

REGISTERED NUMBER: 1149113 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 December 2006
for
Airedale Chemical Co Limited

WEDNESDAY



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Airedale Chemical Co Limited

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for the Year Ended 31 December 2006**

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Airedale Chemical Co Limited
Company Information
for the Year Ended 31 December 2006

DIRECTORS:

B Chadwick
D M Chadwick
J W Chadwick
R P Chadwick
B M Hall
S P Wilkinson

SECRETARY:

J W Chadwick

REGISTERED OFFICE:

Airedale Mills
Skipton Road
Crosshills
Keighley
West Yorkshire
BD20 7BX

REGISTERED NUMBER:

1149113 (England and Wales)

AUDITORS:

Stirk Lambert & Co
Russell Chambers
61a North Street
Keighley
West Yorkshire
BD21 3DS

Airedale Chemical Co Limited

Report of the Directors for the Year Ended 31 December 2006

The directors present their report with the accounts of the company for the year ended 31 December 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacture and supply of dyestuffs and chemicals.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

In my report for 2005 I predicted that our diversification programme coupled with tighter management control, gave rise to an optimistic outlook for 2006.

I am pleased to report that my predictions have been realised, with an increase of almost 40% in turnover and a corresponding increase in profit and profitability. All sections of the business contributed.

Also as stated in my previous report, some of the growth expected in 2005 did not materialise until later in the year. Part (though not all) of the anticipated growth is reflected in the 2006 figures but I am confident of continuing expansion and that we shall have an even better story to tell in 2007.

It should be pointed out that these results are as a result of groundwork and investment in buildings, plant and personnel, commenced several years ago and which are, only now, beginning to pay off. Valuable three year sales contracts have been signed with what can be described as "Gilt Edge" companies and we are confident of increasing these in 2007.

Mr B Chadwick
Chairman

DIVIDENDS

Interim dividends per share were paid as follows:

5.58	- 31 March 2006
11.70	- 30 June 2006
8.37	- 30 September 2006
8.37	- 31 December 2006
<hr/>	
34.02	
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The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2006 will be £245,602.

B Chadwick and Mrs C Chadwick waived their rights to a dividend on 3,420 and 1,101 shares respectively for the dividends paid during the year.

Airedale Chemical Co Limited

Report of the Directors for the Year Ended 31 December 2006

DIRECTORS

The directors during the year under review were:

B Chadwick	
Mrs C Chadwick	- deceased 3.12.06
D M Chadwick	
J W Chadwick	
R P Chadwick	
B M Hall	
S P Wilkinson	

The beneficial interests of the directors holding office on 31 December 2006 in the issued share capital of the company were as follows:

	31.12.06	1.1.06
Ordinary £1 shares		
B Chadwick	2,760	3,420
D M Chadwick	1,793	1,793
J W Chadwick	1,793	1,793
R P Chadwick	2,343	2,343
B M Hall	-	-
S P Wilkinson	660	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) 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.


Airedale Chemical Co Limited

**Report of the Directors
for the Year Ended 31 December 2006**

AUDITORS

The auditors, Stirk Lambert & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'J. W. Chadwick', written in a cursive style.

J W Chadwick - Secretary

5 March 2007

**Report of the Independent Auditors to
Airedale Chemical Co Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages six to twenty two, together with the financial statements of Airedale Chemical Co Limited for the year ended 31 December 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 auditors' 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 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 246A 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 Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "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 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Stirk Lambert & Co
Russell Chambers
61a North Street
Keighley
West Yorkshire
BD21 3DS

Stirk Lambert & Co

6 March 2007

Airedale Chemical Co Limited

**Abbreviated Profit and Loss Account
for the Year Ended 31 December 2006**

	Notes	31.12.06 £	£	31.12.05 £	£
GROSS PROFIT			3,514,483		2,551,797
Distribution costs		410,481		210,305	
Administrative expenses		2,398,959		1,977,143	
		<u>2,809,440</u>		<u>2,187,448</u>	
OPERATING PROFIT	3		705,043		364,349
Interest receivable and similar income			-		1,058
			<u>705,043</u>		<u>365,407</u>
Interest payable and similar charges	4		185,068		194,985
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			519,975		170,422
Tax on profit on ordinary activities	5		140,742		50,028
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			<u>379,233</u>		<u>120,394</u>
PROFIT FOR THE YEAR			379,233		120,394
Retained profit brought forward			113,889		159,757
			<u>493,122</u>		<u>280,151</u>
Dividends	6		(245,602)		(174,998)
Reserve transfer			11,356		8,736
RETAINED PROFIT CARRIED FORWARD			<u>258,876</u>		<u>113,889</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these abbreviated accounts

