Calder Group Limited

Registered number: 03491249

Annual Report

For the year ended 31 May 2022

CALDER GROUP LIMITED

COMPANY INFORMATION

Directors	I G Clarkson M J Saunders
Company secretary	I G Clarkson (appointed 16 September 2021)
Registered number	03491249
Registered office	c/o Calder Materials Industrial Limited Jupiter Drive Chester West Employment Park Chester CH1 4EX
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor One St. Peter's Square Manchester M2 3DE
Bankers	Wells Fargo Capital Finance Limited 33 King WIlliam Street London ECR 9AT
	HSBC UK Bank Plc Level 9 Royal Liver Building Liverpool L3 1HU
Solicitors	DLA Piper UK LLP Victoria Square House Victoria House Birmingham B2 4DL

CALDER GROUP LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2022

Introduction

The Directors present their Strategic Report for the year ended 31 May 2022.

Principal activities

As the Company is a holding company with investments as laid out in note 13 of the financial statements, its source of income is derived from its investments. It incurs operating central costs in its own right and therefore makes an operating loss year on year.

Review of the year and future developments

As the Company is a holding and financing Company, its source of income is derived from its investments and the re-charge of certain costs to its operating subsidiaries. The principal costs of the Company relate to its activities as a head office function. The Company is dependent on the earnings and cash flows of its operating subsidiaries, and the ability of its subsidiaries to pay upstream dividends or to repay funds due to the Company.

The Directors are confident that the Company have sufficient investment earnings from their dividend potential and other planning opportunities to ensure the Company will have positive reserves in future accounting periods.

On the 24th December 2021, the Group sold its interest in Aquila Nuclear with the Calder Group Ltd company was repaid its intercompany balance in full.

COVID-19

Although the coronavirus (COVID-19) pandemic continues to cause some uncertainty in the Company's operating environment, trading has been resilient so far through 2021. The Company continues to be fully compliant with all Government guidelines to ensure the safety of our workforce which remains, as always, our primary concern.

Set out below are what the Board consider to be the main risks affecting the Company together with their mitigation.

Risk	Mitigation
Health and safety risk As the vast majority of our employees work in a office environment, there are inherent risks of minor injuies.	The Company has policies, procedures and standards in place to ensure compliance with legal obligations and industry standards By proactively managing the lost time accident frequency, we are reducinginjuries from accidents and maintaining a good reputation as an employer.
Currency risk The Company has transactional currency exposures arising from movements in currencies other than the functional currency of the entity.	Under the Company's foreign exchange policy, where practicable, transaction exposures are hedged, mainly through natural hedging of Balances.

Risk (continued)	Mitigation (continued)
Interest rate risk The Company finances its costs through the Calder Group borrowing facility, including a Revolver credit facility, hire purchase and finance leases. All are subject to interest rate changes.	Interest rate risk on hire purchase and finance leases is managed by fixing interest at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Interest on revolver facilities are managed by regular review with the incumbent funding provider of terms and conditions. Overall, the Board considers this risk to be minimal.
Liquidity risk The Company may not have enough funds to finance its operations and future plans.	The Company maintains committed facilities that are designed to ensure sufficient funding for operations and planned expansions. Appropriate facilities are in place until 31 December 2023. The Asset Based Lending scheme means availability of funding flexes with the movement in the underlying commodity prices and working capital levels.
Technology risk The digital world creates many risks for businesses including technology failures, loss of confidential data and damage to brand reputation.	We seek to assess and manage the maturity of our enterprise risk and security infrastructure and our ability to defend effectively against current and future cyber risks by using analysis tools and experienced professionals to mitigate potential impacts. The Group relies on a variety of IT systems in order to manage and deliver Communication with other entities.
Climate Change/Environmental Risk Government legislation varies across territories in respect of emissions targets of greenhouse gases and other message to reduce carbon footprint. Also operating in different territories means the group faces caried environmental risks.	The Company monitors applicable legislation and ensures it is compliant in its area of operation.

Key performance indicators (KPIs)

The Directors are of the view that, as the Company is a holding company, key performance indicators are not required to evaluate the performance of the business. The Directors review cost levels (as recorded in the Income Statement) on a regular basis.

