Registration number: 03138417

Pluss-Staufer Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Pluss-Staufer Limited

Contents

Pluss-Staufer Limited

Company Information

Directors	R I Abdul W I Cardew
Registered office	Melton Office Melton Bottom Melton North Ferriby East Riding Of Yorkshire HU14 3HU
Solicitors	Geldards LLP Number One Pride Park Place Pride Park Derby DE24 8QR
Auditors	Rödl & Partner Limited 170 Edmund Street Birmingham B3 2HB

Pluss-Staufer Limited

Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report of the Company and the Group for the year ended 31 December 2021.

Fair review of the business

The principal activities of the Group during the year were the manufacture of chemicals and the quarrying, processing and distribution of calcium carbonate and other raw materials for supply to the chemical, plastics, paint, rubber, paper, ink, foodstuffs, building products, pharmaceutical and allied industries.

The results for the year are shown on page 16 of the annual report and financial statements.

The directors do not recommend the payment of a dividend for the year on the ordinary shares (2020 - £nil).

The 2021 business environment continued to be challenging across all segments in particular Printing and Writing.

Impact from the risks related to the Covid-19 pandemic

The COVID-19 pandemic has continued to have an impact, not only on public health but also on the global economy. The Group maintains active control over the daily management of COVID-19 by following the government advice. The main focus being the health and safety of all employees and those contracted to work on behalf of the Group. The Group has maintained production throughout and has utilised Government support measures and initiatives where available. The trustees of the defined benefit pension scheme closely monitor the funding position and investment strategy with advice given by the scheme advisors, Mercer.

A 10% increase in revenue was experienced versus 2020. This is due to a significant bounce back once COVID-19 lock down restrictions were lifted. The Group benefits from supplying customers that operate in a variety of different sectors. This helps to mitigate risk from downturn in any one sector. Infrastructure and house building, DIY, polymers, paper/board, have all benefited from a restart to the economy, pent up demand and increased consumer spending. Operating cost increases for energy, logistics and chemical products were mitigated with energy price hedging, being agile when making purchase decisions and with sales price increases. Gross margin increased from 10.85% in 2020 to 11.97% in 2021.

Competition remains strong, however with tight cost control and a selective investment programme the Group remains in a positive position going forward.

Analysis of development and performance

The Group results for 2021 are shown below and it is well positioned to develop its strategies and goals going forward.

During the year, the Group recorded a pre-tax profit of £552,000 (2020 - loss of £9,048,000).

Financial KPIs	**2021**	**2020**
	£'000	**£'000**
Turnover	111,921	102,194
EBITDA	9,592	4,411
Net debt	57,494	56,063
Shareholder's funds	(3,100)	(8,466)

EBITDA is calculated as earnings before interest, taxation, depreciation, amortisation, impairment and waived related party debt.

Net debt is calculated as the cash balances less group loans and overdrafts.

Principal risks and uncertainties
The Group continually reviews and monitors all aspects of the business, incorporating Health, Safety and Environmental, with a substantial number of the plants achieving ISO 9001, ISO 14001 and OHSAS 18001.

All businesses face risks, and these are reviewed thoroughly and regularly by the board as part of its ongoing corporate governance procedures.

The cost of energy related products are constantly monitored and with a combination of energy contract management and efficiencies achieved on usage the increases in energy and related costs have been minimised.

Raw material prices influenced by commodity cost shifts are monitored and managed, which together with selling price increases have protected margins.

Financial risk
All treasury activities are focused on the management and hedging of risk. It is the Group's policy not to trade financial instruments or to engage in speculative financial transactions. There have been no significant changes in the Group's policies in the last year.

In addition to the above, the Group is exposed to various specific risks in connection with its financial operations and results, these include the following:

- The impact of movement in equity markets, interest rates and life expectancy on net pension liability.
- Maintenance of the Group's cash flows at an appropriate level and the exposure of debt and cash positions to changes in interest rates.
- The potential impact of changes in currency exchange rates on the Group's earnings and on the translation of its underlying net assets.

All of the above exposures are managed by the finance function which operates within written policies approved by the board and within the internal control framework of the Group.

The Group's principal financial assets are bank balances and cash, trade and other receivables which represent the Group's maximum exposure to credit risk in relation to financial assets. The Group's credit risk is primarily attributable to its trade receivables.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the treasury function maintains flexibility in funding by maintaining availability under committed credit lines.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The Group is exposed to commodity price risk as a result of its operations. The Group mitigates this risk by maintaining strong relationships with key suppliers.

The Group's interest rate risk arises from long term borrowings. This risk is managed by ensuring that the Group is funded substantially by a LIBOR linked interest bearing loan from the ultimate parent company.

Risks and uncertainties associated with foreign exchange are managed on a group basis. Risks associated with the pension scheme for the Group are managed by directors and risks associated with the pension scheme for the members are managed by the Trustees of the scheme.

Other risks
The Group is exposed to varying degrees of risk and uncertainty related to other factors including competitive pricing, consumption levels, legislative, fiscal, tax and regulatory developments, political and social conditions in the environments where we operate. All of these risks could materially affect the Group's business, turnover, operating profit, net profit, net assets and liquidity.

There may be risks which are unknown to the group or which are currently believed to be immaterial.

Section 172(1) statement

Consequences of any decision in the long term
Forecasting medium/long term cashflow approved by the board.
Strategic objective and planning including M&A possibilities.
Capital investment to ensure long term success.

Interests of employees
Employees are key to success.
Welfare, health and safety of employees is our No.1 priority.
Annual appraisal is carried out for all employees, including target setting, 360° feedback and training plans.
We ensure equal opportunities for all employees.

Fostering business relationships with suppliers, customers and others
Customers are at the centre of our business.
Technical sales team ensure we deliver what our customers want.
We are fair and transparent with our dealings with suppliers.
Our business partners are risk assessed to protect Group assets.

Impact of the Group's operations on the community and the environment
Sustainability is key to the future of our business and industry.
We endeavour to limit the impact on the environment and protect communities in which we operate.

Maintaining a reputation for high standards of business conduct
Recognition through ISO 9001, ISO 14001, and ISO 45001 accreditation.
Continuous development of employees at the Omya Academy and online "Skillport".

Act fairly between members of the Group
Corporate identity embodied in its core values modesty, courtesy, integrity, and perseverance.

The Directors' regard to these matters is embedded in their decision-making process, through the Group's business strategy, culture, governance, management information flows and stakeholder engagement processes.

The Group's business strategy is focused on achieving success for the Group in the long-term. In setting this strategy, the board takes into account the impact of relevant factors and stakeholder interests on the Group's performance. The board also identifies principal risks facing the business and aims to manage identified risks.

The board promotes a culture of upholding the highest standards of business conduct and regulatory conduct. The board ensures these core values are communicated to the Group's employees and embedded in the Group's policies and procedures, employee induction and training programmes and its risk control.

The board recognises that building strong and lasting relationships with stakeholders will help to deliver strategic objectives in line with long-term values, and operate sustainably.

Approved by the Board on Jun 10, 2022 and signed on its behalf by:

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R I Abdul
Director

Pluss-Staufer Limited

Directors' Report for the Year Ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors of the Company
The directors, who held office during the year, were as follows:

R I Abdul

W I Cardew

The directors holding office at 31 December 2021 did not hold any beneficial interest in the issued share capital of the Group, or any other UK group company, at 1 January 2021 (or date of appointment if later) or 31 December 2021.

Dividends
No dividends will be distributed for the year ended 31 December 2021 (2020: £nil).

Charitable donations
Donations to local charities amounted to £3,100 (2020: £3,990) and donations to national charities was £nil (2020: £nil).

