

COMPANY REGISTRATION NUMBER 01888575

BASIC CHEMICALS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2011



BREBNERS
Chartered Accountants
The Quadrangle
180 Wardour Street
London
W1F 8LB

BASIC CHEMICALS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2011

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BASIC CHEMICALS LIMITED

COMPANY INFORMATION

The director	D J Roberts
Company secretary	P A Roberts
Registered office	Hillbottom Road Sands Industrial Estate High Wycombe Bucks HP12 4HJ
Accountants	Brebners Chartered Accountants The Quadrangle 180 Wardour Street London W1F 8LB
Bankers	Barclays Bank PLC South Chilterns Group High Wycombe Bucks

BASIC CHEMICALS LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31st MARCH 2011

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 31st March 2011

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be the distributing of basic chemicals and allied products

DIRECTOR

The director who served the company during the year was as follows

D J Roberts

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by



D J Roberts
Director

Approved by the director on 18/08/2011

BASIC CHEMICALS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31st MARCH 2011

	Note	2011 £	2010 £
TURNOVER	2	1,823,852	1,712,096
Cost of sales		1,689,870	1,208,390
GROSS PROFIT		133,982	503,706
Administrative expenses		331,372	364,489
OPERATING (LOSS)/PROFIT	3	(197,390)	139,217
Interest receivable	5	78	112
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(197,312)	139,329
Tax on (loss)/profit on ordinary activities	6	(39,021)	31,252
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(158,291)	108,077

The notes on pages 5 to 10 form part of these financial statements

BASIC CHEMICALS LIMITED**BALANCE SHEET****31st MARCH 2011**

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	207,346	218,049
CURRENT ASSETS			
Stocks	8	253,634	441,474
Debtors	9	379,558	311,000
Cash at bank and in hand		53,244	317,770
		<u>686,436</u>	<u>1,070,244</u>
CREDITORS Amounts falling due within one year	11	<u>287,357</u>	<u>523,313</u>
NET CURRENT ASSETS		<u>399,079</u>	<u>546,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>606,425</u>	<u>764,980</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	10	—	264
		<u>606,425</u>	<u>764,716</u>
CAPITAL AND RESERVES			
Called-up equity share capital	14	25,000	25,000
Capital redemption reserve	15	5,000	5,000
Profit and loss account	16	576,425	734,716
SHAREHOLDERS' FUNDS		<u>606,425</u>	<u>764,716</u>

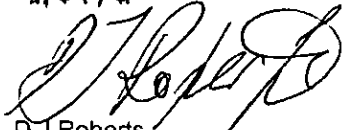
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The director acknowledges his responsibility for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements were approved and signed by the director and authorised for issue on

18/08/2011



D J Roberts
Director

Company Registration Number 01888575

The notes on pages 5 to 10 form part of these financial statements

BASIC CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2011

1 ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Basis of preparation

The company made a loss before tax of £197,312 for the year and has net assets of £606,425 including cash at bank and in hand of £53,244 at the balance sheet date with no bank borrowings. The company finances its operation through its existing resources, normal supplier credit and amounts provided from a related undertaking. The company has traded profitably in the post year end period and the director remains optimistic over the company's prospects in the foreseeable future.

As a consequence with these financial resources the director believes that the company is well placed to manage its business risks successfully despite the current economic outlook.

After making enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the director continues to adopt the going concern basis in preparing the financial statements.

Turnover

The turnover as shown in the profit and loss account is the amount receivable by the company during the year, exclusive of Value Added Tax and trade discounts.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	5% straight line
Fixtures and Fittings	-	25% straight line

No depreciation is charged upon land held within freehold property.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

BASIC CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2011

1 ACCOUNTING POLICIES (continued)**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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2 TURNOVER

The turnover and operating profit for the year was derived from the company's principal activity and was carried out wholly in the UK and Europe

3 OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2011 £	2010 £
Depreciation of owned fixed assets	10,510	11,348
Loss on disposal of fixed assets	<u>4,087</u>	<u>-</u>

4. DIRECTOR'S REMUNERATION

The director's aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Remuneration receivable	<u>1,535</u>	<u>1,379</u>

