

Company Registration No. 00524814 (England and Wales)

BERWIN RUBBER COMPANY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2011

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BERWIN RUBBER COMPANY LIMITED

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BERWIN RUBBER COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2011

The directors present their report and financial statements for the year ended 31 July 2011

Principal activities and review of the business

The principal activity of the company continued to be that of the compounding of rubber, PVC and other elastomeric alloys

The results for the year reflect the continual reviewing of fixed costs along with the benefits from new products and growth in new market sectors

In terms of financial risk management, the company considers that it has limited exposure to the various aspects of financial risk. The majority of the company's revenue is invoiced in sterling and all its operations and costs arise within the UK. There is however an ever increasing demand from suppliers to trade in Euro's and the possible impact of this is constantly under review. Further the company ensures its liquidity is maintained by entering into long term or short term financial instruments as necessary, to support its operational and other funding requirements

Results and dividends

The results for the year are set out on page 4

A dividend of £1,000,000 (2010 £300,000) was paid during the year and the directors do not recommend payment of a final dividend

Directors

The following directors have held office since 1 August 2010

Mr G Williams
Mr M Smith
Mr S Hukin
Mr S Lawton
Mr P Stevenson

Auditors

The auditors, Jackson Stephen LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

BERWIN RUBBER COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. 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

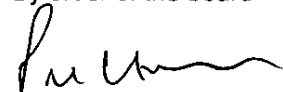
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mr P. Stevenson

Secretary

20 April 2012

BERWIN RUBBER COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO BERWIN RUBBER COMPANY LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of Berwin Rubber Company Limited for the year ended 31 July 2011 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 them in an auditors' report on abbreviated accounts 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 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 445 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.

We conducted our work in accordance with Bulletin 2008/4 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 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Mr Peter Atkinson F.C.A (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP

23 April 2012

Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

BERWIN RUBBER COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2011

	Notes	2011 £	2010 £
Turnover		31,213,293	24,083,731
Change in stocks of finished goods and work in progress		3,611	13,471
		31,216,904	24,097,202
Raw materials and other consumables	23,851,395	17,925,184	
Other external charges	1,689,232	1,616,048	
		(25,540,627)	(19,541,232)
Staff costs	3,660,639	2,959,460	
Depreciation	452,222	419,952	
		(4,112,861)	(3,379,412)
Operating profit	2	1,563,416	1,176,558
Profit on disposal of trade		366,306	-
		366,306	-
Profit on ordinary activities before interest		1,929,722	1,176,558
Other interest receivable and similar income	3	29	10
Interest payable and similar charges	4	(148,919)	(122,927)
Profit on ordinary activities before taxation		1,780,832	1,053,641
Tax on profit on ordinary activities	5	(479,715)	(257,118)
Profit for the year	16	1,301,117	796,523

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

BERWIN RUBBER COMPANY LIMITED

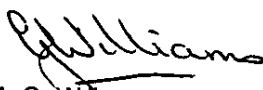
ABBREVIATED BALANCE SHEET

AS AT 31 JULY 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	7	2,390,081		2,602,113	
Investments	8	200		200	
		<u>2,390,281</u>		<u>2,602,313</u>	
Current assets					
Stocks	9	2,992,455		2,050,397	
Debtors amounts falling due within one year	10	7,929,634		5,695,018	
Debtors amounts falling due after more than one year	10	4,282,386		4,112,025	
Cash at bank and in hand		416		79,598	
		<u>15,204,891</u>		<u>11,937,038</u>	
Creditors amounts falling due within one year	11	(11,799,837)		(9,024,467)	
Net current assets		<u>3,405,054</u>		<u>2,912,571</u>	
Total assets less current liabilities		<u>5,795,335</u>		<u>5,514,884</u>	
Creditors amounts falling due after more than one year	12	(20,000)		(23,605)	
Provisions for liabilities	13	(140,627)		(157,688)	
		<u>5,634,708</u>		<u>5,333,591</u>	
Capital and reserves					
Called up share capital	15	2,000		2,000	
Profit and loss account	16	5,632,708		5,331,591	
Shareholders' funds	17	<u>5,634,708</u>		<u>5,333,591</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 20 April 2012