No contributions were made for political purposes (2020: £nil).

Statement of internal controls
The directors acknowledge their ultimate responsibility for ensuring that the Group has in place a system of controls, financial and otherwise, that is appropriate to the business environments in which it operates.

These are designed to give reasonable assurance with respect to:-

- the reliability of financial information used within the business or for publication, and the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition; and
- the business being operated efficiently and effectively

The Group operates within a control framework developed and refined over a number of years and communicated throughout the Group by means of procedures. These lay down common accounting policies and financial control procedures, in addition to controls of a more operational nature.

Of particular importance are those that relate to:

- the definition of the organisation structure and the appropriate delegation of responsibility to operational management;
- the definition of authorisation limits, financial and otherwise;
- the setting of detailed annual budgets, rolling forecasts, and the monthly reporting of actual results against them;
- capital expenditure and investment procedures; and
- physical and computer security matters and contingency planning.

Health and safety and environmental policies
As the Group is not only conscious of the need to protect the environment but also recognises its responsibility to the communities in which it operates, it endeavours to conduct its operations so as to minimise all possible hazards. Risk management (covering all such policies) is included on all meeting agendas (including Board Meetings) to ensure that the Group complies with the provisions of all relevant legislation and the Group's own policies and is committed to ensure that training is carried out in safe working practices throughout all departments and locations within the Group.

Fixed assets
Changes in fixed assets are shown in note 11 of the financial statements.

Market values of interests in land and buildings
In the opinion of the directors the current open market values of the Group's freehold and leasehold interests in land and the buildings thereon, on an existing use basis, substantially exceed the amount at which they are included in the financial statements at 31 December 2021. The directors have not attempted to quantify the difference, as in their opinion no useful purpose would be served by this exercise. These assets are used exclusively for the conduct of the Group's main business.

Supplier payment policy
It is Group policy to pay its suppliers promptly. Accordingly, approved invoices from suppliers are paid in accordance with agreed credit terms.

Research and development
The group invests in research and development to ensure that the range and quality of its products and continually up to date. The improvement of existing products and processes and the identification and development of new technologies are key aspects of the Group's strategy.

Employees
The Directors recognise the considerable benefits which accrue from informing employees of the activities of the Group and its progress and performance. To supplement normal communications within the organisation, quarterly updates are held.

The welfare, health and safety of employees are given special attention. It is the policy of the Group to treat all employees and potential employees equally and to give full consideration to suitable applications for employment from disabled persons where they have the necessary abilities and skills for the position, all necessary assistance with initial training is given. Where employees become disabled, the Group endeavours to continue to employ them provided there are duties they can perform given their disability.

The Directors recognise the importance of training and education of all Group employees.

Directors' indemnities
The Group maintains liability insurance for its directors and officers. Following shareholder approval the Group has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force throughout the financial year and also at the date of approval of the financial statements.

Pension scheme

The assets of the Group Pension Scheme are held completely separate from those of the Group and the funds of the Scheme, which are administered by Trustees, are invested principally with Mercer Limited. There are no loans between the Scheme and the Group.

The Defined Benefit Scheme was closed to future accrual in May 2009.

All employees, including directors, eligible for pension scheme benefits, may participate in a Stakeholder Scheme.

Going concern

The Group had a net current assets position of £6,264,000 as at 31 December 2021, a profit for the year then ended of £567,000 and operating cash inflows for the year of £6,392,000, therefore the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds, through its overdraft facility to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Omya AG not seeking repayment of the amounts currently due to the group, which at 31 December 2021 amounted to £5,205,000 and providing additional financial support during that period. Omya AG has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Streamlined energy and carbon reporting

Summary

The Group's greenhouse gas emissions, reportable under SECR during the period 1st January 2021 to 31st December 2021 were 23,704 tonnes CO_2e.

This figure includes the emissions associated with the purchase of UK grid electricity, the combustion of fuels by stationary equipment, and the combustion of fuel for transport. The Group's total CO_2e emissions for 2021 were 2.7% higher than those for 2020. It should be noted that this is a direct consequence of increased site activity; production output having increased by 26.5% during the same period. Consequently, the carbon intensity of the Group reduced by 18.8%, during 2021, to 18.88 kg CO_2e per tonne of production output.

When split by scope, Scope 1 accounted for the largest source of emissions during 2021; at 50.6% of the Group's total, exhibiting an 8.6% increase on the previous year. The next largest contribution was from Scope 2 at 46%, emissions in this category having reduced by 2.9% on 2020. Scope 3 emissions only accounted for 4% of the Group's total emissions during 2021, the quantity reported being the same as that in 2020.

Pluss-Staufer Limited

Directors' Report for the Year Ended 31 December 2021

Greenhouse gas emissions

Table 1 below details the split in emission, by tonnes of CO2e and percentage, from the following three sources; purchased UK grid electricity, the combustion of fuels by stationary equipment, and the combustion of fuel for transport. Stationary fuel combustion and the purchase of grid electricity accounted for the majority of the Group's CO2e emissions during 2021: purchased electricity accounted for 49.4% of the group's emissions, while emissions from stationary fuel combustions accounted for 47.9%. Emissions from transport accounted for the remaining 2.7% of the total.

Emissions	**2020 (tCO2e)**	**2021 (tCO2e)**	**% share**
Fuel Consumption, Stationery	10,140	11,346	47.9
Fuel Consumption, Transport	894	639	2.7
Purchased Electricity	12,037	11,720	49.4
Total emissions (tCO^2e)	23,071	23,704	100.0
Production (tonne)	992,838	1,255,730	
Intensity: ($kgCO^2e$ per production)	23.24	18.88	

Table 1 Greenhouse gas emissions by year (tonnes CO^2e)

Table 1 also shows the year-on-year variance from 2020 to 2021. While emissions from stationary fuel combustion have increased by 11.9% and emissions from purchased electricity by 2.6%. Emissions from transport reduced significantly, by 28.5; however, they only represent a small percentage of the overall total. The combined impact of these changes was an increase in the Group's total emissions by 2.7%. This was a direct consequence of increased site activity, production output increasing by 26.5% from the previous year, which resulted in the carbon intensity of the Group reducing by 18.8% to 18.88 kg CO2e per tonne production output.

UK legislation requires the public reporting of Scope 1 and Scope 2 emissions, and some Scope 3 emissions. In this report:

Scope 1: emissions include direct emissions from the combustion of natural gas, LPG, gas oil and transport fuel.
Scope 2: emissions cover the indirect emissions from purchased electricity.
Scope 3: emissions are those resulting from transmission and distribution of the purchased electricity, so do not reflect the entire carbon footprint of the organisation.

The split in reported emissions by scope is shown in Table 2 below. When split by scope, Scope 1 accounted for the largest source of emissions during 2021; at 50.6% of the Group's total and exhibiting an 8.6% increase on the previous year. The next largest contribution was from Scope 2 at 45.4%, emissions in this category having reduced by 2.9% on 2020. Scope 3 emissions, that have been disclosed in this report, accounted for only 4% of the Group's total emissions, having exhibited no change since 2020.

