

EAST LANCASHIRE CHEMICAL COMPANY LTD
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2003



EAST LANCASHIRE CHEMICAL COMPANY LTD

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EAST LANCASHIRE CHEMICAL COMPANY LTD

INDEPENDENT AUDITORS' REPORT TO EAST LANCASHIRE CHEMICAL COMPANY LTD UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 30 September 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Newby Castleman
Chartered Accountants
Registered Auditor
3 Pelham Court
Pelham Road
Sherwood Rise
Nottingham
NG5 1AP

23 December 2003


EAST LANCASHIRE CHEMICAL COMPANY LTD

ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	£	2003 £	£	2002 £
Fixed assets					
Tangible assets	2		724,650		841,059
Current assets					
Stocks		231,527		200,821	
Debtors		366,361		283,415	
Cash at bank and in hand		48,994		58,693	
			<u>646,882</u>	<u>542,929</u>	
Creditors: amounts falling due within one year			<u>(499,916)</u>	<u>(561,545)</u>	
Net current assets/(liabilities)			<u>146,966</u>		<u>(18,616)</u>
Total assets less current liabilities			<u>871,616</u>		<u>822,443</u>
Creditors: amounts falling due after more than one year			(92,100)		(90,100)
Provisions for liabilities and charges			<u>(33,219)</u>		<u>(41,891)</u>
			<u>746,297</u>		<u>690,452</u>
Capital and reserves					
Called up share capital	3		79,071		79,071
Profit and loss account			667,226		611,381
Shareholders' funds			<u>746,297</u>		<u>690,452</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 19 December 2003


P.S. Maxwell
Director

EAST LANCASHIRE CHEMICAL COMPANY LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold land and buildings	straight line over fifty years
Plant and machinery	straight line over seven years
Fixtures, fittings & equipment	straight line over three years
Motor vehicles	25% per annum of net book value

No depreciation is provided in respect of freehold land.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method.

EAST LANCASHIRE CHEMICAL COMPANY LTD

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

2 Fixed assets

	Tangible assets £
Cost	
At 1 October 2002	1,477,256
Additions	23,375
Disposals	(1,750)
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At 30 September 2003	1,498,881
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Depreciation	
At 1 October 2002	636,197
On disposals	(1,101)
Charge for the year	139,135
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At 30 September 2003	774,231
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Net book value	
At 1 October 2002	841,059
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At 30 September 2003	724,650
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3 Share capital

	2003 £	2002 £
Authorised		
26,786 Ordinary shares of £1 each	26,786	26,786
52,714 Deferred ordinary shares of £1 each	52,714	52,714
	<hr/>	<hr/>
	79,500	79,500
	<hr/>	<hr/>
Allotted, called up and fully paid		
26,357 Ordinary shares of £1 each	26,357	26,357
52,714 Deferred ordinary shares of £1 each	52,714	52,714
	<hr/>	<hr/>
	79,071	79,071
	<hr/>	<hr/>

The deferred ordinary shares entitle the holder to a fixed non cumulative dividend at 5% per annum in the event that net distributable profits exceed £5 million. On a winding up of the company the deferred ordinary shareholders are entitled to a return of their capital only after £10 million has been distributed to the ordinary shareholders. These shares do not attract any rights to attend or vote at meetings.

EAST LANCASHIRE CHEMICAL COMPANY LTD

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

4 Ultimate parent company

The ultimate parent company is Dri-Pak Limited, a company registered in England and Wales.

The company's immediate parent is East Lancashire Chemical (Holdings) Limited, also incorporated in England & Wales.