Directors' statement of compliance with duty to promote the success of the Company

In line with section 172 of the Companies Act the Directors act in a way to promote the success of the Company for the benefit of all stakeholders. In doing so the Directors place the highest importance on the health and safety of employees together with contractors and any other visitors to the Company's premises. The Directors also consider the:

Likely consequence of any decision in the long term.
Long term decisions including those around capital and business investment are discussed as part of monthly management meetings and impacts on the respective company and Group stakeholders are considered and documented as necessary.

Directors' statement of compliance with duty to promote the success of the Company (continued)

The interests of the Company's employees.
The Directors empower local senior managers to manage the Company on a day to basis through clearly defined delegations of authority. Guidance and support is provided where necessary whilst monitoring the business performance against objectives through regular executive management meetings, this also includes reviewing impacts of operations on local communities and environments as necessary. Where relevant, consultations are held with employees to ensure that their interests are properly understood and factored into decision making where appropriate.

Impact of the Company's operations on the community and environment.
The Directors develop and implement strategies to continually enhance the Company's impact on its local communities and environment. This includes being a responsible employer and engaging in consultation and activities with local community stakeholder groups to spread economic and social benefit. The Company measures and monitors key performance indicators in order to drive improvements in the environmental impacts of operations, this includes ensuring that emission levels stay well within legal requirements and that initiatives are implemented to continually improve performance.

Need for the Company to maintain a reputation for high standards of business conduct.
The Directors ensure high standards of business conduct through a rigorous framework of delegated authority and regular executive performance reviews. In addition the Board has issued a detailed competition law guidance policy to all senior employees to ensure that the Company operates ethically in conducting business. The ultimate holding company Calder Group Holdings Ltd is also in the process of rolling out a Calder Code of Business Conduct to all of its subsidiary businesses and employees, this covers the areas of personal and business integrity, working relationships, our environment and communities and company property and records management. The Code is being rolled out through the calendar year 2022.

Need to foster relationships with suppliers, customers and other stakeholders.
The Company is focused on developing and maintaining close relationships with customers and suppliers and stays in regular contact through local management to ensure that needs are being met.

Need to act fairly as between members of the Company.
The Code of Business Conduct sets out how members of the Company should work together. This comprises equality, diversity and inclusion, preventing harassment, bullying and discrimination and also fair dealing and fair payment. The Code will supplement existing fair practices which are ensured through empowerment of local management and review and challenge of performance.

This report was approved by the board and signed on its behalf.

iain clarkson
iain clarkson (Dec 16, 2022 14:31 GMT)

I G Clarkson
Director

Date: Dec 16, 2022

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2022

The Directors present their report and the financial statements for the year ended 31 May 2022.

Principal activity

The Company's principal activity is the holding of investments, which is its source of income. The review of the year and future prospects are set out in the Strategic Report on page 1.

Results and dividends

The profit for the year, after taxation, amounted to £2,712k (2021 - loss of £2,107k).

During the year, the Company paid no dividend (2021 - £Nil).

There was an exceptional gain of £5,311k during the year (see note 11).

Directors

The Directors who served during the year were:

I G Clarkson
M J Saunders

None of the Directors have any material interests in contracts of the Company.

Political contributions

The Company has made no political donations during the year (2021 - £Nil).

Principal risks and uncertainties

As a holding company, there are no direct risks and uncertainties. The risks and uncertainties of the operating investments are laid out in their financial statements and the risks and uncertainties of the group are presented in the financial statements of the ultimate parent company Calder Group Holdings Limited.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 3. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the notes to the financial statements and include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk. The supply chain is constantly monitored, and no significant sourcing difficulties are anticipated.

As highlighted in note 15 to the financial statements, the Company meets its day-to-day working capital requirements through cash generated by its operations and a revolving asset backed facility that is committed until 31 December 2023. The Company has long-term contracts with several key customers and suppliers across different market sectors and the Company's forecasts and projections, taking account of possible changes in trading performance, rising energy costs and the projected increases in the cost of living, show that the Company will be able to operate within the level of its current facility.

The directors have also modelled the business performance based on a downgraded forecast assuming a lower level of trading volumes, despite the consequent reduction in EBITDA, which the directors consider severe but plausible, the modelling showed covenant compliance throughout all the years.

Going concern (continued)

In December 2021 Calder Group sold its Nuclear Engineering subsidiary, Aquila Nuclear Engineering Ltd realising sale proceeds of €12m. Following this sale, the bank facilities with Wells Fargo were renegotiated giving revised covenant targets based on a monthly trading cash flow. This has given the Calder Group substantial operating headroom throughout the course of this facility which runs through to December 2023.