Emission Source	**2020 (tCO2e)**	**2021 (tCO2e)**	**% Share**
Scope 1	11,034	11,985	50.6
Scope 2	11,084	10,767	45.4
Scope 3	953	953	4.0
Total emissions (tCO^2e)	23,071	23,704	100

Table 2 Greenhouse gas emissions by scope (tonnes CO^2e)

Energy consumption

The introduction of SECR has placed a liability on companies to publish annual energy consumption as well as emissions. Table 3 below shows the energy consumption (kWh) for the Group for 2020 and 2021, the split by fuel type, and the year-on-year variance. As mentioned previously, increased production activity resulted in an increase in emissions. It can be seen in Table 3 that this was the result of increased energy consumption across the Group's portfolio of sites. Consumption of gas and electricity accounted for 84% of the Group's energy consumption during 2021, it can be seen below that their consumption increased by 13.2% and 6.7% respectively. Although electricity consumption increased from 2020 to 2021, it can be seen in Table 1 that carbon emissions from this source actually reduced during the same period, a reflection of the reducing carbon intensity of UK grid electricity. Consumption of gas oil, used for drying, increased by 14.5% during 2021; however, consumption only accounted for 0.8% of the Group's energy. LPG consumption accounted for the 12.9% of the Group's energy consumption in 2021, and consumption increased 9.4% on the previous year.

In stark contrast to the increases in consumption of the sites' energy consumption, use of transport fuel reduced by almost 30% in 2021; however, it only accounted for 2.2% of the Group's energy mix. Consequently, the Group's total energy consumption increased by 8.3% to approximately 112,310 MWh in 2021.

Emission Source	**2020 Kwh**	**2021 Kwh**	**% Share**
Natural gas for heating	38,541,458	43,639,036	38.9
Electricity	47,541,218	50,707,624	45.1
Transport Fuel	3,574,019	2,513,991	2.2
Gas Oil	795,215	910,803	0.8
LPG	13,288,632	14,539,000	12.9
Total	103,740,542	112,310,455	100.0

Table 3 Energy consumption by year (kWh)

Boundary, methodology and exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary. This approach captures emissions associated with the operation of all buildings such as warehouses, offices and manufacturing sites, plus group-owned and leased transport. This report covers UK operations only, as required by SECR legislation for large unquoted companies, and the information contained in it was collected and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, 2019. Further to this, approximately 96% of the Group's energy is reportable under the UK's Climate Change Agreement (CCA) scheme, so has been collated using verifiable methods as required. Emissions, for this report, have been calculated using the latest conversion factors provided by the UK Government. Where possible these have been calculated from kWh consumption or from volumes of combustible fluids. Some transport emissions have been calculated using the milage travelled and an appropriate conversion factor for the type of vehicle. There are no material omissions from the mandatory reporting scope and the reporting period is January 2021 to December 2021, as per the financial accounts.

Energy efficiency initiatives

Five of the main manufacturing sites within the Group's portfolio are covered by CCAs and are targeted to make efficiency improvements. The performance of these sites is tracked monthly and reviewed at monthly management meetings. Further to this, the group maintains an energy dashboard that displays the energy intensity of each site, split by drying and processing. The sites are encouraged to reduce their energy intensity through activities such as walkaround inspections, replacing failed motors with energy efficient equivalents, reducing non-productive energy consumption, for example. Several, site-specific, energy saving initiatives were also undertaken during 2021, specifically:

- Installation and commissioning of a second production line, incorporating a higher efficiency gas burner with heat recovery, resulting in improved specific energy consumption
- Quarry mobile plant are used in 'Eco mode', saving 6000 litres diesel per year
- Quarry boundary fence condition now inspected, as required by H&S, with the use of a preprogrammed drone. The inspection was previously completed using an onsite vehicle, this change has resulted in 1000 litres diesel per year being saved
- Improvements to power quality i.e., improvements in power factor

Disclosure of information to the auditor

Each director has taken 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 Group's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Rödl & Partner Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on Jun 10, 2022 and signed on its behalf by:

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R I Abdul

Director

Pluss-Staufer Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom and IFRSs as issued by the International Accounting Standards Board (IASB). 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 Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- for the group financial statements, state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- assess the group and parent company's ability to continue as a going concern , disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Pluss-Staufer Limited

Opinion

We have audited the financial statements of Pluss-Staufer Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021, and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group and parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

Independent Auditor's Report to the Members of Pluss-Staufer Limited

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 directors' responsibilities statement [set out on page 6], 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 is 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 group and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 an auditor's report 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:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's repor

Independent Auditor's Report to the Members of Pluss-Staufer Limited

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

....

Imran Farooq (Senior Statutory Auditor)
For and on behalf of Rödl & Partner Limited, Statutory Auditor

170 Edmund Street
Birmingham
B3 2HB

Date: 10 14 June, 2022

Pluss-Staufer Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Revenue	3	111,921	102,194
Cost of sales		(98,528)	(91,103)
Gross profit		13,393	11,091
Other operating income	4	5,088	3,275
Administrative expenses		(17,355)	(19,728)
Restructuring expense		1,014	(1,673)
Operating profit/(loss)		2,140	(7,035)
Finance costs		(1,592)	(2,019)
Finance income		4	6
Net finance cost	5	(1,588)	(2,013)
Profit/(loss) before tax		552	(9,048)
Income tax receipt/(expense)	8	15	(2,030)
Profit/(loss) for the year		567	(11,078)

	2021 £ 000	2020 £ 000
Other comprehensive income / (expense)		
Items that will not be reclassified to profit or loss:		
Actuarial gains / (losses)	4,799	(2,483)
Income tax	-	524
	4,799	(1,959)
Items that may be reclassified subsequently to profit or loss:		
Income tax	-	-
Other comprehensive income / (expense) for the year	4,799	(1,959)
Total comprehensive income / (expense) for the year	5,366	(13,037)

The notes on pages 24 to 56 form an integral part of these financial statements.

Pluss-Staufer Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2021

	2021	2020
	£'000	£'000
Profit / (loss) attributable to:		
Owners of the parent	567	(11,078)
Total comprehensive income / (expense) attributable to:		
Owners of the parent	5,366	(13,037)

The notes on pages 24 to 56 form an integral part of these financial statements.

Pluss-Staufer Limited

(Registration number: 03138417)
Consolidated Statement of Financial Position as at 31 December 2021

	Note	2021 £ 000	2020 £ 000
Assets			
Non-current assets			
Intangible assets	10	3,599	6,855
Property, plant and equipment	11	49,556	51,495
Right-of-use assets	11	5,307	7,046
		58,462	65,396
Current assets			
Inventories	13	12,230	11,978
Trade and other receivables	14	21,546	20,218
Cash and cash equivalents	15	881	2,580
		34,657	34,776
Total assets		93,119	100,172
Equity			
Called up share capital	16	25,000	25,000
Share premium	17	7,010	7,010
Capital reserve	17	4,756	4,756
Mineral reserve	17	4,430	4,430
Retained earnings	17	(44,296)	(49,695)
Total equity		(3,100)	(8,466)

Pluss-Staufer Limited

(Registration number: 03138417)
Consolidated Statement of Financial Position as at 31 December 2021

	Note	2021 £ 000	2020 £ 000
Liabilities			
Non-current liabilities			
Trade and other payables	18	5	5
Interest bearing loans and borrowings	19	57,878	58,643
Pension liability	23	7,158	14,802
Provisions	21	2,785	4,000
		67,826	77,450
Current liabilities			
Trade and other payables	18	20,660	17,470
Interest bearing loans and borrowings	19	6,092	11,503
Income tax liability		-	42
Provisions	21	1,641	2,173
		28,393	31,188
Total liabilities		96,219	108,638
Total equity and liabilities		93,119	100,172

Approved by the Board on Jun 10, 2022 and signed on its behalf by:

....