Mr G Williams
Director

Company Registration No. 00524814

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable on an accruals basis for goods delivered before the balance sheet date net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Leasehold land and buildings	14 to 35 years - straight line basis
Plant and machinery	3 to 12 years - straight line basis

1.5 Leasing

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

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Stock

Stock and work in progress are valued at the lower of cost and net realisable value. Work in progress and finished goods are valued at production cost, which includes an appropriate proportion of attributable overheads. Provision is made for any obsolete or slow moving items

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

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

1 Accounting policies

(continued)

1 10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Berwin Group Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

2	Operating profit	2011 £	2010 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	452,222	419,952
	Operating lease rentals		
	- Land and buildings	68,000	68,000
	- Plant and machinery	70,330	68,004
	Fees payable to the company's auditor for the audit of the company's annual accounts	14,000	14,000
	Fees payable to the company's auditor for taxation services	1,000	1,000
	and after crediting		
	Profit on disposal of tangible assets	16,500	-
		<u> </u>	<u> </u>
3	Investment income	2011 £	2010 £
	Bank interest	29	10
		<u> </u>	<u> </u>
		29	10
		<u> </u>	<u> </u>
4	Interest payable	2011 £	2010 £
	On bank loans and overdrafts	9,490	4,743
	On amounts payable to factors	139,429	118,184
		<u> </u>	<u> </u>
		148,919	122,927
		<u> </u>	<u> </u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

5	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	496,776	223,407
	Total current tax	496,776	223,407
	Deferred tax		
	Deferred tax (credit)/charge current year	(17,061)	33,711
		479,715	257,118
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,780,832	1,053,641
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2010 28.00%)	498,633	295,019
	Effects of		
	Non deductible expenses	8,276	3,319
	Depreciation add back	126,622	117,587
	Capital allowances	(124,605)	(143,559)
	Group relief	-	(48,959)
	Tax rate adjustments	(12,150)	-
		(1,857)	(71,612)
	Current tax charge for the year	496,776	223,407
6	Dividends	2011 £	2010 £
	Ordinary interim paid	1,000,000	300,000

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

7 Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Total £
Cost			
At 1 August 2010	2,011,288	8,965,439	10,976,727
Additions	-	240,190	240,190
Disposals	-	(34,764)	(34,764)
At 31 July 2011	2,011,288	9,170,865	11,182,153
Depreciation			
At 1 August 2010	1,337,572	7,037,042	8,374,614
On disposals	-	(34,764)	(34,764)
Charge for the year	66,948	385,274	452,222
At 31 July 2011	1,404,520	7,387,552	8,792,072
Net book value			
At 31 July 2011	606,768	1,783,313	2,390,081
At 31 July 2010	673,716	1,928,397	2,602,113

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 August 2010 & at 31 July 2011	200

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held	%
Subsidiary undertakings				
Berwin Management Services Limited	England & Wales	Ordinary	100 00	
Berwin Plastics Limited	England & Wales	Ordinary	100 00	

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2011 £	Profit/(loss) for the year 2011 £
	Principal activity		
Berwin Management Services Limited	Non-trading	100	-
Berwin Plastics Limited	Non-trading	100	-

9 Stocks

	2011 £	2010 £
Raw materials and consumables	2,919,236	1,980,789
Finished goods and goods for resale	73,219	69,608
	<u>2,992,455</u>	<u>2,050,397</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

10 Debtors	2011	2010
	£	£
Trade debtors	7,725,454	5,562,922
Amounts owed by group undertakings	4,282,386	4,112,025
Other debtors	104,881	2,132
Prepayments and accrued income	99,299	129,964
	<u>12,212,020</u>	<u>9,807,043</u>

Amounts falling due after more than one year and included in the debtors above are

	2011	2010
	£	£
Amounts owed by group undertakings	<u>4,282,386</u>	<u>4,112,025</u>

11 Creditors' amounts falling due within one year	2011	2010
	£	£
Bank loans and overdrafts	258,655	-
Trade creditors	6,084,177	4,583,239
Amounts owed to group undertakings	619,529	200
Corporation tax	349,239	268,620
Other taxes and social security costs	319,987	307,312
Other creditors	3,830,663	3,715,097
Accruals and deferred income	337,587	149,999
	<u>11,799,837</u>	<u>9,024,467</u>
Debt due in one year or less	<u>4,089,318</u>	<u>3,715,097</u>

Other creditors comprise an amount of £3,827,058 (2010 £3,706,445) which is secured on the book debts of the company. The bank overdraft is secured by a general debenture over the assets of the company.