Based on their assessment, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation

The Company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and team briefings. Employees representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Qualifying third party indemnity provisions

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Matters covered in the Strategic Report

As permitted by section 414C(11) of the Companies Act 2006, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report instead. These matters relate to; business review, future developments, key performance indicators and non-financial risk management.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Russia/Ukraine

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that the greatest impact on the business is expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2022

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

iain clarkson
iain clarkson (Dec 16, 2022 14:31 GMT)

I G Clarkson
Director

Date: Dec 16, 2022

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MAY 2022

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALDER GROUP LIMITED

Opinion

We have audited the financial statements of Calder Group Limited (the 'Company') for the year ended 31 May 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The 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.

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 light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALDER GROUP LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, 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 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 intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

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

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.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.

Neil Barton

Neil Barton (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
One St. Peter's Square
Manchester
M2 3DE

Date: Dec 16, 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2022

	Note	2022 £000	2021 £000
Administrative expenses		(2,003)	(1,212)
Exceptional income/(expenses)	11	5,311	(119)
Operating profit/(loss)	4	3,308	(1,331)
Interest receivable and similar income	8	274	316
Interest payable and similar expenses	9	(870)	(1,092)
Profit/(loss) before tax		2,712	(2,107)
Tax on profit/(loss)	10	-	-
Profit/(loss) for the financial year		2,712	(2,107)

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 16 to 36 form part of these financial statements.

All profits of £2,712k (2021 - losses of £2,107k) relate to continuing operations.

CALDER GROUP LIMITED
REGISTERED NUMBER: 03491249

BALANCE SHEET
AS AT 31 MAY 2022

	Note		2022 £000		2021 £000
Fixed assets					
Tangible fixed assets	12		25		31
Investments	13		15,916		15,913
			15,941		15,944
Current assets					
Debtors: amounts falling due within one year	14	25,921		31,666	
Cash and cash equivalents		15,024		7,066	
		40,945		38,732	
Creditors: amounts falling due within one year	16	(46,852)		(48,039)	
Net current liabilities			(5,907)		(9,307)
Total assets less current liabilities			10,034		6,637
Creditors: amounts falling due after more than one year	17		(700)		(15)
			9,334		6,622
Provisions for liabilities					
Other provisions	21	(25)		(25)	
			(25)		(25)
Net assets			9,309		6,597
Capital and reserves					
Called up share capital	22		1,348		1,348
Profit and loss account	23		7,961		5,249
			9,309		6,597

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2022

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

iain clarkson
iain clarkson (Dec 16, 2022 14:31 GMT)

I G Clarkson
Director

Date: Dec 16, 2022

The notes on pages 16 to 36 form part of these financial statements.

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

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 June 2020	1,348	7,356	8,704
Comprehensive income for the year			
Loss for the year	-	(2,107)	(2,107)
Total comprehensive income for the year	-	(2,107)	(2,107)
At 1 June 2021	1,348	5,249	6,597
Comprehensive income for the year			
Profit for the year	-	2,712	2,712
Total comprehensive income for the year	-	2,712	2,712
At 31 May 2022	1,348	7,961	9,309

The notes on pages 16 to 36 form part of these financial statements.

1. General information

Calder Group Limited ("the Company") is a private company limited by shares, registered in England and Wales and incorporated in the United Kingdom. The Company's registered office and principal place of business address is c/o Calder Industrial Materials Limited, Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX. The Company's registered number is 03491249.

The Company's principal activity is the holding of investments, which is its source of income.

The financial statements have been presented in Pounds Sterling (£), this being the functional currency of the Company.

Monetary amounts included within these financial statements are rounded to the nearest whole £1,000.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

During the year the company transitioned from IFRS to FRS 101. This did not result in any material changes to the entities accounting policies, nor did it result in any material adjustments to comparative information.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures

This information is included in the consolidated financial statements of Calder Group Holdings Limited as at 31 May 2022 and these financial statements may be obtained from Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.

2. Accounting policies (continued)

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 3. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the notes to the financial statements and include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk. The supply chain is constantly monitored, and no significant sourcing difficulties are anticipated.

