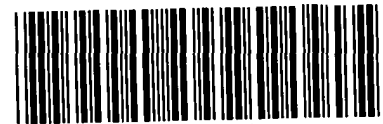


Calder Holdings Limited

Annual Report and Financial Statements
Year ended 31 May 2019
Company registration number: 03491252

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Calder Holdings Limited
Annual Report and Financial Statements 2019

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DIRECTORS AND ADVISORS

Directors

W Buist-Wells
R B Travers
G M Andrews (resigned 11th May 2020)
J G Clarkson (appointed 11th May 2020)

Company Secretary

W Buist-Wells

Registered office

c/o Calder Industrial Materials Limited
Jupiter Drive
Chester West Employment Park
Chester
CH1 4EX

Bankers and financial providers

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 Square
Birmingham
B2 4DL

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Hardman Square
Spinningfields
Manchester
M3 3EB

STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 May 2019. The Company's registered number is 03491252.

Principal activities and strategy

As the Company is a holding company with investments as laid out in note 4 of the financial statements, its source of income is derived from its investments.

Review of the year and future prospects

The Company did not trade in the year and 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 the Company.

The Directors constantly monitor the position of the Company and are confident that the business has sufficient investment earnings from its dividend potential and other planning opportunities to ensure the Company will have positive reserves in future accounting periods.

Employees

There are no direct employees working for the company and directors of the company are not remunerated by the company but from fellow group companies where their remuneration is disclosed.

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.

Principal risks and uncertainties

Non-financial risk management

As a subsidiary of Calder Group Holdings Limited in the United Kingdom further details of Group policies in relation to external non-financial risks can be found in the Consolidated Financial Statements of Calder Group Holdings Limited.

COVID-19

Subsequent to 31 May 2019 there has been a global outbreak of a coronavirus (COVID-19), which the World Health Organisation has declared a "Public Health Emergency of International Concern". The effects may materially and adversely impact the financial performance of the Company and that of its holding company Calder Group Holdings Limited ('the Group') through the course of the year to 31 May 2021. The Group's operations may be impacted and may even, in some circumstances, have to temporarily halt production due to either Government restrictions imposed on certain sectors or due to a lack of manpower due to movement restrictions or individual's ill health.

On behalf of the Board



Iain Geoffrey Clarkson
Director

 June 2020

DIRECTORS' REPORT

The Directors present their annual report on the affairs of the Company together with the audited financial statements for the year ended 31 May 2019.

Background

Calder Holdings Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom. Its company number is 03491252.

Its registered office is: c/o Calder Industrial Materials Limited, Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.

Principal activities and business overview

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 4.

Results and dividends

The Directors have not approved or paid a dividend this year (2018: £nil) also no dividend has been received during the year (2018: £nil). Non-cash dividends are settled via the intercompany account.

Directors

The Directors who served during the year, and up to the date of signing of the financial statements, were as follows:

- W Bulst-Wells
- R B Travers
- G M Andrews (resigned 11th May 2020)
- I G Clarkson (appointed 11th May 2020)

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

Directors' indemnities

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.

Political donations

The Company has made no political donations during the year (2018: 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.

DIRECTORS' REPORT (continued)

Going concern

The 31 May 2019 statutory financial statements of Calder Group Holdings Limited, the ultimate parent of the company, recognised a material uncertainty surrounding the Calder Group Holdings Limited projected results for the financial year ended May 2021 caused by the COVID-19 pandemic. The directors of Calder Group Holdings Limited have conducted a consolidated model of the Group financial results and cashflows through to May 2021 which show decreased revenues from March 2020 to August 2020 resulting in negative EBITDA during that period. The modelling showed that the Group could continue to trade within its covenants during the downturn period as a result of the unwinding of working capital requirements, however there remains uncertainty around the length of time of any Government mandated shutdowns and the extent to which the market sectors, in which the Group operate, slow and the speed with which those sectors are able to recover post pandemic.

As a result, there remains a risk that a breach of the financial covenants could occur at the Calder Group Holdings Limited level and in this case, as a cross-guarantor of the loans, the Company may be called upon for repayment.

The Calder Group Holdings Limited loans are held with Wells Fargo Capital Finance Limited and as at 31 May 2019, outstanding principle and accrued interest amounted to £21.78m. As at 31 May 2020 outstanding principle and accrued interest amounted to £17.67m. The latest forecasts and projections prepared by the Directors of the Company, taking account of reasonably possible changes in operating performance, show that in the event that the Company is called upon under the deed of cross guarantee, the Company would not have the means to repay the loans.

