

Registered no: 2672031

DeepStore Limited

Report and Unaudited Accounts

for the year ended 31 December 2017



Report and Accounts

for the year ended 31 December 2017

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Directors and advisers

Directors

B G Dunn
R S Thomson

Secretary

R S Thomson

Registered Office

Astbury House
Bradford Road
Winsford
Cheshire
CW7 2PA

Directors' report

The directors present their report for the year ended 31 December 2017.

The company is dormant and has not traded during the period.

Directors

B G Dunn held office for the whole of the year to 31 December 2017. R S Thomson was appointed on 21 August 2017 and C E McAlindon resigned on 21 August 2017.

On behalf of the board

R S Thomson

Director

A handwritten signature in black ink, appearing to be 'R S Thomson', written over a dotted horizontal line.

Registered no: 2672031

Balance sheet at 31 December 2017

	Notes	2017 £	2016 £
Current assets			
Debtors	2	3,348,665	3,348,665
Cash at bank and in hand		-	-
		<u>3,348,665</u>	<u>3,348,665</u>
Net current assets		<u>3,348,665</u>	<u>3,348,665</u>
Total assets less current liabilities		<u>3,348,665</u>	<u>3,348,665</u>
Net assets		<u>3,348,665</u>	<u>3,348,665</u>
Capital and reserves			
Called up share capital	3	10,000	10,000
Profit and loss account	4	3,121,484	3,121,484
Capital reserve	4	217,181	217,181
Equity shareholders' funds	5	<u>3,348,665</u>	<u>3,348,665</u>

The company is dormant and non-trading and no profit and loss account has been prepared.

For the year ended 31 December 2017 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts under 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.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 3 to 6 were approved by the board of directors on 27 September 2018 and were signed on its behalf by:


R S Thomson
 Director

Notes to the financial statements

for the year ended 31 December 2017

1. Principal accounting policies

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities. The following accounting policies have been applied consistently in dealing with items that are considered material to the company's financial statements.

Basis of accounting

They present information about the company as an individual undertaking and not about its group. Group accounts have not been prepared as the company is consolidated into the accounts of Compass Minerals International, Inc. which are publicly available from the address detailed in note 7.

2. Debtors

	2017 £	2016 £
Other debtors	191	191
Amounts due from parent undertakings	3,348,474	3,348,474
	<u>3,348,665</u>	<u>3,348,665</u>

3. Called up share capital

	2017 Number of Shares	£	2016 Number of Shares	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

4. Reserves

	Capital reserve	Profit and loss account
	£	£
At 1 January 2017 and 31 December 2017	217,181	3,121,484
	<u>217,181</u>	<u>3,121,484</u>

Notes to the financial statements (continued)

for the year ended 31 December 2017

5. Reconciliation of shareholders' funds

	2017	2016
	£	£
Opening shareholders' funds	3,348,665	3,348,665
Closing shareholders' funds	3,348,665	3,348,665

6. Parent undertaking

The company is a wholly-owned subsidiary of Salt Union Limited, a company which is incorporated in England and Wales.

7. Ultimate controlling party

The directors regard Compass Minerals International, Inc. of Kansas, USA, as the ultimate parent and controlling party.

The company's ultimate domestic parent and controlling party is Compass Minerals (Europe) Limited for which Compass Minerals International, Inc. is the parent undertaking and for which group accounts are drawn up. Copies of these accounts can be obtained from its registered office at 9900 West 109th Street, Overland Park, Kansas, 66210, USA.

8. Related parties

The company has no intra-group transactions and there are no other related party transactions requiring disclosure.