As highlighted in note 15 to the financial statements, the Company meets its day-to-day working capital requirements through cash generated by its operations and a revolving asset backed facility that is committed until 31 December 2023. The Company has long-term contracts with several key customers and suppliers across different market sectors and the Company's forecasts and projections, taking account of possible changes in trading performance, rising energy costs and the projected increases in the cost of living, show that the Company will be able to operate within the level of its current facility.

The directors have also modelled the business performance based on a downgraded forecast assuming a lower level of trading volumes, despite the consequent reduction in EBITDA, which the directors consider severe but plausible, the modelling showed covenant compliance throughout all the years.

In December 2021 Calder Group sold its Nuclear Engineering subsidiary, Aquila Nuclear Engineering Ltd realising sale proceeds of €12m. Following this sale, the bank facilities with Wells Fargo were renegotiated giving revised covenant targets based on a monthly trading cash flow. This has given the Calder Group substantial operating headroom throughout the course of this facility which runs through to December 2023.

Based on their assessment, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

2.4 Impact of new international reporting standards, amendments and interpretations

As at 31 May 2022, there are no amendments to accounting standards or IFRIC interpretations that have had a material impact on the Company's financial statements.

2.5 Exemption from preparing consolidated financial statements

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare consolidated financial statements as it is a wholly owned subsidiary of Calder Group Holdings Limited. The results of Calder Group Limited are included in the consolidated financial statements of Calder Group Holdings Limited as at 31 May 2022 and these are available from Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.7 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis looking back to the inception of the leases. The lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives received or receivable;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- Payment of penalties for terminating the lease, if the lease term reflects the lessee exercising that option;

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group incremental borrowing rate issued by Calder Group Holdings Limited, the Company's ultimate UK parent.

Right of use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability using the retrospective method from the date at the lease inception;
- Any lease payments made from the beginning of the lease at or before the commencement date less any lease incentive received;
- Any interest charged from the beginning of the lease to the commencement date;
- Any initial direct costs to enable the use of the asset;
- Restoration costs.

2. Accounting policies (continued)

2.7 Leases (continued)

Payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in the Statement of Comprehensive Income. Short term leases are leases of twelve months or less. Low value assets comprise IT equipment and small items of office equipment of less than €3.5k, according to Group policy interpreted from $5k in IFRS16.

Variable lease payments

Where lease agreements have a formula of calculation for revaluation of that lease within the lease term, the best estimate at the inception of the lease is calculated using known factors. During the life of the lease, as revaluations are confirmed this is treated as an event which will result in a change in the valuation of the lease liability (and the underlying asset). The depreciation and interest recognised in the Income Statement using the interest rate implicit in the revaluation or the Group's incremental borrowing rate at that point in time.

Extension and termination options

It is assumed at the inception of all leases in the Company that they will be completed until the end, termination of leases is not anticipated. If a lease is terminated, then the relevant accounting transactions would be recognised in the Balance Sheet or the Income Statement to remove the asset from the accounts. In some instances, extensions are available on property, plant and equipment leases. However, in all instances, the leases will be valued to the end of the lease as dated in the lease contracts. In no instances will a lease be entered into anticipating that it will be terminated early, an extension may be anticipated. At the point in time when an extension occurs, the value of the lease will be reassessed with the new contractual payments.

Residual value guarantee

To optimise lease cost during the contract period, the Company sometimes provides residual value guarantees in relation to equipment leases, this is particularly common with motor vehicle leases. It is expected that the residual value is estimated at the inception of the lease, but should the residual value significantly change during the lease, then the liability and asset value would be adjusted, which would also impact the depreciation and interest recognised in the Income Statement.

Leases are classified within the Company according to Group policy, as finance, right of use, short term or low value leases.

- The lease obligation for finance leases and right of use leases is measured at the present value over the lease term, applying the effective borrowing rate of the Group. The lease term is determined by the non-cancellable period in the lease taking into account any extension or termination options. The value of the lease obligation then reduces over the life of the lease by the cash repayments, less the interest charged to the obligation and finance costs in the income statement. Lease obligations are disclosed in note 19.

  The Company recognises the right of control of the assets financed by lease and consequently capitalises them according to the relevant asset classification in property, plant and equipment see note 12. The assets are also valued at the net present value of the future cashflows, including any initial payment or deposit on commencement of the lease.

