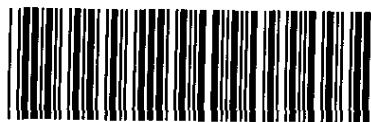


# Deb IP Limited

## Report and Financial Statements

2 July 2021

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Deb IP Limited

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## **Corporate information**

### **Directors**

G Burnett

L Mellor

### **Registered Office**

Denby Hall Way

Denby

Derbyshire DE5 8JZ

### **Registration Number**

03796906

## Strategic report

The directors present their strategic report and the financial statements for the period ended 2 July 2021.

### Principal activity and review of the business

The Company invests in research and development of innovative new products, in order to widen the product base of the Group and the income generating patents held by the Company. Where a patent is granted for a product, these are held by the Company and income is earned from licence agreements.

The Company also provides on-going technical and development support for existing products produced and sold by other companies in the Group.

The Company's revenue increased in the period due to increased licensing income on patents for foaming sanitiser.

### Key performance indicators

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

### Principal risks and uncertainties

The Group maintains a robust system of internal control with a view to safeguarding the Company's assets.

In order to maintain competitive advantage, the product development team constantly focus on innovative systems and formulations that can be used to generate income in the future and the Board is also regularly updated on any new regulatory requirement that is likely to impact the Company.

The Directors consider the carrying value of intellectual property in the form of capitalised development costs and patents annually. The carrying value is compared to the ongoing value in use, this resulted in an impairment in the current period of £179,000 (2020: £1,043,000).

The Company receives income in different currencies. In order to reduce exposure to foreign exchange movements, a natural hedge is created, where possible, by purchasing services in the same foreign currency, rather than translating currencies back into Sterling.

The Company operates globally including throughout Europe. The UK's decision to exit the European Union therefore created a marked change for the Company. The Company planned for a number of scenarios resulting from the UK's exit of the EU. Following the exit on 31<sup>st</sup> January 2020 and the end of the transition period on 31 December 2020, the Directors are pleased to report no significant issues.

The Directors do not believe there is a significant liquidity risk. The Company's cash is managed through the SC Johnson treasury system. As the Company retains the full ongoing support of its parent companies the associated risk to company liquidity is therefore deemed to be low.

Following the outbreak of the Coronavirus in early 2020, the safety of company's employees has remained paramount during this pandemic. Given the nature of some of the products that are produced by the Group of which the Company is part of, hand sanitisers and soaps, the company and manufacturing facilities have very much remained open during the outbreak.

Working conditions have been adapted to ensure social distancing is adhered to, under the guidance of a COVID 19 task force, that was established in March 2020. This consists of Health and Safety and HR experts, along with senior representatives from across the organisation. Many office staff have been redeployed to work from home, or to attend the site on a rota system. For those still attending site, temperature testing equipment has been procured to ensure no one enters the building who is showing signs of the virus. Desks, furniture and walkways have been adapted to ensure distancing is possible and Government advice has been adhered to throughout the period.

A full explanation of the financial risk of the Group can be found in note 20 of the SCJ UK Finco Limited group financial statements, of which the Company is included.

## **Strategic report (continued)**

### **Principal risks and uncertainties (continued)**

On behalf of the Board



L Mellor

Director

Date: 21<sup>st</sup> June 2022

Registered No. 03796906

## **Directors' report**

The directors present their report and financial statements for the period ended 2 July 2021.

### **Results and dividends**

The profit for the period after taxation amounted to £18,646,000 (2020 – profit of £17,865,000). The directors do not recommend a final dividend (2020 – £nil). An interim dividend of £78,500,000 was paid in the period (2020 – £nil).

### **New Accounting Standards**

There are no new accounting standards impacting the Company, issued in the year.

### **Going concern**

The Company's business activities, together with the factors likely to impact its future development, performance and position are set out in the Strategic Report on page 2.

The Company has well established relationships with customers and suppliers. The Directors are also of the view that COVID-19 does not impact the Company's ability to continue as a going concern and in fact the pandemic has benefited the Group due its key business activities.

Despite forecasting to remain profitable and cash generative for the remainder of FY22 and FY23, the Company has the financial support of its ultimate parent, SC Johnson and Son Inc. which has sufficient cash and liquidity to fund operations if necessary and a letter of support has been provided indicating that it will continue to support the business for at least 12 months from the date of approval of these financial statements.