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

12 Creditors' amounts falling due after more than one year	2011 £	2010 £
Other loans	-	3,605
Deferred shares classed as a financial liability	20,000	20,000
	<u>20,000</u>	<u>23,605</u>
Analysis of loans		
Wholly repayable within five years	3,605	12,257
	<u>3,605</u>	<u>12,257</u>
Included in current liabilities	(3,605)	(8,652)
	<u>-</u>	<u>3,605</u>
Loan maturity analysis		
In more than one year but not more than two years	-	3,605
	<u>-</u>	<u>3,605</u>
Deferred shares classified as financial liabilities		
In more than five years	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

Deferred shares classed as a financial liability relate to shares which have no rights to dividends and capital. The authorised share capital is made up of 20,000 Non-equity deferred shares of £1 each.

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 August 2010	157,688
Profit and loss account	(17,061)
	<u>140,627</u>
Balance at 31 July 2011	<u>140,627</u>

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	<u>140,627</u>	<u>157,688</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

14 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £78,903 (2010 £76,060). Contributions totalling £11,942 (2010 £13,310) were payable to the fund at the year end and are included in creditors.

15 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
100 Equity 'A' ordinary shares of £1 each	100	100
1,900 Equity 'B' ordinary shares of £1 each	1,900	1,900
	<u>2,000</u>	<u>2,000</u>

All voting rights lie with the 'A' ordinary shares. In all other respects the 'A' and 'B' ordinary shares rank equally.

20,000 Non-equity deferred shares of £1 each are included within creditors due after more than one year.

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2010	5,331,591
Profit for the year	1,301,117
Dividends paid	(1,000,000)
Balance at 31 July 2011	<u>5,632,708</u>

17 Reconciliation of movements in shareholders' funds	2011 £	2010 £
Profit for the financial year	1,301,117	796,523
Dividends	(1,000,000)	(300,000)
Net addition to shareholders' funds	<u>301,117</u>	<u>496,523</u>
Opening shareholders' funds	5,333,591	4,837,068
Closing shareholders' funds	<u>5,634,708</u>	<u>5,333,591</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

18 Contingent liabilities

Berwin Group Limited, Berwin Rubber Company Limited, Berwin Industrial Polymers Limited, Flexi-Cell (UK) Limited and Berwin of Lydney Limited are subject to a cross guarantee in favour of the group's bankers. At 31 July 2011 the company had a contingent liability under this agreement amounting to £1,258,152 (2010 £1,545,677)

19 Financial commitments

At 31 July 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2012

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Operating leases which expire				
Between two and five years	-	-	70,094	73,206
In over five years	68,000	68,000	-	-
	<u>68,000</u>	<u>68,000</u>	<u>70,094</u>	<u>73,206</u>

20 Directors' emoluments

	2011	2010
	£	£
Emoluments for qualifying services	442,377	274,782
Company pension contributions to money purchase schemes	<u>27,552</u>	<u>19,656</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2010 - 4)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	142,899	91,440
Company pension contributions to money purchase schemes	<u>6,888</u>	<u>6,552</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2011

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Office and management	24	22
Production and sales	95	89
	<u>119</u>	<u>111</u>

Employment costs

	2011 £	2010 £
Wages and salaries	3,245,116	2,621,935
Social security costs	336,620	261,465
Other pension costs	78,903	76,060
	<u>3,660,639</u>	<u>2,959,460</u>

22 Ultimate parent company

The directors consider the ultimate parent company to be Berwin Group Limited, a company registered in England and Wales

Copies of the consolidated financial statements of Berwin Group Limited can be obtained from Companies House, Crown Way, Maundy, Cardiff, CF14 3UZ

23 Related party relationships and transactions

Other transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group