9. Contingent liability

(i) Revolving credit facility/new term loan

The Ultimate Parent Company's main credit agreement consists of two senior secured term loans and a senior secured revolving credit facility which mature July 1, 2021. Interest on the outstanding credit agreement borrowings is variable based on either the LIBOR or a base rate (defined as the greater of a specified U.S. or Canadian prime lending rate or the federal funds effective rate, increased by 0.5%) plus a margin, which is dependent upon the Ultimate Parent Company's leverage ratio and the type of term loan borrowing. As of December 31, 2017, the weighted average interest rate was 3.4% on all borrowings outstanding under the credit agreement. The outstanding term loans are payable in quarterly instalments of interest and principal and can be prepaid at any time without penalty. The credit agreement requires the Ultimate Parent Company to maintain certain financial ratios, including a minimum interest coverage ratio and a maximum total leverage ratio. In September 2017, the Ultimate Parent Company entered into an amendment to its credit agreement, which increased the maximum allowed leverage ratio under the credit agreement through September 2018.

Notes to the financial statements (continued)

for the year ended 31 December 2017

9. Contingent liability (continued)

(i) Revolving credit facility/new term loan (continued)

Under the revolving credit facility, \$40 million may be drawn in Canadian dollars and \$10 million may be drawn in British pounds sterling. Additionally, the revolving credit facility includes a sub-limit for short-term letters of credit in an amount not to exceed \$50 million. As of December 31, 2017, there was \$168.9 million outstanding under the revolving credit facility, and, after deducting outstanding letters of credit totalling \$8.4 million, the Ultimate parent Company's borrowing availability was \$122.7 million. The Ultimate Parent Company incurs participation fees related to its outstanding letters of credit and commitment fees on its available borrowing capacity. The rates vary depending on the Ultimate Company's leverage ratio. Bank fees are not material.

In June 2014, the Ultimate Parent Company issued 4.875% Senior Notes due 2024 (the "4.875% Notes") with an aggregate face amount of \$250 million which bear interest at a rate of 4.875% per year payable semi-annually in January and July and are subordinate to the credit agreement borrowings.

The loans related to the Ultimate Parent Company's Produquimica business in Brazil have maturity dates ranging from February 2018 through November 2023 and bear interest at rates at either a percentage of CDI, an overnight inter-bank lending rate in Brazil, or LIBOR plus a margin. A portion of the loans are denominated in U.S. dollars and a portion of the loans are denominated in Brazilian reais, Produquimica's functional currency. The Ultimate Parent Company has entered into foreign currency swap agreements in relation to some of these loans whereby it agreed to swap interest and principal payments on loans denominated in U.S. dollars for principal and interest payments denominated in Brazilian reais. In September and November 2017, the Ultimate Parent Company refinanced \$54.3 million of loans it assumed in the Produquimica acquisition using proceeds from approximately \$87 million of new loans. The new loans bear interest rates ranging from 108.7% and 118.0% of CDI and mature in November 2019.

(ii) Group guarantee

The Credit Agreement and the agreements governing the 4.875% Notes and other indebtedness contain covenants that limit the Ultimate Parent Company's ability, among other things, to incur additional indebtedness or contingent obligations or grant liens; pay dividends or make distributions to stockholders; repurchase or redeem the Ultimate Parent Company's stock; make investments or dispose of assets; prepay, or amend the terms of, certain junior indebtedness; engage in sale and leaseback transactions; make changes to the Ultimate Parent Company's organisational documents or fiscal periods; enter into third-party agreements that limit the Ultimate Parent Company's ability to grant liens on the Ultimate Parent Company's assets or make certain intercompany dividends, investments or asset transfers; enter into new lines of business; enter into transactions with the Ultimate Parent Company's stockholders and affiliates; and acquire the assets of, or merge or consolidate with, other companies.

The Ultimate Parent Company's Credit Agreement borrowings are secured by substantially all the existing and future U.S. assets of the Ultimate Parent Company, the Goderich mine in Ontario, Canada, and capital stock of certain subsidiaries. Additionally, the Credit agreement requires the Ultimate Parent Company to maintain certain financial ratios, including a minimum interest coverage ratio and a maximum total leverage ratio. As of December 31, 2017, the Ultimate Parent Company was in compliance with each of its covenants.