The directors of the Company have also reviewed and evaluated the ability of the ultimate parent to continue as a going concern and are of the view that it has the ability to provide the financial support to the Company as set out in the support letter if required. Hence the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Post Balance Sheet Events**

Nothing to report.

## Directors' report (continued)

### Directors

The directors who served the company during the period were as follows:

G Burnett (appointed 10 December 2020)  
L Mellor (appointed 23 February 2021)  
J Hines (resigned 23 February 2021)  
N Matterson (resigned 23 February 2021)

### Audit Exemption

For the period ended 2 July 2021 the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006. No member required the Company to obtain an audit of its accounts for the period in question, in accordance with Section 476.



L Mellor  
Director  
Date: 21<sup>st</sup> June 2022

## Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

## Income statement

for the period ended 2 July 2021

		<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
	<i>Notes</i>		
<b>Turnover</b>		29,655	25,630
Administrative expenses		(8,944)	(6,195)
<b>Operating profit</b>	3	20,711	19,435
Interest receivable and similar income	6	203	1,102
Interest payable and similar charges	6	(372)	-
<b>Profit on ordinary activities before taxation</b>		20,542	20,537
Tax on profit on ordinary activities	7	(1,896)	(2,672)
<b>Profit for the financial period</b>		18,646	17,865

All amounts relate to continuing activities.

## Statement of comprehensive income

for the period ended 2 July 2021

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
Profit for the period	18,646	17,865
Total comprehensive income for the period	18,646	17,865



## Balance sheet

at 2 July 2021

		2 July 2021 £000	3 July 2020 £000
	Notes		
<b>Fixed assets</b>			
Intangible assets	9	6,633	7,363
Tangible assets	10	90	97
		<u>6,723</u>	<u>7,460</u>
<b>Current assets</b>			
Debtors	11	34,978	82,299
Cash at bank and in hand		351	6,903
		<u>35,329</u>	<u>89,202</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(19,594)</u>	<u>(14,546)</u>
<b>Net current assets</b>		<u>15,735</u>	<u>74,656</u>
<b>Total assets less current liabilities</b>		<u>22,458</u>	<u>82,116</u>
<b>Provisions for liabilities</b>	13	<u>(375)</u>	<u>(179)</u>
<b>Net assets</b>		<u>22,083</u>	<u>81,937</u>
<b>Capital and reserves</b>			
Called up share capital	14	500	500
Profit and loss account	15	21,583	81,437
<b>Total equity</b>		<u>22,083</u>	<u>81,937</u>

For the period ending 2 July 2021 the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the period in question in accordance with Section 476;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board



L Mellor  
Director

Date: 21<sup>st</sup> June 2022

Registered Number: 03796906

## Statement of changes in equity

at 2 July 2021

	<i>Share capital</i> £000	<i>Retained earnings</i> £000	<i>Total equity</i> £000
At 28 June 2019	500	63,572	64,072
Profit for the financial period	-	17,865	17,865
At 3 July 2020	500	81,437	81,937
Profit for the financial period	-	18,646	18,646
Dividend paid (note 8)	-	(78,500)	(78,500)
At 2 July 2021	500	21,583	22,083

## Notes to the financial statements

at 2 July 2021

### 1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of the Company for the period ended 2 July 2021 were authorised for issue by the board of directors on 21<sup>st</sup> June 2022 and the balance sheet was signed on the board's behalf by L Mellor. The company is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000), except when otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2.

### 2. Accounting policies

#### *Basis of preparation*

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 2 July 2021.

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

- a) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment, and
  - (iii) paragraph 1189(e) of IAS 38 Intangible Assets
  - (iv) paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- b) the requirements in IAS 7 to prepare a Cash Flow Statement
- c) the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures and the requirement to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

#### *Going concern*

The Company's business activities, together with the factors likely to impact its future development, performance and position are set out in the Strategic Report on page 2.

The Company has well established relationships with customers and suppliers. The Directors are also of the view that COVID-19 does not impact the Company's ability to continue as a going concern and in fact the pandemic has benefited the Group due its key business activities.

Despite forecasting to remain profitable and cash generative for the remainder of FY22 and FY23, the Company has the financial support of its ultimate parent, SC Johnson and Son Inc. which has sufficient cash and liquidity to fund operations if necessary and a letter of support has been provided indicating that it will continue to support the business for at least 12 months from the date of approval of these financial statements.