R I Abdul

Director

Pluss-Staufer Limited

(Registration number: 03138417)
Company Statement of Financial Position as at 31 December 2021

	Notes	2021 £'000	2020 £'000
Assets			
Non-current assets			
Investments	12	29,346	29,346
		29,346	29,346
Current assets			
Trade and other receivables	14	3,000	3,000
		3,000	3,000
Total assets		32,346	32,346
Equity and liabilities			
Equity			
Called up share capital	16	25,000	25,000
Mineral reserve	17	4,346	4,346
Retained earnings	17	(7,936)	(7,936)
Total equity		21,410	21,410
Liabilities			
Current liabilities			
Interest bearing loans and borrowings	18	10,936	10,936
Total liabilities		10,936	10,936
Total equity and liabilities		32,346	32,346

Approved by the Board on Jun 10, 2022 and signed on its behalf by:

....
R I Abdul
Director

Pluss-Staufer Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2021

	Called up share capital	Retained earnings	Share premium
	£'000	£'000	£'000
At 1 January 2020	25,000	(36,693)	7,010
Changes in equity			
Deficit for the year	-	(11,078)	-
Other comprehensive expense	-	(1,959)	-
Total comprehensive expense	-	(13,037)	-
Amortisation transfer	-	35	-
At 31 December 2020	25,000	(49,695)	7,010
Changes in equity			
Profit for the year	-	567	-
Other comprehensive income	-	4,799	-
Total comprehensive income	-	5,366	-
Amortisation transfer	-	33	-
At 31 December 2021	25,000	(44,296)	7,010

	Capital reserve	Mineral reserve	Total equity
	£'000	£'000	£'000
At 1 January 2020	4,756	4,498	4,571
Changes in equity			
Deficit for the year	-	-	(11,078)
Other comprehensive expense	-	-	(1,959)
Total comprehensive expense	-	-	(13,037)
Amortisation transfer	-	(35)	-
At 31 December 2020	4,756	4,463	(8,466)
Changes in equity			
Profit for the year	-	-	567
Other comprehensive income	-	-	4,799
Total comprehensive income	-	-	5,366
Amortisation transfer	-	(33)	-
At 31 December 2021	4,756	4,430	(3,100)

Pluss-Staufer Limited

Company Statement of Changes in Equity for the Year Ended 31 December 2021

	Called up share capital	Retained earnings	Mineral reserve	Total equity
	£'000	£'000	£'000	£'000
At 1 January 2020	25,000	(7,936)	4,346	21,410
Changes in equity				
Total comprehensive income	-	-	-	-
At 31 December 2020	25,000	(7,936)	4,346	21,410
Changes in equity				
Total comprehensive income	-	-	-	-
At 31 December 2021	25,000	(7,936)	4,346	21,410

Pluss-Staufer Limited

Consolidated Statement of Cash Flows for the Year Ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Cash generated from operations	26	8,730	10,660
Finance costs paid		(186)	(270)
Provisions		(2,095)	(141)
Tax paid		(57)	(18)
Net cash from operating activities		6,392	10,231
Cash flows from investing activities			
Purchases of intangible fixed assets		(58)	(21)
Purchases of tangible fixed assets		(2,879)	(4,496)
Sale of intangible fixed assets		1,565	1
Sale of tangible fixed assets		-	14
Interest received		4	6
Net cash used in investing activities		(1,368)	(4,496)
Cash flows from financing activities			
Interest paid		(1,364)	(1,704)
Group loans repaid		(4,559)	(3,158)
Payment of lease liabilities		(800)	(982)
Net cash used in financing activities		(6,723)	(5,844)
Decrease in cash and cash equivalents		(1,699)	(109)
Cash and cash equivalents at beginning of year	27	2,580	2,689
Cash and cash equivalents at end of year	27	881	2,580

1 *General information*

Pluss-Staufer is a private company limited by share capital, incorporated and domiciled in United Kingdom .

Its immediate parent company is Omya AG, a company incorporated in Switzerland.

The principal activities of the Group during the year were the manufacture of chemicals and the quarrying, processing and distribution of calcium carbonate and other raw materials for supply to the chemical, plastics, paint, rubber, paper, ink, foodstuffs, building products, pharmaceutical and allied industries.

The address of its registered office is:
Melton Office
Melton Bottom
Melton
North Ferriby
East Riding Of Yorkshire
HU14 3HU

2 Accounting policies

Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK.

Summary of significant accounting policies and key accounting estimates
The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with International accounting standards in conformity with the requirements of the Companies Act 2006. These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain property, plant and equipment and in accordance with the Companies Act 2006 and applicable accounting standards.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain property, plant and equipment and financial instruments at fair value through the statement of comprehensive income.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the end of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to profit and loss in the period of acquisition.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Application of new and revised International Financial Reporting Standards
The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods present in these financial statements.

The following amended standards became effective from 1 January 2021 and were adopted by the Group:

- Covid-19-Related Rent Concessions - Amendments to IFRS 16
- Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

The adoption of these amendments is detailed below and did not have a significant impact on the financial statements of the Group for the year ended 31 December 2021.

A number of new standards, amendments to standards and interpretations are not yet effective as at 31 December 2021 and have not been applied in these financial statements.

- IFRS 17 Insurance Contracts (effective date 1 January 2023)
- Property, Plant and Equipment: Proceeds before intended use - Amendments to IAS 16 (effective date 1 January 2022)
- Reference to the Conceptual Framework - amendments to IFRS 3 (effective date 1 January 2022)
- Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37 (effective date 1 January 2022)
- Classification of Liabilities as Current or Non-current - Amendments to IAS 1 (effective date 1 January 2023)
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective date 1 January 2023)
- Definition of Accounting Estimates - Amendments to IAS 8 (effective date 1 January 2023)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12 (effective date 1 January 2023)

The Group is currently assessing the impact of these pronouncements and will plan to adopt them as required when they become effective.

Going concern

The Group had a net current assets position of £6,264,000 as at 31 December 2021, a profit for the year then ended of £567,000 and operating cash inflows for the year of £6,392,000, therefore the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds, through its overdraft facility to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Omya AG not seeking repayment of the amounts currently due to the group, which at 31 December 2021 amounted to £5,205,000 and providing additional financial support during that period. Omya AG has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Revenue recognition

Sales are recognised when control of the products has transferred, being when the products are despatched or delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the group has objective evidence that all criteria for acceptance have been satisfied.

Interest

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill arising on acquisition before the date of transition to IFRSs has been retained at the previous UK GAAP amounts.

Business combinations

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- The fair value of the existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Lease acquired in a business combination

For leases acquired in a business combination, the Group measures the acquired lease liability at the present value of the remaining lease payments, as if the acquired lease were a new lease at the acquisition date. The right-of-use asset is measured at acquisition at the same amount as the lease liability, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.
Lease liability and associated right-of-use assets acquired in a business combination for which the lease term ends within 12 months of the acquisition date or, leases for which he underlying asset value is low, are not recognised.

Intangible assets

Amortisation is charged on intangible assets from the date that they are available for use. The estimated useful lives of identified intangible assets are as follows:

- Customer relationships - 3 years
- Software - 5 years

Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Property, plant and equipment
Non mineral bearing land and buildings are stated at cost less accumulated depreciation and any recognised impairment loss.

The Group has elected to use the revaluation of mineral bearing land before the date of transition to IFRSs as deemed cost at the date of the transition.

Land includes incidental costs (including stripping costs and planning applications) that are capitalised and depreciated in line with IAS 16.

Assets in the course of construction for production, rental or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Plant and equipment, furniture and fittings and motor vehicles are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost or valuation of assets, other than properties under construction down to their residual value over their estimated useful lives, using the straight-line method, on the following bases:

- Freehold buildings - 5% per annum
- Leasehold premises - over the remaining period of the lease
- Plant and equipment - 5 - 33.33% per annum
- Furniture and fittings - 10 - 15% per annum
- Motor vehicles - 20 - 25% per annum

Mineral bearing land is depreciated using the Depletion Method. Minerals are depreciated by the proportion that the resources extracted in a period correspond to the total resource.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost comprises raw materials, direct labour, and other direct costs and related production overheads (based on normal operating capacity) that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the standard cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Current and deferred income tax
The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date and is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the taxbases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Research and development
Research expenditure is written off as incurred.