The conditions above indicate the existence of a material uncertainty, which may cast significant doubt over the Company's ability to continue as a going concern. Nevertheless, the Directors have a reasonable expectation that the Company can continue in operational existence for the foreseeable future. It is on this basis that the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

Statement on disclosure of information to auditors

Each of the persons who is a Director at the date of approval of this report confirms that:


- so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to reappoint the Independent Auditors, PricewaterhouseCoopers LLP, will be proposed at the Annual General Meeting.

On behalf of the Board



Iain Geoffrey Clarkson
Director

4th June 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

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.

On behalf of the Board



Iain Geoffrey Clarkson
Director

 June 2020

INCOME STATEMENT

Year ended 31 May 2019

	Note	2019 £000	2018 £000
Dividend income		-	-
Result before taxation	1	-	-
Tax	2	-	-
Result for the year		-	-

The Company has no other comprehensive income or expense for the year or the prior year except as reported in the above income statement and therefore no Statement of Other Comprehensive Income has been presented.

The statement of significant accounting policies and notes on pages 11 to 17 are an integral part of these financial statements.

Calder Holdings Limited
Annual Report and Financial Statements 2019

BALANCE SHEET

AS AT 31 May 2019

	Note	2019 £000	2018 £000
Assets			
<i>Current assets</i>			
Trade and other receivables	5	17,171	17,171
		17,171	17,171
<i>Non-current assets</i>			
Investments	4	1,348	1,348
		1,348	1,348
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	6	(17,144)	(17,144)
		(17,144)	(17,144)
Net Assets		1,375	1,375
 Shareholders' Equity			
<i>Attributable to the Company's Shareholders</i>			
Share capital	7	14	14
Share premium		1,361	1,361
Total Equity		1,375	1,375

The statement of significant accounting policies and notes on pages 11 to 17 are an integral part of these financial statements.

The financial statements on pages 8 to 17 were approved by the Board of Directors on 4th June 2020 and signed on its behalf by:



Iain Geoffrey Clarkson
 Director
 Calder Holdings Limited
 Company registration number: 03491252

STATEMENT OF CHANGES IN EQUITY

Year ended 31 May 2019

	Share capital £000	Share Premium £000	Retained earnings £000	Total £000
Balance at 1 June 2017	14	1,361	-	1,375
Profit for the year	-	-	-	-
Dividend paid	-	-	-	-
Balance at 31 May 2018 and 1 June 2018	14	1,361	-	1,375
Result for the year	-	-	-	-
Dividend paid	-	-	-	-
Balance at 31 May 2019	14	1,361	-	1,375

The statement of significant accounting policies and notes on pages 11 to 17 are an integral part of these financial statements.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The principal accounting policies for the Company applied in the preparation of this financial report are set out below. These policies have been consistently applied to the information presented, unless otherwise stated.

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 as applicable to companies using IFRS.

The financial statements of the Calder Holdings Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS.

The accounting policies set out below have been applied consistently to all periods presented in this report.

Dividends

Dividends to holders of equity instruments declared after the balance sheet date are not recognised as a liability as at the balance sheet date. Final dividend distributions to the Company's Shareholders are recognised in the Company's financial statements in the period in which the dividends are approved by the Company's Shareholders.

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 2019.

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 Income Statement 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 Income Statement.

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.

Trade and other payables

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

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Cash flow statement

The Company does not trade and its bank accounts have shown no cash flows in the period. Therefore, no cash flow statement has been presented.

Consolidated financial statements

The Company meets all of the conditions of IFRS 10:4(a) and has not presented consolidated financial statements.

The ultimate UK parent company, Calder Group Holdings Limited, has presented consolidated financial statements that comply with IFRSs, in which subsidiaries are consolidated and they are publicly available from its registered office, Jupiter Drive, Chester West Employment Park, Chester, Cheshire, United Kingdom, CH1 4EX.