The directors of the Company have also reviewed and evaluated the ability of the ultimate parent to continue as a going concern and are of the view that it has the ability to provide the financial support to the Company as set out in the support letter if required. Hence the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting in preparing the annual financial statements.

## Notes to the financial statements

at 2 July 2021

### 2. Accounting policies (continued)

#### *New Accounting Standards*

There are no new accounting standards impacting the Company, issued in the year.

#### *Revenue from contracts with customers*

Turnover represents amounts receivable for patent royalties and licence income. The analysis of turnover by geographical market has not been disclosed as the directors believe that this would be seriously prejudicial to the interests of the business.

The company has adopted IFRS 15, which replaces all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue - Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers. It also provides a model for the recognition and measurement of gains and losses on disposal of certain non-financial assets including property, equipment and intangible assets. The standard outlines the principles a company must apply to measure and recognise revenue. The core principle is that a company will recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer.

The principles in IFRS 15 have been applied using a five-step model:

1. Identify the contract(s) with a customer,
2. Identify the performance obligations in the contract,
3. Determine the transaction price,
4. Allocate the transaction price to the performance obligations in the contract,
5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The standard requires companies to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

#### *Royalties and licensing income*

For royalty and licensing income, revenue is recognized at the point the customer is granted the right to use the Group's registered patents. Revenue is recognized on an accrual's basis.

#### *Patents*

Purchased patents are capitalised at cost and amortised over their useful economic lives as follows:

Patents – Life of the patent

Costs incurred in the maintenance and defence of patents are written off to the profit and loss account in the period in which they are incurred.

#### *Research and development*

Research and development expenditure is expensed as incurred, with the exception of development expenditure on major projects that are undertaken where the related expenditure is separately identifiable and the directors are satisfied as to the ultimate commercial viability of the project based on all relevant available information. In such cases, the expenditure is included in development costs within intangible fixed assets and written off over the periods expected to benefit, commencing from the date when the product is available for use.

## Notes to the financial statements

at 2 July 2021

### 2. Accounting policies (continued)

The carrying amount of intangible fixed assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### ***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost, less accumulated depreciation. Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Plant, machinery and fixtures                      –                      8% to 33% per annum.

The carrying amount of tangible fixed assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### ***Deferred taxation***

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### ***Foreign currency translation***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All translation differences are taken to the profit and loss account.

## Notes to the financial statements

at 2 July 2021

### 2. Accounting policies (continued)

#### *Pension*

The Company made contributions to a Group Stakeholder Pension Plan, a defined contribution scheme. The costs of the contributions are charged to the profit and loss account as incurred.

#### *Non-derivative financial instruments*

Non-derivative financial instruments comprise, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

A loss allowance is recognised for expected credit losses on financial assets at amortised cost. At each fiscal period-end, the Company assesses whether the credit risk on financial assets has increased significantly since initial recognition. If the credit risk on financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to the 12-month expected credit losses. If the credit risk on financial assets has increased significantly since initial recognition or for credit impaired financial assets, the Company measures the allowance account for the financial assets at an amount equal to the lifetime expected credit losses. However, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses for trade receivables and contract assets.

Expected credit losses are estimated in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Provision of the loss allowance relating to the measurement is recognized in profit or loss. Reversal of the loss allowance is also recognized in profit or loss when events that reduce the loss allowance occur in subsequent periods.

The carrying amount of financial assets is directly reduced against the loss allowance when the Group has no reasonable expectations of recovering financial assets in their entirety, or a portion thereof.

#### *Trade and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

#### *Trade and other payables*

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### *Interest Bearing Loans*

Will continue to be recognised at fair value less attributable transaction costs, then subsequently at amortised cost using the effective interest rate mechanism, less any impairment.

#### *Areas of Significant Judgement/ Accounting Estimates*

Certain customers may receive cash-based incentives or credits. Many of these contracts are on a calendar year basis and therefore require significant judgement by management to estimate the appropriate level of accrual. This is done based on estimated sales by considering past experience, market trends and economic factors.

# Notes to the financial statements

at 2 July 2021

## 2 Accounting policies (continued)

### Leases

Lease liabilities are recognised as the present value of lease payments still to be made, discounted at the appropriate incremental borrowing rate.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. If the Company cannot readily determine the interest rate implicit in the lease it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

When measuring these lease liabilities, the Company has used in the incremental borrowing rate of 2.63%.