Development expenditure is also written off, except where the directors are satisfied that a new or significantly improved product or process results and other relevant IAS 38 criteria are met as to the technical, commercial and financial viability of individual projects that would allow such costs to be capitalised. In such cases, the identifiable expenditure is capitalised and amortised over the period during which benefits are expected.

Foreign currencies
The financial statements are presented in Pounds Sterling which is the Group's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the income statement, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

Leases
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Groups incremental borrowing rate.

The lease liability is measured at amortised cost using the effect interest rate method. It is remeasured where there is a change in future lease payments arising from a change in an index or rate or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of- use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short term leases and leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low value assets, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Government grants
Government grants relating to property plant and equipment are treated as deferred income and released to profit and loss over the expected useful lives of the assets concerned.

Trade receivables
Trade receivables are recognised initially at fair value and are held at fair value less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within administrative costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative costs in the statement of comprehensive income.

Investments
Fixed asset investments are stated at cost unless in the opinion of the directors there has been a permanent diminution in value, in which case an appropriate adjustment is made.

Financial liabilities
Financial liabilities are recognised initially at fair value, net of transaction costs incurred. Financial liabilities are subsequently stated at amortised cost unless they are part of a fair value hedge accounting relationship; any difference between the amount on initial recognition and the redemption value is recognised in the statement of comprehensive income over the period of the financial liabilities using the effective interest method. Those financial liabilities that are part of a fair value hedge accounting relationship are also recorded on an amortised cost basis, plus or minus the fair value attributable to the risk being hedged with a corresponding entry in the income statement.

Trade payables
Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions for environmental restoration and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pretax rate that reflects current market assessments of the time value of money. The increase in the provision due to passage of time is recognised as an interest expense.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Group's equity share capital (treasury shares), the consideration paid, including and directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Group's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Group's equity holders.

Life assurance costs

The cost of providing employee life assurance is accounted for in the period in which the cost is incurred by the provider.

The cost of employee life assurance benefits is recognised in the period in which the service is rendered and is not discounted.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, the resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods in which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated by estimating the amounts of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Group determines the net interest on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability.

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

When the benefits of a plan are changes, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the amendment or curtailment occurs.

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in the future contributions and takes into account the adverse effect of any minimum funding requirements.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on a settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the company in connection with the settlement.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Impairment review
The Group assesses at each reporting date whether an asset may be impaired. If any such indicator exists the Group tests for impairment by estimating the recoverable amount. If the recoverable amount is less that the carrying value an impairment loss is recognised. The main estimates and judgements taken by management relate to the forecasting of future cash flows and the discount rate used to estimate the present value of the cash flows to be generated by the asset under review. The Group determines the appropriate discount rate at the time that reflects the current market assessment of time value of money and the risk specific to the asset for which future cashflow estimates have not been adjusted.

Company accounting policies
The group financial statements have been prepared and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK Adopted IFRSs"). The individual Company financial statements have been prepared and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK adopted IFRSs").

The financial statements have been prepared on the historic cost basis. The principal accounting policies adopted are the same as those set out in note 1 to the consolidated financial statements except as noted below.

The Company is exempted by s408 of the Companies Act (2006) from disclosing its statement of comprehensive income, the result for the year is £nil (2020: £nil).

The Company has not presented a cash flow statement as no cash and cash equivalents are held by the Company and there have been no movements in cash and cash equivalents during the year.

Fixed asset investments are stated at cost unless in the opinion of the directors there has been a permanent diminution in value, in which case an appropriate adjustment is made.

3 Revenue

Segmental reporting

The analysis of the Group's revenue for the year from continuing operations is as follows:

	2021 £ 000	2020 £ 000
Sale of goods	111,921	102,194

4 Other operating income

The analysis of the Group's other operating income for the year is as follows:

	2021 £ 000	2020 £ 000
Rental income	141	-
Other income	1,635	-
Other group related income	3,312	3,275
	5,088	3,275

5 Finance income and costs

Their aggregate remuneration comprised

	2021 £ 000	2020 £ 000
Finance costs		
Interest on bank overdrafts	5	10
Interest on group loans	1,175	1,544
Unwinding of discounts in provision	51	45
Net interest on defined benefit plans	186	270
Interest expenditure IFRS 16	175	150
	1,592	2,019

	2021 £ 000	2020 £ 000
Finance income		
Deposit account interest	4	6
	4	6

6 Staff costs

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

	2021	2020
Production	154	164
Sales and logistics	44	44
Administration	10	11
	208	219

Their aggregate remuneration comprised

	2021 £ 000	2020 £ 000
Wages and salaries	9,652	9,674
Social security costs	1,132	1,110
Other costs	772	674
Life assurance	113	120
Other pension costs	948	1,053
	12,617	12,631

Remuneration of Key Management Personnel

The remuneration of the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. Key management Personnel is defined as the directors of the Group.

	2021 £ 000	2020 £ 000
Short-term employee benefits	513	435
Post-employment benefits	32	32
	545	467

Included in the above figures are directors' emoluments of £545,000 (2020: £467,000). The number of directors accruing benefits under defined pensions schemes are 2 (2020: 2). The emoluments of the highest paid director are £312,000 (2020: £320,000). The pension contributions of the highest paid director are £24,000 (2020: £22,000). The accrued pension for the highest paid director at 31 December 2020 was £24,000 (2020: £24,000) per annum.

7 Profit / (loss) before income tax expense

The profit / (loss) before income tax expense is stated after charging/(crediting):

	2021 £ 000	2020 £ 000
Cost of inventories recognised as expense	57,749	51,293
Depreciation - owned assets	3,694	4,247
Depreciation - right of use assets	886	1,082
Profit on disposal of fixed assets	3	(6)
Customer relationships amortisation	1,728	2,064
Software amortisation	21	18
Auditor's remuneration for audit services	45	62
Auditor's remuneration for tax services	-	10
Foreign exchange differences	37	(169)
Impairment of property, plant and equipment	1,121	4,035
Impairment of intangibles	-	1,623

The auditor's remuneration for audit services includes an amount of £5,000 (2020: £4,000) for the audit of the holding company Pluss-Staufer Limited.

8 Income tax

Tax charged/(credited) in the income statement

	2021 £ 000	2020 £ 000
De-recognition/(recognition) of tax losses		
Total tax in statement of profit or loss and other comprehensive income	(15)	2,030

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £ 000	2020 £ 000
Profit / (loss) before income tax	552	(9,048)
Corporation tax at standard rate	105	(1,719)
Increase from effect of revenues exempt from taxation	(28)	-
Non-deductible expenses	14	434
Taxes on losses not recognised	(392)	3,529
Impact of change in the UK tax rate	-	(154)
Other	286	(60)
Total tax	(15)	2,030

Tax effects relating to effects of other comprehensive income

	Gross £'000	Tax £'000	Net £'000
2021			
Actuarial gain	4,799	-	4,799
2020	-	-	-
Actuarial losses	(2,483)	524	(1,959)

A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted for IFRS purposes on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19%, rather than the previously enacted reduction to 17%. A further change to the main UK corporation tax corporate tax rate was announced in the budget on 3 March 2021 and substantively enacted for IFRS purposes on 24 May 2021. The rate applicable from 1 April 2023 will increase to 25%.

9 Profit of parent company

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent is not presented as part of these financial statements. The parent company's profit for the financial year was £nil (2020: £nil).