2. Accounting policies (continued)

2.7 Leases (continued)

- Leases held for a short-term contract, twelve months or less, or are low in value, less than £3.2k (€3.5k according to the Group policy) are charged to the Income Statement on a straight-line basis over the lease term according to their cash payments made. If there are any leases held by the Company in this way a lease commitment disclosure would be provided, however there were no short-term contract or low value leases held by the Company for the periods disclosed in these financial statements.

2.8 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Share-based payments

The share appreciation rights are accounted for as cash-settled share-based payments. For cash settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in the Statement of Comprehensive Income for the year.

2. Accounting policies (continued)

2.13 Taxation

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land and buildings	- over the life of the lease
Motor vehicles	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2. Accounting policies (continued)

2.16 Valuation of investments

Fixed asset investments are shown at cost less provision for impairment in value following a review of the carrying value of each investment at the Balance Sheet date.

2.17 Trade and other receivables

The Company applies the IFRS9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The trade receivables are grouped based on days past due.

The Company examines the historical profile of credit, the market and customers are closely monitored, along with macroeconomic factors that could impact the credit risk. The process is continuous throughout the year as part of senior management team reviews, and the Company has determined based on the historical periods that the expected credit losses should be assessed at 0%, as there is no underlying risk identified during the year or at 31 May 2022.

In the event there are circumstances that impact the receivable balances and the likely recoverability of that receivable will then be impaired based on the expected credit loss specific to that receivable. The factors assessed with counterparties are significant financial difficulties, probability they will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable be impaired.

The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows of the asset, discounted, where material, 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 expenses' should they arise. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'operating expenses' in the Statement of Comprehensive Income.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Trade and other payables

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

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

2. Accounting policies (continued)

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.21 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

2. Accounting policies (continued)

2.21 Financial instruments (continued)

Financial liabilities

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

None of the accounting policy judgements applied in the year are considered to be critical judgements.

3. Judgements in applying accounting policies (continued)

Key sources of estimation uncertainty

Investments
The value of investments held on the balance sheet are assessed using a consistent approach, discount rate and method. The cost is compared to the discounted terminal value, based on forecast performance of the businesses held by the Company both directly and indirectly. Judgement is therefore used to decide the discount rate to be used and the future forecasts.

Contingent consideration on disposal of subsidiarity
Contingent consideration is receivable in relation to the disposal of its subsidiary and is calculated based on Aquila Nuclear Engineering Limited achieving future performance targets. The Company has applied judgements in relation to these target being met and as such the value of contingent consideration to be included within consideration receivable in relation to the disposal of its subsidiary.

Share-based payments
The value of share appreciation rights granted by the Company during the current year is determined by using modeling techniques including a number of assumptions. Judgement is therefore used to decide the discount rate to be used and the future forecasts.

4. Operating profit/(loss)

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

	2022 £000	2021 £000
Depreciation of tangible fixed assets (right of use)	22	23
Operating lease rentals	1	1

5. Auditor's remuneration

	2022 £000	2021 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	159	256

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

6. Employees

	2022 £000	2021 £000
Wages and salaries	1,219	1,307
Social security costs	145	162
Cost of defined contribution scheme	16	15
Share-based payments	700	-
	2,080	1,484

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
Administration	5	6

7. Directors' remuneration

	2022 £000	2021 £000
Directors' emoluments	1,119	1,294
Company contributions to define contribution pension scheme	4	4
Share-based payments	700	-
	1,823	1,298

During the year retirement benefits were accruing to no Directors (2021 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £602k (2021 - £386k).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £Nil (2021 - £Nil).

During the year, amounts accrued to 2 (2021 - Nil) Directors in relation to share based payments.

8. Interest receivable

	2022 £000	2021 £000
Income receivable from group companies	274	316

9. Interest payable and similar expenses

	2022 £000	2021 £000
Interest payable on bank loans, overdrafts and similar	655	405
Interest payable on group companies	163	210
Interest on lease liabilities	2	2
Foreign exchange arising on funding balances	50	475
	870	1,092

10. Taxation

	2022 £000	2021 £000
Current tax on profits for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	25
Adjustments in respect of prior periods	-	(25)
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Profit/(loss) on ordinary activities before tax	2,712	(2,107)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	515	(400)
Effects of:		
Amounts not recognised	509	460
Adjustments in respect of prior periods	-	25
Transfer pricing adjustments	(149)	(85)
Expenses not deductible	461	-
Income not taxable	(1,336)	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

The UK Government announced in the 2021 budget, and confirmed on 23 September 2023, that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

11. Exceptional items

	2022 £000	2021 £000
Cancellation of IT project	-	119
Exceptional income	(5,311)	-

During December 2021, Calder Group Limited disposed of it's subsidiary, Aquila Nuclear Engineering. Exceptional income relates to the profit realised on this disposal of £5,792k less write off of intercompany balances amounting to £296k in relation to the liquidation of Caldergroup Swiss AG and other group reoganisation costs.