As a practical expedient the Company has elected not to recognise right of use assets and lease liabilities for short-term (less than 12 months). The Company continues to recognise these on a straight-line basis as an expense in profit or loss.

### Leased right-of-use assets

Leased right-of-use assets are included within tangible assets, and on commencement date of the lease are recognised at the amount of the corresponding lease liability, adjusted for any lease payments made at or before the lease commencement date, plus any direct costs incurred and an estimate of costs for dismantling, removing, or restoring the underlying asset and less any lease incentives.

The right-of-use asset is depreciated over a straight-line basis over the term of the lease, or, if shorter, the useful life of the asset. The useful lives of right-of-use assets are estimated based on the term of the lease. The leased right-of-use assets are also subject to impairment.

Lease payments for low value assets and short term (less than 12 months) leases are recognised as an expense in the income statement.

## 3. Operating profit

This is stated after charging/(crediting):

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
Amortisation and impairment of patents and development costs (note 9)	1,467	3,428
Depreciation of tangible assets (note 10)	18	30
Depreciation of right-of-use assets (note 10)	16	22

## Notes to the financial statements

at 2 July 2021

### 4. Director's remuneration

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
Short-term employee benefits	429	338
Post-employment benefits	7	8
	<u>436</u>	<u>346</u>

Director's remuneration is pro-rated for the period of time they were a Director of the company.

The remuneration of the highest paid director was £310,000 (2020 – £346,000).

### 5. Staff costs

#### *Employment costs*

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
Wages and salaries	1,314	1,020
Social security costs	173	131
Other pension costs	61	52
	<u>1,548</u>	<u>1,203</u>

Of the total employment costs £187,000 relate to costs in relation to undertaking development work on major projects and as such have been capitalised as an intangible asset (2020 – £696,000).

There were outstanding pension contributions of £nil (2020– £nil) at the end of the financial period.

#### *Number of employees*

The average number of persons (including directors) employed by the Company during the period was:

	<i>Period ended 2 July 2021 No.</i>	<i>Period ended 3 July 2020 No.</i>
Administration and management	<u>22</u>	<u>19</u>



## Notes to the financial statements

at 2 July 2021

### 6. Interest receivable and interest payable

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
<i>Interest receivable and similar income</i>		
Interest on cash-pooling arrangements	-	230
Interest on loans to parent undertakings	203	681
Foreign exchange gains	-	191
	<u>203</u>	<u>1,102</u>

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
<i>Interest payable and similar charges</i>		
Foreign exchange loss	372	-
	<u>372</u>	<u>-</u>

### 7. Tax

a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
<b>Current tax:</b>		
UK corporation tax on the profit for the period	2,352	3,266
Adjustment in respect of prior periods	(652)	(266)
Total current tax	<u>1,700</u>	<u>3,000</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences – current period	24	(328)
Adjustment in respect of prior periods	172	-
Total deferred tax (note 7(c))	<u>196</u>	<u>(328)</u>
Tax on profit on ordinary activities (note 7(b))	<u>1,896</u>	<u>2,672</u>

## Notes to the financial statements

at 2 July 2021

### 7. Tax (continued)

b) Factors affecting the current tax charge for the period

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 19% (2020 – 19%). The differences are explained below:

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
Profit on ordinary activities before taxation	20,542	20,537
Profit on ordinary activities before taxation multiplied by standard rate in the UK of 19% (2020 – 19%)	3,903	3,902
<i>Effects of:</i>		
Expenses not deductible for tax purposes	(1,615)	(1,020)
Adjustment in respect of prior periods	(652)	(266)
Adjustment in respect of change in tax rate	90	(24)
Other adjustments to tax charge	170	80
Total current tax (note 7(a))	<u>1,896</u>	<u>2,672</u>

c) Deferred tax liability

	<i>£000</i>
At 3 July 2020	179
Charge to the profit and loss account	196
At 2 July 2021	<u>375</u>

Deferred tax provided in the financial statements is as follows:

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
<b>Provision for deferred tax</b>		
Accelerated capital allowances	375	179
Total deferred tax provision	<u>375</u>	<u>179</u>

## Notes to the financial statements

at 2 July 2021

### 7. Tax (continued)

(d) Factors affecting future tax charges:

The UK Budget announcements in March 2021 included an increase to the UK's main corporation tax rate to 25%, due to be effective from 1 April 2023. The impact of this has been to increase the deferred tax liability by £90,000.

