>6,131</u>
NET BOOK VALUE	
At 30 November 2020	<u>143,311</u>
At 30 November 2019	<u>146,377</u>

**IRISH SALT MINING AND EXPLORATION
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

9. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Plant and machinery £	Development costs £	Totals £
COST					
At 1 December 2019	273,970	2,010,192	12,774,466	10,640,319	25,698,947
Additions	730,675	713,484	839,557	-	2,283,716
Disposals	-	-	(323,016)	-	(323,016)
At 30 November 2020	<u>1,004,645</u>	<u>2,723,676</u>	<u>13,291,007</u>	<u>10,640,319</u>	<u>27,659,647</u>
DEPRECIATION					
At 1 December 2019	73,641	-	9,514,010	3,610,760	13,198,411
Charge for year	8,941	-	864,654	260,175	1,133,770
Eliminated on disposal	-	-	(307,058)	-	(307,058)
At 30 November 2020	<u>82,582</u>	<u>-</u>	<u>10,071,606</u>	<u>3,870,935</u>	<u>14,025,123</u>
NET BOOK VALUE					
At 30 November 2020	<u>922,063</u>	<u>2,723,676</u>	<u>3,219,401</u>	<u>6,769,384</u>	<u>13,634,524</u>
At 30 November 2019	<u>200,329</u>	<u>2,010,192</u>	<u>3,260,456</u>	<u>7,029,559</u>	<u>12,500,536</u>

Included in cost of land and buildings is freehold land of £921,598 (2019 - £190,923) which is not depreciated.

10. STOCKS

	30.11.20 £	30.11.19 £
Stocks	<u>1,926,338</u>	<u>1,924,841</u>

There exists a stock of replacement parts at a cost of £505,238 (2019: £544,405) which is not included in the balance sheet of the company, in accordance with the accounting policy in note 1.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.20 £	30.11.19 £
Trade debtors	4,102,272	3,013,306
Prepayments and accrued income	<u>260,864</u>	<u>316,898</u>
	<u>4,363,136</u>	<u>3,330,204</u>

**IRISH SALT MINING AND EXPLORATION
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.20	30.11.19
	£	£
Bank loans and overdrafts (see note 13)	3,745	35,289
Trade creditors	1,162,359	1,806,966
Tax	546,612	274,819
Social security and other taxes	558,722	251,270
Accruals and deferred income	267,519	287,893
	<u>2,538,957</u>	<u>2,656,237</u>

13. LOANS

An analysis of the maturity of loans is given below:

	30.11.20	30.11.19
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>3,745</u>	<u>35,289</u>

The company has counter indemnities with the Bank of Ireland amounting to £1,132,778.

14. PROVISIONS FOR LIABILITIES

	30.11.20	30.11.19
	£	£
Deferred tax	<u>1,870,119</u>	<u>1,173,332</u>

	Deferred tax £
Balance at 1 December 2019	1,173,332
Provided during year	<u>696,787</u>
Balance at 30 November 2020	<u>1,870,119</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			30.11.20	30.11.19
Number:	Class:	Nominal value:	£	£
49,998	Ordinary	£1	<u>49,998</u>	<u>49,998</u>

**IRISH SALT MINING AND EXPLORATION
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

16. RESERVES

	Retained earnings £
At 1 December 2019	40,036,060
Profit for the year	<u>2,364,035</u>
At 30 November 2020	<u><u>42,400,095</u></u>

17. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £107,061 (2019: £89,684).

18. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

19. CAPITAL COMMITMENTS

The company entered into a contract during the prior year to construct an office block which is expected to incur costs amounting to £2,586,973. The capital commitment at the year-end amounted to £155,099.

20. ULTIMATE CONTROLLING PARTY

ISME Holdings Limited, a company incorporated in England, controls Irish Salt Mining & Exploration Company Limited through the ownership of the company's entire ordinary share capital.

Ms S Mahoney is the ultimate controlling party.