5 INTEREST RECEIVABLE

	2011 £	2010 £
Bank interest receivable	<u>78</u>	<u>112</u>

BASIC CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2011

6 TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2011		2010	
	£	£	£	£
Current tax				
In respect of the year				
UK Corporation tax based on the results for the year at 21% (2010 - 21%)		(30,346)		30,346
Total current tax		(30,346)		30,346
Deferred tax				
Origination and reversal of timing differences (note 10)				
Capital allowances	(264)		906	
Losses	(8,411)		-	
Total deferred tax (note 10)		(8,675)		906
Tax on (loss)/profit on ordinary activities		(39,021)		31,252

(b) Factors that may affect future tax charges

The company has taxation losses of £42,679 (2010 £Nil) to carry forward as at 31st March 2011

7 TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures and Fittings £	Total £
COST			
At 1st April 2010	318,026	55,116	373,142
Additions	-	3,894	3,894
Disposals	-	(5,450)	(5,450)
At 31st March 2011	318,026	53,560	371,586
DEPRECIATION			
At 1st April 2010	104,107	50,986	155,093
Charge for the year	9,493	1,017	10,510
On disposals	-	(1,363)	(1,363)
At 31st March 2011	113,600	50,640	164,240
NET BOOK VALUE			
At 31st March 2011	204,426	2,920	207,346
At 31st March 2010	213,919	4,130	218,049

Included within freehold property is land with a cost value of £100,000 (2010 £100,000)

BASIC CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2011

8 STOCKS

	2011 £	2010 £
Finished goods	<u>253,634</u>	<u>441,474</u>

9 DEBTORS

	2011 £	2010 £
Trade debtors	327,782	297,237
Corporation tax repayable	30,346	-
Other debtors	20	-
Prepayments and accrued income	12,999	13,763
Deferred taxation (note 10)	<u>8,411</u>	<u>-</u>
	<u>379,558</u>	<u>311,000</u>

10 DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2011 £	2010 £
Included in debtors (note 9)	8,411	-
Included in provisions	<u>-</u>	<u>(264)</u>
	<u>8,411</u>	<u>(264)</u>

The movement in the deferred taxation account during the year was

	2011 £	2010 £
Balance brought forward	(264)	642
Profit and loss account movement arising during the year	<u>8,675</u>	<u>(906)</u>
Balance carried forward	<u>8,411</u>	<u>(264)</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2011 £	2010 £
Excess of taxation allowances over depreciation on fixed assets	-	(264)
Tax losses available	<u>8,411</u>	<u>-</u>
	<u>8,411</u>	<u>(264)</u>

BASIC CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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11 CREDITORS- Amounts falling due within one year

	2011 £	2010 £
Amounts owed to related undertaking	125,565	290,844
Trade creditors	135,729	169,047
Corporation tax	-	30,346
PAYE and social security	5,732	6,374
VAT	14,691	21,164
Other creditors	1,813	1,603
Accruals and deferred income	3,827	3,935
	<u>287,357</u>	<u>523,313</u>

12 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. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,417 (2010 £12,596)

13 RELATED PARTY TRANSACTIONS**Transactions**

Included within 'Amounts owed to related undertaking' is an amount of £125,565 (2010 £290,844) due to Rye View Properties Limited. The total value of services provided by Rye View Properties Limited to Basic Chemicals Limited during the year amounted to £118,200 (2010 £152,750) with all transactions made at arms length. D J Roberts is director and sole shareholder of both Rye View Properties Limited and Basic Chemicals Limited.

Control

The company was under the control and ultimate control of D J Roberts, director, throughout the entire year.

14 SHARE CAPITAL**Allotted, called up and fully paid**

	2011 No	£	2010 No	£
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

15 CAPITAL REDEMPTION RESERVE

	2011 £	2010 £
Capital redemption reserve	<u>5,000</u>	<u>5,000</u>

BASIC CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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16 PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	734,716	626,639
(Loss)/profit for the financial year	<u>(158,291)</u>	<u>108,077</u>
Balance carried forward	<u>576,425</u>	<u>734,716</u>