Going concern

The 31 May 2019 statutory financial statements of Calder Group Holdings Limited, the ultimate parent of the company, recognised a material uncertainty surrounding the Calder Group Holdings Limited projected results for the financial year ended May 2021 caused by the COVID-19 pandemic. The directors of Calder Group Holdings Limited have conducted a consolidated model of the Group financial results and cashflows through to May 2021 which show decreased revenues from March 2020 to August 2020 resulting in negative EBITDA during that period. The modelling showed that the Group could continue to trade within its covenants during the downturn period as a result of the unwinding of working capital requirements, however there remains uncertainty around the length of time of any Government mandated shutdowns and the extent to which the market sectors, in which the Group operate, slow and the speed with which those sectors are able to recover post pandemic.

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The Calder Group Holdings Limited loans are held with Wells Fargo Capital Finance Limited and as at 31 May 2019, outstanding principle and accrued interest amounted to £21.78m. As at 31 May 2020 outstanding principle and accrued interest amounted to £17.67m. The latest forecasts and projections prepared by the Directors of the Company, taking account of reasonably possible changes in operating performance, show that in the event that the Company is called upon under the deed of cross guarantee, the Company would not have the means to repay the loans.

The conditions above indicate the existence of a material uncertainty, which may cast significant doubt over the Company's ability to continue as a going concern. Nevertheless, the Directors have a reasonable expectation that the Company can continue in operational existence for the foreseeable future. It is on this basis that the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

Estimates are used in the following areas:

- **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.

Interpretations and amendments to published standards effective for the year ended 31 May 2019

New and amended standards adopted by the Company:

- Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets', on depreciation and amortisation
- Amendments to IAS 27, 'Separate financial statements' on the equity method
- Amendment to IAS 1, 'Presentation of financial statements' on the disclosure initiative (effective for annual periods beginning on or after 1 January 2016);

The adoption of these accounting standards did not have a material impact on the Company's financial statements.

Standards amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

The following standards and amendments to existing standards have been published and are mandatory for the Company's financial periods beginning on or after 1 June 2018 or later periods, but the Company has not early adopted them:

- IAS Amendments to IAS 7, 'Statement of cash flows' on disclosure initiative (effective for annual periods beginning on or after 1 January 2017);
- Amendments to IAS 12, 'Income taxes' on Recognition of deferred tax assets for unrealised losses (effective for annual periods beginning on or after 1 January 2017);
- IFRIC 22 'Foreign currency transactions and advance consideration' (effective for annual periods beginning on or after 1 January 2018);

NOTES TO THE FINANCIAL STATEMENTS

(1) Result before taxation

The Company incurred no audit fees in the year as audit costs of £5k (2018: £5k) were borne by a fellow group company. No fees for non-audit services were paid to the company's auditors in the year.

(2) Tax

	2019 £000	2018 £000
Current tax charge	-	-
Current tax charge	-	-
Deferred tax charge	-	-
- Origination and reversal of timing differences	-	-
Deferred tax charge	-	-
Total tax on result before taxation	-	-

The tax assessed for the year is the same as (2018: the same as) the standard rate of corporation tax in the UK of 19.00% (2018: 19.25%).

The differences between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the result before tax are as follows:

	2019 £000	2018 £000
Result before taxation	-	-
Result before taxation at standard UK corporation tax rate of 19.00% (2018: 19.25%)	-	-
Effects of:		
- Non-taxable dividend income	-	-
Total tax charge	-	-

Tax Rate Changes

Changes in the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2016 (on 6 September 2016). These include reductions in the main rate to 17% from 1 April 2020. In the budget in March 2020, the Chancellor announced that the future reduction in the corporation tax rate from 19.0% to 17.0% would not be going ahead. This announcement does not constitute substantive enactment and therefore deferred taxes at the balance sheet date continue to be measured at the enacted tax rate of 17.0%. However, it is possible that the corporation tax rate remains at 19.0% after 1 April 2020

(3) Dividends

	2019 £000	2018 £000
Equity – ordinary £0 per share (2018: £0 per share)	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

(4) Investments

	2019 £000	2018 £000
<i>Cost and net book value</i>	1,348	1,348
At the end of the year	1,348	1,348