Airedale Chemical Co Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2006**

	31.12.06 £	31.12.05 £
PROFIT FOR THE FINANCIAL YEAR	379,233	120,394
Unrealised surplus on revaluation of property	—	—
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>379,233</u>	<u>120,394</u>

**Note of Historical Cost Profits and Losses
for the Year Ended 31 December 2006**

	31.12.06 £	31.12.05 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	519,975	170,422
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	11,356	8,736
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>531,331</u>	<u>179,158</u>
HISTORICAL COST PROFIT/(LOSS) FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS	<u>144,987</u>	<u>(45,868)</u>

The notes form part of these abbreviated accounts

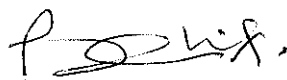
Airedale Chemical Co Limited

**Abbreviated Balance Sheet
31 December 2006**

	Notes	31.12.06 £	31.12.05 £
FIXED ASSETS			
Intangible assets	7	15,579	17,526
Tangible assets	8	2,844,789	2,865,584
		<u>2,860,368</u>	<u>2,883,110</u>
CURRENT ASSETS			
Stocks	9	558,725	566,142
Debtors	10	2,074,410	1,594,847
Cash at bank and in hand		71,589	26,349
		<u>2,704,724</u>	<u>2,187,338</u>
CREDITORS			
Amounts falling due within one year	11	2,562,149	2,746,158
NET CURRENT ASSETS/(LIABILITIES)		<u>142,575</u>	<u>(558,820)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,002,943	2,324,290
CREDITORS			
Amounts falling due after more than one year	12	(1,696,415)	(1,367,598)
PROVISIONS FOR LIABILITIES	16	(91,000)	(90,000)
NET ASSETS		<u><u>1,215,528</u></u>	<u><u>866,692</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	11,000	11,000
Revaluation reserve	18	945,652	741,803
Profit and loss account		258,876	113,889
SHAREHOLDERS' FUNDS	21	<u><u>1,215,528</u></u>	<u><u>866,692</u></u>

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

The financial statements were approved by the Board of Directors on 5 March 2007 and were signed on its behalf by:



B Chadwick - Director

The notes form part of these abbreviated accounts

Airedale Chemical Co Limited

**Cash Flow Statement
for the Year Ended 31 December 2006**

	Notes	31.12.06 £	£	31.12.05 £	£
Net cash inflow from operating activities	1		1,596,239		378,781
Returns on investments and servicing of finance	2		(185,068)		(193,927)
Taxation			(30,028)		37,698
Capital expenditure	2		20,063		(270,196)
Equity dividends paid			(245,602)		(174,998)
			1,155,604		(222,642)
Financing	2		313,522		(189,371)
Increase/(Decrease) in cash in the period			1,469,126		(412,013)
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		1,469,126		(412,013)	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		(360,683)		217,015	
Change in net debt resulting from cash flows			1,108,443		(194,998)
Movement in net debt in the period			1,108,443		(194,998)
Net debt at 1 January			(2,944,004)		(2,749,006)
Net debt at 31 December			(1,835,561)		(2,944,004)

The notes form part of these abbreviated accounts

Airedale Chemical Co Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2006**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.06	31.12.05
	£	£
Operating profit	705,043	364,349
Depreciation charges	221,619	252,965
(Profit)/Loss on disposal of fixed assets	(3,736)	1,473
Decrease in stocks	7,417	104,488
Increase in debtors	(468,600)	(24,258)
Increase/(Decrease) in creditors	1,134,496	(320,236)
Net cash inflow from operating activities	<u><u>1,596,239</u></u>	<u><u>378,781</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.12.06	31.12.05
	£	£
Returns on investments and servicing of finance		
Interest received	-	1,058
Interest paid	(178,543)	(184,340)
Interest element of hire purchase payments	(6,525)	(10,645)
Net cash outflow for returns on investments and servicing of finance	<u><u>(185,068)</u></u>	<u><u>(193,927)</u></u>
Capital expenditure		
Purchase of intangible fixed assets	-	(19,473)
Purchase of tangible fixed assets	(139,600)	(255,223)
Sale of tangible fixed assets	159,663	4,500
Net cash inflow/(outflow) for capital expenditure	<u><u>20,063</u></u>	<u><u>(270,196)</u></u>
Financing		
New loans in year	550,000	-
Loan repayments in year	(107,278)	(144,375)
Decrease in other loans	(45,912)	(39,111)
Capital repayments in year	(36,126)	15,403
Amount introduced by directors	8,609	41,474
Amount withdrawn by directors	(55,771)	(62,762)
Net cash inflow/(outflow) from financing	<u><u>313,522</u></u>	<u><u>(189,371)</u></u>

