

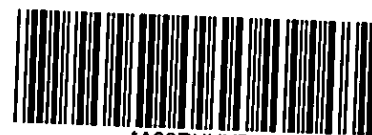
Registration number 00228405

East Lancashire Chemical Company Limited

Abbreviated accounts

for the year ended 30 September 2012

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East Lancashire Chemical Company Limited

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**Independent auditors' report to East Lancashire Chemical Company Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of East Lancashire Chemical Company Limited for the year ended 30 September 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

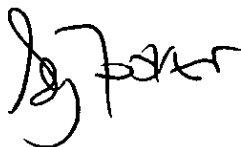
The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with those provisions.



Stuart Foster BA FCA (Senior Statutory Auditor)

For and on behalf of Hobsons

Chartered Accountants and

Statutory Auditor

Alexandra House

43 Alexandra Street

Nottingham

NG5 1AY

12 December 2012


East Lancashire Chemical Company Limited

Abbreviated balance sheet as at 30 September 2012

		2012		2011	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	2		23,778		26,868
Tangible assets	2		902,979		946,110
			<u>926,757</u>		<u>972,978</u>
Current assets					
Stocks		233,761		172,951	
Debtors		421,976		413,427	
Cash at bank and in hand		114,386		33,749	
		<u>770,123</u>		<u>620,127</u>	
Creditors: amounts falling due within one year		<u>(386,332)</u>		<u>(285,071)</u>	
Net current assets			<u>383,791</u>		<u>335,056</u>
Total assets less current liabilities			1,310,548		1,308,034
Creditors: amounts falling due after more than one year			(339,999)		(404,999)
Provisions for liabilities			<u>(6,296)</u>		<u>(8,305)</u>
Net assets			<u>964,253</u>		<u>894,730</u>
Capital and reserves					
Called up share capital	3		79,071		79,071
Profit and loss account			885,182		815,659
Shareholders' funds			<u>964,253</u>		<u>894,730</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies

The abbreviated accounts were approved by the Board on 12 December 2012 and signed on its behalf by


P S Maxwell
Director

Registration number 00228405

The notes on pages 3 to 5 form an integral part of these financial statements.

East Lancashire Chemical Company Limited

Notes to the abbreviated financial statements for the year ended 30 September 2012

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2. Turnover

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

1.3. Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life of 10 years

1.4. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same year unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period from which the company is expected to benefit, currently estimated to be 10 years

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Straight line over fifty years
Plant and machinery	-	Straight line over seven years
Fixtures, fittings and equipment	-	Straight line over three years
Motor vehicles	-	25% reducing balance

No depreciation is provided in respect of freehold land

1.6. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.7. Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value means estimated selling price less all further costs to completion and all costs to be incurred in marketing, selling and distribution. Finished goods are valued at cost of materials used including apportioned overheads

1.8. Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

East Lancashire Chemical Company Limited

Notes to the abbreviated financial statements for the year ended 30 September 2012

continued

1.9. Deferred taxation

Provision is made for deferred taxation at the expected rate of corporation tax in respect of timing differences between profits as computed for taxation purposes and profits as stated in the financial statements where material. Deferred tax is measured on an undiscounted basis.

1.10. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Fixed assets	Intangible assets £	Tangible fixed assets £	Total £
Cost			
At 1 October 2011	30,892	2,223,539	2,254,431
Additions	-	7,908	7,908
At 30 September 2012	30,892	2,231,447	2,262,339
Depreciation and provision for diminution in value			
At 1 October 2011	4,024	1,277,429	1,281,453
Charge for year	3,090	51,039	54,129
At 30 September 2012	7,114	1,328,468	1,335,582
Net book values			
At 30 September 2012	23,778	902,979	926,757
At 30 September 2011	26,868	946,110	972,978

East Lancashire Chemical Company Limited

**Notes to the abbreviated financial statements
for the year ended 30 September 2012**

continued

3. Share capital	2012	2011
	£	£
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
	<u>79,071</u>	<u>79,071</u>
 Equity shares		
26,357 Ordinary shares of £1 each	26,357	26,357
52,714 Deferred ordinary shares of £1 each	52,714	52,714
	<u>79,071</u>	<u>79,071</u>

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.

4. Ultimate parent undertaking

The ultimate parent company is Dri-Pak Limited, a company registered in England and Wales. The company's immediate parent company is East Lancashire Chemical (Holdings) Limited, also incorporated in England and Wales.