12. Tangible fixed assets

	Land and buildings Right of Use £000	Motor vehicles Right of Use £000	Total £000
Cost or valuation			
At 1 June 2021	44	44	88
Additions	-	16	16
Disposals	-	(44)	(44)
Transfers between classes	3	(3)	-
At 31 May 2022	47	13	60
Depreciation			
At 1 June 2021	13	44	57
Charge for the year	15	7	22
Disposals	-	(44)	(44)
At 31 May 2022	28	7	35
Net book value			
At 31 May 2022	19	6	25
At 31 May 2021	31	-	31

13. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 June 2021	15,913
Additions	3
At 31 May 2022	15,916
Net book value	
At 31 May 2022	15,916
At 31 May 2021	15,913

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Calder International Holdings Limited	c/o Calder Industrial Materials Limited, Chester West Employment Park, Chester, Cheshire, CH1 4EX	Holding company	Ordinary	100%
Calder Industrial Materials Limited	c/o Calder Industrial Materials Limited, Chester West Employment Park, Chester, Cheshire, CH1 4EX	Lead manufacturer	Ordinary	100%
Helander Precision Engineering Limited	Kennet Close, Tewkesbury Business Park, Northway Lane, Tewkesbury Glos, GL20 8HF	Precision engineering	Ordinary	100%
Leeds Bronze Engineering Limited	14 Westland Square, Dewsbury Road, Leeds, West Yorkshire, LS11 5UB	Precision engineering	Ordinary	100%
Midland Aerospace Limited	Unit 4a Castlewood Business Park, Farmwell Lane, Sutton In Ashfield, Nottinghamshire, NG17 1BX	Precision engineering	Ordinary	100%
Calder France SAS*	Parc d'activités de Gémenos bât B, 400 avenue du château de Jouques, 13420 Gémenos, France	Holding company	Ordinary	100%

13. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
D'Huart Industrie SAS*	Parc d'activités de Gémenos bât B, 400 avenue du château de Jouques, 13420 Gémenos, France	Lead trading company	Ordinary	100%
Anciens Etablissements Groc EURL	Parc d'activités de Gémenos bât B, 400 avenue du château de Jouques, 13420 Gémenos, France	Dormant	Ordinary	100%
Röhr + Stolberg Holding GmbH*	Bruchfeld 52, DA47809 Krefeld, Germany	Holding company	Ordinary	100%
Röhr + Stolberg GmbH*	Bruchfeld 52, DA47809 Krefeld, Germany	Lead manufactuer	Ordinary	100%
Uzimet BV*	62 Delftweg, 2280 BA Rijswijk, Holland	Lead refiner and manufacturer	Ordinary	100%
Metal Processors Investments Limited*	Station Road, Clondalkin, Dublin 22, Ireland	Holding company	Ordinary	100%
Metal Processors Limited*	Station Road, Clondalkin, Dublin 22, Ireland	Lead refiner and manufacturer	Ordinary	100%
The Mining Company of Ireland and Strachan Brothers Limited*	Station Road, Clondalkin, Dublin 22, Ireland	Lead refiner and manufacturer	Ordinary	100%
Metal Refiners Limited*	Station Road, Clondalkin, Dublin 22, Ireland	Dormant	Ordinary	100%

*Indirect subsidiaries

The Directors believe that the carrying value of investments is supported by their underlying net assets.

Aquila Nuclear Engineering Limited was a 100% owned subsidiary and was disposed of on 21 December 2021.

14. Debtors

	2022 £000	2021 £000
Amounts owed by group undertakings (note 26)	25,691	31,301
Other debtors	147	364
Prepayments and accrued income	83	1
	25,921	31,666

14. Debtors (continued)

Amounts owed by group undertakings are to be repayable on demand with the exception of trading balances which are subject to trading terms of 30 days. Included within these amounts are balances which attract interest at a rate of 3% above Euribor.