The notes form part of these abbreviated accounts

Airedale Chemical Co Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2006**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.06 £	Cash flow £	At 31.12.06 £
Net cash:			
Cash at bank and in hand	26,349	45,240	71,589
Bank overdraft	(1,423,886)	1,423,886	-
	<u>(1,397,537)</u>	<u>1,469,126</u>	<u>71,589</u>
Debt:			
Hire purchase	(104,134)	36,126	(68,008)
Debts falling due within one year	(142,742)	(30,339)	(173,081)
Debts falling due after one year	(1,299,591)	(366,470)	(1,666,061)
	<u>(1,546,467)</u>	<u>(360,683)</u>	<u>(1,907,150)</u>
Total	<u>(2,944,004)</u>	<u>1,108,443</u>	<u>(1,835,561)</u>

The notes form part of these abbreviated accounts

Airedale Chemical Co Limited

Notes to the Abbreviated Accounts for the Year Ended 31 December 2006

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents the amounts received or receivable for goods and services provided to customers, excluding VAT.

Intangible Assets

Costs directly attributable to obtaining the IPPC licence have been capitalised and are amortised on the straight-line basis over the estimated useful economic life of 10 years, which was chosen because it represents the length of period the directors expect benefits to arise from holding the permit.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Airedale Chemical Co Limited

Notes to the Abbreviated Accounts - continued for the Year Ended 31 December 2006

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

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. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	31.12.06	31.12.05
	£	£
Wages and salaries	991,156	910,791
Social security costs	104,621	94,902
Other pension costs	11,443	8,657
	<u>1,107,220</u>	<u>1,014,350</u>

The average monthly number of employees during the year was as follows:

	31.12.06	31.12.05
Management and Administration	7	8
Sales and Distribution Staff	12	12
Technical Staff	6	5
Production	13	14
	<u>38</u>	<u>39</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.12.06	31.12.05
	£	£
Hire of plant and machinery	56,270	15,138
Depreciation - owned assets	195,586	213,655
Depreciation - assets on hire purchase contracts	24,086	37,363
(Profit)/Loss on disposal of fixed assets	(3,736)	1,473
Patents and licences amortisation	1,947	1,947
Auditors' remuneration	4,500	4,000
Research and development	23,119	7,464
	<u>167,001</u>	<u>128,856</u>
Directors' emoluments		

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.06	31.12.05
	£	£
Bank interest	68,055	65,719
Bank loan interest	22,521	16,534
Interest on directors loans	30,302	40,479
Interest on pension scheme loan	9,815	9,827
Mortgage interest	47,850	51,781
Hire purchase	6,525	10,645
	<u>185,068</u>	<u>194,985</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.12.06	31.12.05
	£	£
Current tax:		
UK corporation tax	139,742	30,028
Deferred tax	1,000	20,000
Tax on profit on ordinary activities	<u>140,742</u>	<u>50,028</u>

UK corporation tax has been charged at 25.29% (2005 - 19%).

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.06	31.12.05
	£	£
Profit on ordinary activities before tax	<u>519,975</u>	<u>170,422</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.286% (2005 - 19%)	131,481	32,380
Effects of:		
Timing Differences	5,663	(5,618)
Disallowed Expenses	5,521	3,266
R & D enhanced deduction	(2,923)	-
Current tax charge	<u>139,742</u>	<u>30,028</u>

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

6. DIVIDENDS

	31.12.06 £	31.12.05 £
Ordinary shares of £1 each		
Interim	<u>245,602</u>	<u>174,998</u>

7. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2006 and 31 December 2006	<u>19,473</u>
AMORTISATION	
At 1 January 2006	1,947
Amortisation for year	<u>1,947</u>
At 31 December 2006	<u>3,894</u>
NET BOOK VALUE	
At 31 December 2006	<u>15,579</u>
At 31 December 2005	<u>17,526</u>

8. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST OR VALUATION			
At 1 January 2006	1,686,798	423,481	1,553,768
Additions	-	8,723	100,495
Disposals	-	-	(174,837)
Revaluations	130,999	-	-
At 31 December 2006	<u>1,817,797</u>	<u>432,204</u>	<u>1,479,426</u>
DEPRECIATION			
At 1 January 2006	67,472	16,734	892,840
Charge for year	36,356	8,644	125,650
Eliminated on disposal	-	-	(37,539)
Revaluation adjustments	(67,472)	(16,734)	-
At 31 December 2006	<u>36,356</u>	<u>8,644</u>	<u>980,951</u>
NET BOOK VALUE			
At 31 December 2006	<u>1,781,441</u>	<u>423,560</u>	<u>498,475</u>
At 31 December 2005	<u>1,619,326</u>	<u>406,747</u>	<u>660,928</u>