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

Country of incorporation	Registered Address	Company	Ownership %		Principal activity
			Direct	Indirect	
England & Wales	c/o Calder Industrial Materials Limited, Chester West Employment Park, Chester, Cheshire CH1 4EX	Calder Group Limited	100	-	Holding company
		Calder International Holdings Limited	-	100	Holding company
		Calder Industrial Materials Limited	-	100	Lead manufacturer
	Kennet Close, Tewkesbury Business Park, Northway Lane, Tewkesbury Glos, GL20 8HF	Helander Precision Engineering Limited	-	100	Precision engineering
	14 Westland Square, Dewsbury Road, Leeds, West Yorkshire, LS11 5UB	Leeds Bronze Engineering Limited	-	100	Precision engineering
	Unit 4a Castlewood Business Park, Farmwell Lane, Sutton In Ashfield, Nottinghamshire, NG17 1BX	Midland Aerospace Limited	-	100	Precision engineering
	Unit 17 Hazeley Enterprise Park, Hazeley Road, Twyford, Winchester, SO21 1QA	Aquila Nuclear Engineering Limited	-	100	Engineering consultancy
France	Parc d'activités de Gémenos bât B, 400 avenue du château de Jouques, 13420 Gémenos, France	Calder France SAS	-	100	Holding company
		D'Huart Industrie SAS	-	100	Lead trading company
		Anciens Etablissements Groc EURL	-	100	Dormant
Germany	Bruchfeld 52, DA47809 Krefeld, Germany	Röhr + Stolberg Holding GmbH	-	100	Holding company
		Röhr + Stolberg GmbH	-	100	Lead manufacturer
Netherlands	62 Delftweg, 2280 BA Rijswijk, Holland	Uzimet BV	-	100	Lead refiner and manufacturer
Ireland	Station Road, Clondalkin, Dublin 22, Ireland	Metal Processors Investments Limited	-	100	Holding company
		Metal Processors Limited	-	100	Lead refiner and manufacturer
		The Mining Company of Ireland and Strachan Brothers Limited	-	100	Lead refiner and manufacturer
		Metal Refiners Limited	-	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS (continued)

(5) Trade and other receivables

	2019 £000	2018 £000
Amounts owed by Group companies	17,171	17,171
	17,171	17,171

Amounts owed by Group companies are non-interest bearing, unsecured and repayable on demand.

(6) Trade and other payables

	2019 £000	2018 £000
Amounts owed to Group companies	17,144	17,144
	17,144	17,144

Amounts owed to Group companies are non-interest bearing, unsecured and repayable on demand.

The fair value of trade and other payables approximate to their carrying amount.

(7) Share capital

	2019 £000	2018 £000
Authorised		
192,500 (2018: 192,500) A ordinary shares of 1p each	2	2
1,182,500 (2018: 1,182,500) B ordinary shares of 1p each	12	12
	14	14
Allotted, called-up and fully paid		
192,500 (2018: 192,500) A ordinary shares of 1p each	2	2
1,182,500 (2018: 1,182,500) B ordinary shares of 1p each	12	12
	14	14

NOTES TO THE FINANCIAL STATEMENTS (continued)

(8) Related parties and controlling interests

The Directors regard Stamptree Limited as the immediate parent company.

The ultimate UK parent company for the purposes of consolidation for the year ended 31 May 2019 is Calder Group Holdings Limited.

The Calder Group Holdings Limited financial statements are publicly available from its registered office c/o Calder Group Holdings Limited, Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.

Transactions with Other Group Undertakings

	2019 £000	2018 £000
Dividends paid to parent	-	-
Dividends received from subsidiaries	-	-

Balance with Other Group Undertakings

	2019 £000	2018 £000
Amounts due to Parent company	(17,144)	(17,144)
Amounts due from other Group undertakings	17,171	17,171

The key management of the Company are considered to be only the Directors of the Company who do not receive any emoluments.

(9) Guarantees and 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 2019 the total amount guaranteed was £21,780k (2018: £18,558k).

Independent auditors' report to the members of Calder Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Calder Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2019 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 May 2019; the income statement, the statement of changes in equity for the year then ended; the statement of significant accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the statement of significant accounting policies in the financial statements concerning the company's ability to continue as a going concern. As a cross-guarantor of the Calder Group Holdings Limited loans held with Wells Fargo Capital Limited of £21.8m as at 31 May 2019, the Company could be called upon under the deed of cross guarantee should there be a breach of financial covenants at the Calder Group Holdings Limited level. The latest forecasts and projections prepared by the Directors of the Company, taking account of reasonably possible changes in operating performance, show that in the event that the Company is called upon under the deed of cross guarantee, the Company would not have the means to repay the loans. These conditions, along with the other matters explained in the statement of significant accounting policies in the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Calder Holdings Limited (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 May 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jonathan Studholme

Jonathan Studholme (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

4 June 2020