15. Cash and cash equivalents and financial assets

	2022 £000	2021 £000
Financial asset	15,009	7,048

The fair value of cash and cash equivalents approximate to their carrying amount.

The financial asset is a negative loan balance, as an apportionment of the Group's total revolver balance. The total group loan balance is a liability, details of which are outlined in note 24.

16. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Other loans (note 18)	2,037	-
Amounts owed to group undertakings (note 26)	43,413	46,380
Other taxation and social security	658	450
Lease liabilities (note 20)	25	15
Other creditors	310	585
Accruals and deferred income	409	609
	46,852	48,039

Amounts owed to Group companies are to be repayable on demand with the exception of trading balances which are subject to trading terms of 30 days. Included within these amounts are balances which attract interest at a rate of 3% above Euribor. The fair value of trade and other payables approximate to their carrying amount.

17. Creditors: Amounts falling due after more than one year

	2022 £000	2021 £000
Lease liabilities (note 20)	-	15
Share-based payments (note 19)	700	-
	700	15

18. Loans

Analysis of the maturity of loans is given below:

	2022 £000	2021 £000
Amounts falling due within one year		
Other loans	2,037	-

19. Share-based payments

During the period ended 31 May 2022, the Company issued share appreciation rights (SARs) to senior management. SARs vest over four years and include conditions in relation to continued service and achievement of a target increase in market share and have an exercise date of 1 September 2024. The Company/Group has recorded liabilities of £700k in 2022 (2021 - £Nil). Fair value of the SARs is determined by using EBITDA multiple model and a discount rate of 10%. The Group recorded total expenses of £700k in 2022 (2021 - £Nil).

20. Leases

Company as a lessee

Lease liabilities are due as follows:

	2022 £000	2021 £000
Not later than one year	25	15
Between one year and five years	-	15
	25	30

Additions to the right-of-use assets during the 2022 financial year were £16k (2021 - £44k).

At 31 May 2022 the Company had not committed to any leases which had not yet commenced at the date of the Balance Sheet.

The following amounts in respect of leases, where the Company is a lessee, have been recognised in the Statement of Comprehensive Income:

	2022 £000	2021 £000
Expenses relating to short-term leases	1	1
Interest included in finance costs	1	1
Depreciation charge on ROU assets - land & buildings	15	14
Depreciation charge on ROU assets - motor vehicles	7	9

The total cash outflow for leases in 2022 was £22k (2021 - £25k), split as follows;

- cash payments £20k (2021 - £23k) for the principal portion of the lease liabilities
- cash payments £2k (2021 - £2k) for the interest portion of the lease liabilities.

21. Provisions

	Dilapidations £000
At 1 June 2021	25
At 31 May 2022	25

Dilapidations will become utilised when the property to which they relate become vacant.

22. Share capital

	2022 £000	2021 £000
Authorised, allotted, called up and fully paid		
1,347,600 (2021 - 1,347,600) Ordinary shares of £1.00 each	1,348	1,348
500 (2021 - 500) Ordinary A shares of £1.00 each	-	-
	1,348	1,348

The Ordinary Shares rank parri passu.

23. Reserves

Profit and loss account

The profit and loss account reserve represents cumulative profits and losses of the Company less dividends paid.

24. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £16k (2021 - £15k). Contributions totalling £3k (2021 - £2k) were payable to the fund at the balance sheet date and are included in creditors.

25. Other financial commitments

Group guarantees

All Group companies have given guarantees in respect of the bank and other loans taken out by certain Group companies. At 31 May 2022 the total amount guaranteed was £16,637k (2021 - £20,591k).

26. Related party transactions

As a wholly owned subsidiary of Calder Group Holdings Limited, the Company is exempt from the requirements of IAS 24 Related Party Disclosures to disclose transactions with other wholly owned members of the Group.

27. Parent undertaking and controlling party

The Directors regard Calder Holdings Limited as the immediate parent company.

The ultimate UK parent company for the purposes of consolidation for the year ended 31 May 2022 is Calder Group Holdings Limited. The Calder Group Holdings Limited financial statements are publicly available from its registered office c/o Calder Industrial Materials Limited, Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.