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

8. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 January 2006	143,939	345,380	4,153,366
Additions	15,382	15,000	139,600
Disposals	-	(51,248)	(226,085)
Revaluations	-	-	130,999
	<hr/>	<hr/>	<hr/>
At 31 December 2006	159,321	309,132	4,197,880
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2006	96,285	214,452	1,287,783
Charge for year	17,197	31,825	219,672
Eliminated on disposal	-	(32,619)	(70,158)
Revaluation adjustments	-	-	(84,206)
	<hr/>	<hr/>	<hr/>
At 31 December 2006	113,482	213,658	1,353,091
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2006	45,839	95,474	2,844,789
	<hr/>	<hr/>	<hr/>
At 31 December 2005	47,654	130,928	2,865,583
	<hr/>	<hr/>	<hr/>

Cost or valuation at 31 December 2006 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £
Valuation in 2006	567,805	-	-
Cost	1,249,992	432,204	1,479,426
	<hr/>	<hr/>	<hr/>
	1,817,797	432,204	1,479,426
	<hr/>	<hr/>	<hr/>
	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2006	-	-	567,805
Cost	159,321	309,132	3,630,075
	<hr/>	<hr/>	<hr/>
	159,321	309,132	4,197,880
	<hr/>	<hr/>	<hr/>

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

8. TANGIBLE FIXED ASSETS - continued

If Freehold property had not been revalued it would have been included at the following historical cost:

	31.12.06	31.12.05
	£	£
Cost	1,249,992	1,249,992
Aggregate depreciation	158,404	133,404

Freehold property was valued on an open market basis on 3 July 2006 by GerwynBryan Property Solutions.

Improvements to property were also revalued at the same time on the same basis. If they had not been revalued they would have been included at the following historical cost:

	31.12.06	31.12.05
	£	£
Cost	432,204	423,482
Aggregate depreciation	264,444	255,800

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 January 2006	41,000	178,538	219,538
Transfer to ownership	(41,000)	-	(41,000)
At 31 December 2006	-	178,538	178,538
DEPRECIATION			
At 1 January 2006	20,008	82,195	102,203
Charge for year	-	24,086	24,086
Transfer to ownership	(20,008)	-	(20,008)
At 31 December 2006	-	106,281	106,281
NET BOOK VALUE			
At 31 December 2006	-	72,257	72,257
At 31 December 2005	20,992	96,343	117,335

9. STOCKS

	31.12.06	31.12.05
	£	£
Raw materials & finished goods	558,725	566,142

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.06	31.12.05
	£	£
Trade debtors	1,975,606	1,475,209
Directors' current accounts	10,963	-
Prepayments	87,841	119,638
	<u>2,074,410</u>	<u>1,594,847</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.06	31.12.05
	£	£
Bank loans and overdrafts (see note 13)	133,210	1,527,961
Other loans (see note 13)	39,871	38,667
Hire purchase contracts (see note 14)	37,654	36,127
Trade creditors	631,257	729,125
Tax	139,742	30,028
Social security and other taxes	262,855	87,027
Invoice discounting accounts	1,031,729	-
Directors' current accounts	169,945	206,144
Accrued expenses	115,886	91,079
	<u>2,562,149</u>	<u>2,746,158</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.06	31.12.05
	£	£
Bank loans (see note 13)	1,378,535	964,949
Other loans (see note 13)	287,526	334,642
Hire purchase contracts (see note 14)	30,354	68,007
	<u>1,696,415</u>	<u>1,367,598</u>

13. LOANS

An analysis of the maturity of loans is given below:

	31.12.06	31.12.05
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	1,423,886
Bank loans	133,210	104,075
Other loans	39,871	38,667
	<u>173,081</u>	<u>1,566,628</u>

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

13. LOANS - continued

	31.12.06 £	31.12.05 £
Amounts falling due between one and two years:		
Bank loans	141,316	110,319
Other loans	128,544	128,544
Directors loan accounts	158,982	206,098
	<u>428,842</u>	<u>444,961</u>
Amounts falling due between two and five years:		
Bank loans	<u>278,110</u>	<u>257,239</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>959,109</u>	<u>597,391</u>

The bank loans are repayable as follows:-

Term loan, taken out in January 2003, repayable monthly over a period of eleven years with interest payable at 1.25% above the bank's base rate.