### 8. Dividends

	<i>Period ended 2 July 2021 £000</i>	<i>Period ended 3 July 2020 £000</i>
Interim dividend of £157 (2020: £nil) per ordinary share proposed and paid during the period.	78,500	-
	<u>78,500</u>	<u>-</u>

The directors do not recommend a final dividend (2020 – £nil). During the year an interim dividend of £78,500,000 was paid (2020 – £nil).

### 9. Intangible fixed assets

	<i>Patents £000</i>	<i>Development costs £000</i>	<i>Total £000</i>
Cost:			
At 3 July 2020	7,853	19,160	27,013
Additions	316	421	737
Disposals	-	-	-
At 2 July 2021	<u>8,169</u>	<u>19,581</u>	<u>27,750</u>
Amortisation:			
At 3 July 2020	4,587	15,063	19,650
Charge for the period	489	799	1,288
Disposals	-	-	-
Impairment	-	179	179
At 2 July 2021	<u>5,076</u>	<u>16,041</u>	<u>21,117</u>
Net book amount:			
At 2 July 2021	<u>3,093</u>	<u>3,540</u>	<u>6,633</u>
At 3 July 2020	<u>3,266</u>	<u>4,097</u>	<u>7,363</u>

## Notes to the financial statements

at 2 July 2021

### 10. Tangible fixed assets

	<i>Right of Use Assets</i>	<i>Plant, machinery and fixtures</i>	<i>Assets in the course of construction</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Cost:				
At 3 July 2020	46	228	-	274
Additions	-	-	27	27
Disposals	(27)	-	-	(27)
At 2 July 2021	19	228	27	274
Depreciation:				
At 3 July 2020	22	155	-	177
Charge for the period	16	18	-	34
Disposals	(27)	-	-	(27)
At 2 July 2021	11	173	-	184
Net book amount:				
At 2 July 2021	8	55	27	90
At 3 July 2020	24	73	73	97

The Company had no un-provided capital expenditure commitments at 2 July 2021 (3 July 2020 – £nil).

### 11. Debtors: amounts falling due within one year

	<i>2 July 2021</i>	<i>3 July 2020</i>
	<i>£000</i>	<i>£000</i>
Amounts owed by group undertakings	33,242	77,285
Trade receivables	7	-
Other debtors	629	563
Prepayments and accrued income	1,100	4,451
	<u>34,978</u>	<u>82,299</u>

## Notes to the financial statements

at 2 July 2021

### 12. Creditors: amounts falling due within one year

	2 July 2021 £000	3 July 2020 £000
Trade creditors	469	54
Amount owed to fellow subsidiary undertakings	1,648	369
Group relief payable	13,579	13,377
Other creditors including tax and social security costs	39	28
Amounts payable under lease liabilities	6	25
Accruals and deferred income	3,853	693
	<u>19,594</u>	<u>14,546</u>

### 13. Creditors: amounts falling due within one year

Creditors with amounts falling due after more than one year consist entirely of deferred tax liabilities (see note 7).

### 14. Issued share capital

		2 July 2021 £000		3 July 2020 £000
<i>Allotted, called up and fully paid</i>	<i>No.</i>		<i>No.</i>	
Ordinary shares of £1 each	500,000	<u>500</u>	500,000	<u>500</u>

### 15. Movements on reserves

	<i>Profit and loss account £000</i>
At 3 July 2020	81,437
Dividend paid	(78,500)
Profit for the period	<u>18,646</u>
At 2 July 2021	<u>21,583</u>

## Notes to the financial statements

at 2 July 2021

### 16. Contingent liabilities

There are no contingent liabilities to report for the Company or its subsidiaries (2020 - £200,000, relating to guarantees to the Group's banks in respect of the Group's net bank borrowings).

### 17. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Deb Holdings Limited which is incorporated in the United Kingdom. The Company's ultimate parent undertaking is SC Johnson and Son Inc. a company registered in the United States of America. SCJ UK Finco Limited represents the smallest group of companies for which Group financial statements are drawn up and of which the Company is a member. Copies of the financial statements of SCJ UK Finco Limited can be obtained from Denby Hall Way, Denby, Derbyshire, DE5 8JZ

### 18. Post Balance Sheet Events

Nothing to report.