10 Intangible assets

Group

	Goodwill	Customer relationships	Software	Totals
Cost	£'000	£'000	£'000	£'000
At 1 January 2021	2,880	6,622	1,816	11,318
Additions	-	-	58	58
Disposals	-	(4,058)	-	(4,058)
At 31 December 2021	2,880	2,564	1,874	7,318
Amortisation				
At 1 January 2021	-	2,698	1,765	4,463
Amortisation during the year	-	1,728	21	1,749
Eliminated on disposal	-	(2,493)	-	(2,493)
At 31 December 2021	-	1,933	1,786	3,719
Net book value				
At 31 December 2021	2,880	631	88	3,599

	Goodwill	Customer relationships	Software	Totals
Cost	£'000	£'000	£'000	£'000
At 1 January 2020	2,880	8,245	1,796	12,921
Additions	-	-	21	21
Disposals	-	-	(1)	(1)
Impairment	-	(1,623)	-	(1,623)
At 31 December 2020	2,880	6,622	1,816	11,318
Amortisation				
At 1 January 2020	-	634	1,747	2,381
Amortisation during the year	-	2,064	18	2,082
At 31 December 2020	-	2,698	1,765	4,463
Net book value				
At 31 December 2020	2,880	3,924	51	6,855

Group

Customer relationships consist of customer lists. Technology based intangible assets relate to software which has been capitalised. The customer list resulting from the acquisition of Solar Inks Limited in 2019 has been reassessed. During 2020 and 2021, the business has been adversely affected by the COVID-19 pandemic. Senior Management have evaluated the current and future business and conclude that the customer list should be impaired. Technology based intangible assets relate to software which has been capitalised.

Impairment tests for goodwill have been performed, the recoverable amount is determined based on value in use calculations. These calculations use pre-tax cash flow projections covering a three-year period. The assumptions used are: Gross Margin 16.0% (2020: 15.8%), Growth rate 0.5% (2020: 2.3%) and a Pre-tax discount rate of 7.2% (2020: 6.4%).

11 Property, plant and equipment

Group	Land	Buildings	Mineral bearing land	Assets under construction
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2021	6,304	29,689	5,488	5,181
Additions	-	-	-	1,177
Disposals	-	(63)	-	-
Adjustments	-	-	-	-
Reclassification/transfer	125	1,092	-	(4,322)
At 31 December 2021	6,429	30,718	5,488	2,036
Depreciation				
At 1 January 2021	2,327	18,013	1,024	-
Charge for year	141	781	32	-
Eliminated on disposal	-	(63)	-	-
Impairments	-	72	-	-
At 31 December 2021	2,468	18,803	1,056	-
Net book value				
At 31 December 2021	3,961	11,915	4,432	2,036

	Plant & Equipment	Fixtures and fittings	Motor vehicles	Right of use assets	Totals
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2021	79,093	2,604	3,455	9,199	141,013
Additions	-	-	-	943	2,120
Disposals	(1,333)	(66)	(68)	(3,082)	(4,612)
Adjustments	-	-	-	(116)	(116)
Reclassification/transfer	4,725	74	8	-	1,702
At 31 December 2021	82,485	2,612	3,395	6,944	140,107
Depreciation					
At 1 January 2021	54,901	1,735	2,319	2,153	82,472
Charge for year	2,215	178	347	886	4,580
Eliminated on disposal	(1,331)	(66)	(67)	(1,402)	(2,929)
Impairments	984	65	-	-	1,121
At 31 December 2021	56,769	1,912	2,599	1,637	85,244
Net book value					
At 31 December 2021	25,716	700	796	5,307	54,863

	Land	Buildings	Mineral bearing land	Assets under construction
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2020	6,295	29,358	5,577	2,871
Additions	-	-	-	4,496
Disposals	-	(13)	-	-
Adjustments	(3)	3	(89)	-
Reclassification/transfer	12	341	-	(2,186)
At 31 December 2020	6,304	29,689	5,488	5,181
Depreciation				
At 1 January 2020	1,768	16,664	1,078	-
Charge for year	207	815	35	-
Eliminated on disposal	-	(13)	-	-
Impairments	352	547	-	-
Adjustments	-	-	(89)	-
At 31 December 2020	2,327	18,013	1,024	-
Net book value				
At 31 December 2020	3,977	11,676	4,464	5,181

	Plant & Equipment	Fixtures and fittings	Motor vehicles	Right of use assets	Totals
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2020	77,742	2,762	3,498	4,807	132,910
Additions	-	-	-	3,748	8,244
Disposals	(348)	(294)	(43)	-	(698)
Adjustments	2	-	-	644	557
Reclassification/transfer	1,697	136	-	-	-
At 31 December 2020	79,093	2,604	3,455	9,199	141,013
Depreciation					
At 1 January 2020	49,571	1,726	2,006	1,071	73,884
Charge for year	2,630	209	351	1,082	5,329
Eliminated on disposal	(340)	(294)	(43)	-	(690)
Impairments	3,037	94	5	-	4,035
Adjustments	3	-	-	-	(86)
At 31 December 2020	54,901	1,735	2,319	2,153	82,472
Net book value					
At 31 December 2020	24,192	869	1,136	7,046	58,541

At 31 December 2021, the Group had entered into contractual commitments for the acquisition of property, plant and equipment amounting to £274,000 (2020: £218,000).

The net book value of Plant & Equipment includes £1,000 (2020: £8,000) in respect of assets held under hire purchase contracts.

12 Investments in subsidiaries

Company

	Investment in subsidiaries £'000
Cost	
At 1 January 2021	
and 31 December 2021	29,346
Net book value	
At 31 December 2021	29,346
At 31 December 2020	29,346

Details of the Group's subsidiaries at 31 December 2021 are as follows:

Name of subsidiary	Place of incorporation	Class of Shares held	Ownership	Voting power	Principal activity
Omya UK Limited	England & Wales	Ordinary	100%	100%	See below
Solar Inks Limited	England & Wales	Ordinary	100%	100%	See below

The principal activities of Omya UK Limited during the year were the manufacture of chemicals and the quarrying, processing and distribution of calcium carbonate and other raw materials for supply to the chemical, plastics, paint, rubber, paper, ink, foodstuffs, building products, pharmaceutical and allied industries.

Omya UK Limited registered office address is Melton Office, Melton Bottom, Melton, North Ferriby, East Riding of Yorkshire, HU14 3HU.

The principal activities of Solar Inks Limited during the year were the production of sustainable flexographic inks, barriers and adhesives for the packaging industry.

Solar Inks Limited registered office address is Unit 3E, Halesfield 23, Telford, Shropshire, TF7 4NY.

13 Inventories

Group

	2021 £'000	2020 £'000
Raw materials	1,992	1,972
Finished goods	8,527	8,741
Spare parts	834	579
Stock in transit	877	686
	12,230	11,978

During the year £75,000 (2020: £43,000) was provided for slow moving and obsolete stocks.