Term loan, taken out in February 2003, repayable monthly over a period of twenty four years with interest payable at 1% over the bank's base rate.

Term loan, taken out in May 2004, repayable monthly over a period of five years with interest payable at 1.25% over the bank's base rate.

Term loan taken out in August 2006, repayable monthly over a period of 15 years with interest payable at 6 % fixed for one year until the next review.

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	31.12.06	31.12.05
	£	£
Gross obligations repayable:		
Within one year	41,295	42,472
Between one and five years	32,213	73,507
	<u>73,508</u>	<u>115,979</u>
Finance charges repayable:		
Within one year	3,641	6,345
Between one and five years	1,859	5,500
	<u>5,500</u>	<u>11,845</u>
Net obligations repayable:		
Within one year	37,654	36,127
Between one and five years	30,354	68,007
	<u>68,008</u>	<u>104,134</u>

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	31.12.06	31.12.05
	£	£
Expiring:		
Between one and five years	<u>256,986</u>	<u>-</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.06	31.12.05
	£	£
Bank overdraft	-	1,423,886
Bank loans	1,511,745	1,069,024
Hire purchase contracts	68,008	104,134
	<u>1,579,753</u>	<u>2,597,044</u>

Bank borrowings are secured by a Debenture comprising fixed and floating charges over all assets of the company and a Legal charge for all sums over land & buildings dated 28 February 2003. Hire Purchase creditors are secured on the assets to which the agreement relates.

First legal charge over Airedale Mills, Skipton Road, Crosshills, Keighley dated 13/01/03, recorded 30/05/03.

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

16. PROVISIONS FOR LIABILITIES

	31.12.06	31.12.05
	£	£
Deferred tax	<u>91,000</u>	<u>90,000</u>
		Deferred tax
		£
Balance at 1 January 2006		90,000
Accelerated Capital Allowances		<u>1,000</u>
Balance at 31 December 2006		<u><u>91,000</u></u>

17. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.06	31.12.05
			£	£
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.06	31.12.05
			£	£
11,000	Ordinary	£1	<u>11,000</u>	<u>11,000</u>

18. RESERVES

	Revaluation reserve £
At 1 January 2006	741,803
Revaluation	215,205
Reserve transfer	<u>(11,356)</u>
At 31 December 2006	<u><u>945,652</u></u>

19. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets are held separately from those of the company in an independently administered fund. No contributions were paid to the fund during the year.

20. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31 December 2006 and 31 December 2005:

	31.12.06	31.12.05
	£	£
J W Chadwick		
Balance outstanding at start of year	(51,352)	-
Balance outstanding at end of year	19,008	-
Maximum balance outstanding during year	<u>19,008</u>	<u>-</u>

Airedale Chemical Co Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006**

20. TRANSACTIONS WITH DIRECTORS - continued

R P Chadwick

Balance outstanding at start of year	(37,141)	-
Balance outstanding at end of year	2,917	-
Maximum balance outstanding during year	<u>2,917</u>	<u>-</u>

The company has received from the directors and from the Self Administered Pension Scheme the following loans :-

	Balance b/fwd £	Maximum balance in year £	Balance c/fwd £
B Chadwick	19,208	40,314	21,064
Exors of Mrs C Chadwick (Deceased)	201,333	213,509	210,889
D M Chadwick	482	5,585	264
J W Chadwick	51,351	83,631	(19,008)
R P Chadwick	35,440	110,000	(2,917)
B M Hall	102,686	107,786	101,786
S P Wilkinson	41	14,118	5,885
Pension Scheme	128,544	128,544	128,544

The company pays a commercial rate of interest of 2% over base rate on all loans from directors and 3% over base rate on the loans from the Self Administered Pension Scheme.

During the year the company paid the following interest on loans to :-
£

Directors	27,770
Self Administered Pension Scheme	9,815

The directors with beneficial interests in the Self Administered Pension Scheme are Mr DM Chadwick, Mr J W Chadwick and Mr R P Chadwick.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.06 £	31.12.05 £
Profit for the financial year	379,233	120,394
Dividends	<u>(245,602)</u>	<u>(174,998)</u>
	133,631	(54,604)
Revaluation	<u>215,205</u>	<u>-</u>
Net addition/(reduction) to shareholders' funds	348,836	(54,604)
Opening shareholders' funds	<u>866,692</u>	<u>921,296</u>
Closing shareholders' funds	<u><u>1,215,528</u></u>	<u><u>866,692</u></u>