14 Trade and other receivables

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Current:				
Trade receivables	18,974	18,538	-	-
Receivables from related parties	493	944	3,000	3,000
Other receivables	1,091	4	-	-
Prepayments and accrued income	988	732	-	-
	21,546	20,218	3,000	3,000

Ageing of trade receivables	2021 £'000	2020 £'000
Total trade receivables	18,977	18,595
Less: impairment provision for trade receivables	(3)	(57)
	18,974	18,538
Of which:		
Not overdue	14,323	14,555
Past due less than 10 days	4,587	3,795
Past due more than 10 days but less than two months	64	170
Past due more than two months but less than six months	-	18
	18,974	18,538

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

British pound	19,673	17,629
Euro	1,017	2,216
US Dollar	856	373
	21,546	20,218

15 Cash and cash equivalents

Group

	2021 £'000	2020 £'000
Cash in hand	2	4
Bank accounts	779	2,576
	881	2,580

16 Share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £'000	2020 £'000
25,000,000	Ordinary	1	25,000	25,000

17 Reserves

Group

	Retained earnings £'000	Share premium £'000	Capital reserve £'000	Mineral reserve £'000	Total £'000
At 1 January 2021	(49,695)	7,010	4,756	4,463	(33,466)
Income for the year	567	-	-	-	567
Actuarial gains on defined benefit pension	4,799	-	-	-	4,799
Amortisation transfer	33	-	-	(33)	-
At 31 December 2021	(44,296)	7,010	4,756	4,430	(28,100)

Company

	Capital reserve £'000	Mineral reserve £'000	Total £'000
At 1 January 2021	(7,936)	4,346	(3,590)
Profit for the year	-	-	-
At 31 December 2021	(7,936)	4,346	(3,590)

18 Trade and other payables

Group

	2021 £'000	2020 £'000
Current:		
Trade payables	15,949	14,443
Amounts due to related parties	2,466	710
Other tax and social security	1,917	2,048
Accruals and deferred income	328	269
	20,660	17,470
Non-current:		
Deferred government grants	5	5
Aggregate amounts	20,665	17,475

19 Other financial liabilities

Group

	2021 £'000	2020 £'000
Current:		
Lease liabilities (see note 20)	887	1,156
Ultimate parent company loan	5,205	10,347
	6,092	11,503

	2021 £'000	2020 £'000
Non-current		
Ultimate parent company loan	53,170	52,550
Lease liabilities (see note 20)	4,708	6,093
	57,878	58,643
Repayable as follows:		
On demand or within one year	6,092	11,503
Between two and five years	1,922	1,542
Over five years	55,956	57,101
	63,970	70,146

Company

	2021 £'000	2020 £'000
Current:		
Payables to related parties	10,936	10,936
Repayable as follows:		
On demand or within one year	10,936	10,936

Payables from related parties are in Sterling.

Group

Analysis of lease liabilities and ultimate parent company loan by currency

	Total £'000	Sterling £'000	Euros £'000	US Dollars £'000	Others £'000
At 31 December 2020					
Ultimate parent company loan	62,897	62,897	-	-	-
At 31 December 2021					
Ultimate parent company loan	58,375	58,375	-	-	-

The weighted average interest rates paid were as follows

	2021	2020
Ultimate parent company loan	2.35%	2.38%

The other principal features of the Group's borrowings are as follows:

A loan of £58.4m (2020: £62.9m) with the ultimate parent company. This loan was taken out in May 2006 and was renewed in 2008, 2010, 2013, 2014, 2018 and 2019. The loan carries an interest rate of 2.35% (2020: 2.38%) which is the rate of 1.87% over 3 months LIBOR. No security is pledged for these loans.

At 31 December 2021 the group had available £8.8m (2020: £8.6m) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

20 Leases

Group

Right-of-use assets

Property, plant and equipment

	2021 £'000	2020 £'000
Cost		
At 1 January	9,199	4,807
Additions	943	3,748
Adjustments	(116)	644
Disposals	(3,082)	-
	6,944	9,199
Depreciation		
At 1 January	2,153	1,071
Charge for the year	886	1,082
Eliminated disposals	(1,402)	-
	1,637	2,153
Net book value	5,307	7,046

When measuring lease liabilities, the company discounted lease payments using its incremental borrowing rate at 31 December 2021. Adjustments are due to change in the incremental borrowing rate in 2021.

Group

Lease liabilities

	2021 £'000	2020 £'000
Gross obligations repayable		
Within one year	887	1,156
Between one and five years	1,922	1,542
In more than five years	2,786	4,551
	5,595	7,249

£174,754 (2020: £145,135) of interest expenses on lease liabilities are recognised in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2021.

The total short term operating lease charge in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2021 was £1,158,542 (2020: £1,187,000).

21 Provisions

Group

	2021	2020
	£'000	£'000
Restructuring provision	659	1,673
Litigation provision	60	149
Restoration and dilapidations provision	1,695	1,533
Deferred consideration provision	2,012	2,818
	4,426	6,173
Analysed as follows:		
Current	1,641	2,173
Non-current	2,785	4,000
	4,426	6,173

	Restructuring provision	Litigation provision	Restoration and dilapidation provision	Earn out provision	Total provisions
	£'000	£'000	£'000	£'000	£'000
At 1 January 2021	1,673	149	1,533	2,818	6,173
Additional provision in the year	90	60	517	67	734
Release of provision	-	-	(386)	-	(386)
Utilisation of provision	(1,104)	(149)	-	(893)	(2,146)
Unwinding of discount	-	-	31	20	51
At 31 December 2021	659	60	1,695	2,012	4,426
Current	659	60	-	922	1,641
Non-current	-	-	1,695	1,090	2,785

Estimated long term restoration provisions are based on the Groups environmental management plans in compliance with current technological, environmental and regulatory requirements. Based on damage done to date the net present value of expected restoration cost estimates are recognised and provided for in full in the financial statements. This provision is estimated to be utilised between 2023 and 2054.

During the year the Groups announced the decision to close one of its manufacturing sites at the end of 2021. A provision was made for the restructuring relating to the site.

The estimates are reviewed annually and are discounted using a pre-tax risk-free rate (0.85%) that is adjusted to reflect the current market assessments of the time value of money.

22 Deferred tax

	Accelerated tax depreciation	Revaluation of mineral reserve	Retirement benefit obligations	Tax losses	Total
	£'000	£'000	£'000	£'000	£'000
At 1 January 2020	3,933	763	(2,570)	(3,631)	(1,505)
Recognised in income	(123)	(7)	208	1,951	2,029
Recognised in equity	-	-	(524)	-	(524)
At 31 December 2020	3,810	756	(2,886)	(1,680)	-
Recognised in income	1,416	352	1,083	(2,851)	-
Recognised in equity	-	-	-	-	-
At 31 December 2021	5,226	1,108	(1,803)	(4,531)	-

Certain deferred tax assets and liabilities have been offset.
The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2021	2020
	£'000	£'000
Deferred tax liabilities	6,334	4,566
Deferred tax asses	(6,334)	(4,566)
	-	-

Temporary differences not recognised in the above are insignificant.

At the balance sheet date, the Group has unused post 1 April 2017 tax losses of £22.88m (2020: £21.6m) available for offset against future profits. Deferred tax assets have been recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

23 Pension and other schemes

Employee benefit obligations
The Group operates a defined benefit scheme for qualifying employees which requires contributions to be made to a separately administered fund.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out in January 2022 by Mercer LLC, a firm of actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

The Defined Benefit Scheme was closed to future accrual in May 2009.

The actuarial valuations described above have been updated at 31 December 2021 by the actuaries using the assumptions that are consistent with the requirements of IAS 19.

Defined benefit pension plans

	2021	2020
	£'000	£'000
Present value of funded obligations	(104,108)	(110,302)
Fair value of plan assets	96,950	95,500
Net liability	(7,158)	(14,802)

The amounts recognised in profit or loss are as follows:

Defined benefit pension plans

	2021	2020
	£'000	£'000
Interest cost	1,515	1,996
Interest income	(1,329)	(1,726)
	186	270
Actual return on plan assets	2,590	9,502

Changes in the present value of the defined benefit obligation are as follows:

Defined benefit pension plans

	2021	2020
	£'000	£'000
Opening defined benefit obligation	110,302	101,587
Interest cost	1,515	1,996
Remeasurements - effects of changes in financial assumptions	(3,538)	10,259
Benefits paid	(4,171)	(3,540)
	104,108	110,302

Changes in the fair value of scheme assets are as follows:

Defined benefit pension plans

	2021 £'000	2020 £'000
Opening fair value of scheme assets	95,500	86,584
Contributions by employer	3,031	2,954
Interest income	1,329	1,726
Benefits paid	(4,171)	(3,540)
Remeasurements - Return on plan assets (excluding interest)	1,261	7,776
	96,950	95,500

The amounts recognised in other comprehensive income are as follows:

Defined benefit pension plans

	2021 £'000	2020 £'000
Actuarial gains	(4,799)	(2,483)
	(4,799)	(2,483)

The major categories of scheme assets as amounts of total scheme assets are as follows:

Defined benefit pension plans

	2021 £'000	2020 £'000
Equity instruments	3,449	6,038
Debt instrument	30,439	12,793
Cash and cash equivalents	2,057	2,265
Index-linked gilts	-	3,703
Private market funds	1,889	-
Assets held insurance company	24,822	26,318
Liability driven investments	20,396	16,350
Diversified growth funds	13,898	28,033
	96,950	95,500

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	2021	2020
Discount rate	1.80%	1.40%
Inflation rate (consumer price index)	2.90%	2.45%
Future pension increases	2.90%	2.45%
Return on corporate bonds	1.80%	1.40%

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

In assessing the post retirement mortality of members in the defined benefit scheme, the Group has used:

S3PMA/S3PFA_M tables with no age rating for males and females. CMI 2020 projections with a 1.25% p.a. long term improvement rate have been used for mortality improvements.

Assumed life expectations on retirement at age 65

	2021	2020
Retiring today (male member age 65)	22.1	21.9
Retiring in 25 years (male member age 40 today)	23.8	23.3
Retiring today (female member age 65)	23.8	23.6
Retiring in 25 years (female member age 40 today)	25.7	25.1

The calculation of the defined benefit obligation is sensitive to the assumption set out above. The following table shows the defined benefit obligation resulting from adjustments to the assumptions.

	2021	2020
	£'000	£'000
Decrease in discount rate of 0.1% (2020: 0.1%)	108,281	112,067
Increase in inflation rate of 0.1% (2020: 0.1%)	105,850	111,184
Increase in life expectancy of 1 year (2020: 1 year)	108,953	115,045

The estimated amount of contributions expected to be paid to the scheme during the 2021 financial year is £3,110,000 (2020: £3,031,000).

24 Contingent liabilities

a) Other contingent liabilities
Other contingent liabilities arise in the normal course of business. It is not anticipated that any material loss will arise in connection therewith.

b) Other Guarantee
The Group has a duty guarantee for £400,000 (2020: £500,000).

25 Related party transactions

Group
Related party transactions of the Group which are considered to be material are as follows:-

a) Ultimate Controlling Party
The ultimate parent company is Omya AG, a company registered in Switzerland.

Pluss-Staufer Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. Omya AG is the parent undertaking of the largest group of undertakings to consolidate these financial statements.

b) Subsidiary Companies
Details of investments in subsidiary companies are disclosed in note 12.

c) Overseas Group Companies
During the year, the Group traded with fellow subsidiary companies of Omya AG, situated overseas. The Group trading activities, all of which were in the ordinary course of business and at arms'- length with these companies, included £3,797,689 (2020 - £8,242,213) for the sale of goods, £2,074,740 (2020 - £2,137,698) for services provided to the group, £14,848,967 (2020 - £12,009,621) for purchase of goods, £1,174,518 (2020 - £1,544,442) for interest expenses on loans and £6,716,021 (2020: £7,095,266) for service charges from group companies.

The amounts owed by overseas Group companies at the year-end amounted to £492,939 (2020 - £943,518) and the amounts owed to overseas Group companies at the year-end amounted to £2,466,186 (2020 - £709,731).

Detail of loans from the parent company, which is a related party, are provided in note 19.

Company
Related party transactions of the Company which are considered to be material are as follows:

Included within receivables from related parties are amounts due from UK related parties which arose mainly from trading transactions totalling £3,000,000 (2020 - £3,000,000). The receivables are unsecured in nature and bear no interest.

Included within payables to related parties are amounts due to UK related parties which arose mainly from purchase transactions totalling £10,936,000 (2020 - £10,936,000). The payables bear no interest.

26 Reconciliation of profit / (loss) before income tax expense to cash generated from operations

	2021	2020
	£'000	£'000
Profit/(loss) before income tax expense	582	(9,048)
Depreciation charges	4,580	5329
Profit on disposal of fixed assets	-	(6)
Amortisation and impairment charges	2,870	7741
Difference between pension charge and cash contributions	(2,845)	(2,684)
Movement in provision	345	212
Finance costs	1,592	2,019
Finance income	(4)	(6)
	7,120	3,557
Decrease/(increase) in inventories	(252)	1,248
Decrease/(increase) in trade and other receivables	(1,328)	3,475
Increase/(decrease) in trade and other payables	3,190	2,380
Cash generated from operations	**8,730**	**10,660**

27 Cash and cash equivalents

Year ended 31 December 2021

	31.12.21	1.1.21
	£'000	£'000
Cash and cash equivalents	881	2,580

Year ended 31 December 2020

	31.12.20	1.1.20
	£'000	£'000
Cash and cash equivalents	2,580	2,689

28 *Financial risk management and impairment of financial assets*

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme seeks to minimize potential adverse effects on the Groups financial performance. Risk management is carried out by the treasury function under policies approved by the board of directors.

Market risk - The Group's interest rate risk arises from long-term borrowings. The Group is funded substantially by a LIBOR linked interest bearing loan from the ultimate parent company. At 31 December 2021, the company had a loan of £58.4m (2020: £62.9m) with the ultimate parent company which carried an interest rate at 1.87% over 3 months LIBOR.

Credit risk - The Group's credit risk is primarily attributable to its trade receivables. The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Groups exposure to bad debts is not significant. At 31 December 2021, 0% (2020: 0.57%) of trade debtors were over two months overdue.

Liquidity risk - Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the treasury function maintains flexibility in funding by maintaining availability under committed borrowing facilities in respect of which all conditions precedent had been met.

Interest rate risk - The Group is funded substantially by interest bearing payables to the group. As a consequence, the Group is dependent on Omya AG group treasury department for managing interest rate risk. The impact of the interest rate risk is passed down from the Omya AG group to the Group through the increase or decrease in the rate payable on group funding. If the Group interest rate had increased by 1% with all other variables held constant, pre-tax profit for the year would have been £628,000 (2020: £759,000) lower.

The following table analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual non-discounted cash flows.

	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	£'000	£'000	£'000	£'000	£'000
At 31 December 2021					
Borrowings	-	5,205	-	-	53,170
Trade and other payables	20,332	328	5	-	-
Provisions	-	1,641	1,087	-	1,698
	20,332	7,174	1,092	-	54,868
At 31 December 2020					
Borrowings	-	10,347	-	-	52,550
Trade and other payables	19,576	269	5	-	-
Provisions	-	2,173	569	1,898	1,533
	19,576	12,789	574	1,898	54,083

Credit risk and impairment

Capital risk

The Group's objectives when managing capital are to safeguard the Group's liability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

29 Non adjusting events after the financial period

On March 31 2022, the Group sold its Gateshead site for £760,000. The net book value of the site as at 31 December 2021 was £36,033.

On 25 April 2022, a formal announcement was made to close the Humber operation as a result of reduced business and the ongoing effect of COVID-19. The net book value of the site as at 31 December 2021 was £1,796,249.

The Group aims to focus on and strengthen its core business.