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REGISTERED NUMBER 03081008

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

FOR

STANDARD SOAP COMPANY LIMITED

Bishop Fleming Bath Limited
Minerva House
Lower Bristol Road
Bath
BA2 9ER

STANDARD SOAP COMPANY LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

STANDARD SOAP COMPANY LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2012

DIRECTORS	C C Lim K H Pung M Torrance
SECRETARY:	K H Pung
REGISTERED OFFICE	C/O The Standard Soap Company Limited Derby Road Ashby-De-La-Zouche Leicestershire LE65 2HG
REGISTERED NUMBER	03081008
AUDITORS	Bishop Fleming Bath Limited Minerva House Lower Bristol Road Bath BA2 9ER

STANDARD SOAP COMPANY LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

The directors present their report with the financial statements of the company for the year ended 30 September 2012

PRINCIPAL ACTIVITY
The principal activity of the company up until the cessation of trade on 30 September 2012 was that of the development and manufacture of personal care products, including liquids, solid soap bars and creams

REVIEW OF BUSINESS
The company suffered an operating loss of £1 87 million this year compared to an operating loss £2 43 million last year

BREAK UP BASIS
The company's principal activity was the development and manufacture of personal care products including liquids, solid soap bars and creams During the year the directors took the decision to begin to cease operations As the directors expect to liquidate the company in the future they have not prepared the financial statements on a going concern basis The effect of this is explained in note 1

DIVIDENDS
No dividends will be distributed for the year ended 30 September 2012

The results for the year are set out on page 5

The directors do not recommend the payment of a dividend

DIRECTORS
The directors shown below have held office during the whole of the period from 1 October 2011 to the date of this report

C C Lim
K H Pung
M Torrance

RISK
The company's operations are financed by specific loans from its parent company as well as an overdraft and loan facility with its bank

The company mitigates credit risk associated with its customers' debt by applying credit verification and control procedures and by insuring trade credit balances against default or insolvency with an appropriate insurance company

The company also carries appropriate business insurance including public and product liability

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union 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,

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

As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis

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 418 of the Companies Act 2006) 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

STANDARD SOAP COMPANY LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

AUDITORS
The auditors, Bishop Fleming Bath Limited, are deemed to be reappointed under section 487 (2) of the Companies Act 2006

ON BEHALF OF THE BOARD:

C C Lim - Director

Date 16/11/12

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STANDARD SOAP COMPANY LIMITED

We have audited the financial statements of Standard Soap Company Limited for the year ended 30 September 2012 on pages five to twenty eight The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 a Report of the Auditors 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
As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Bishop Fleming Bath Ltd

Simon Morrison (Senior Statutory Auditor)
for and on behalf of Bishop Fleming Bath Limited
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date 7 December 2012

STANDARD SOAP COMPANY LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Notes	2012 £	2011 £
DISCONTINUED OPERATIONS			
Revenue	2	2,715,800	8,545,140
Cost of sales		(2,895,159)	(8,354,434)
GROSS (LOSS)/PROFIT		(179,359)	190,706
Other operating income		53,481	12,589
Distribution costs		(85,359)	(344,313)
Administrative expenses		(1,660,288)	(2,291,914)
OPERATING LOSS BEFORE EXCEPTIONAL ITEMS		(1,871,525)	(2,432,932)
Exceptional items	4	(300,769)	-
OPERATING LOSS		(2,172,294)	(2,432,932)
Finance costs	5	(99,625)	(206,277)
Finance income	5	33	10
LOSS BEFORE INCOME TAX	6	(2,271,886)	(2,639,199)
Income tax	7	-	-
LOSS FOR THE YEAR		(2,271,886)	(2,639,199)

The notes form part of these financial statements

STANDARD SOAP COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2012

	2012 £	2011 £
LOSS FOR THE YEAR	**(2,271,886)**	(2,639,199)
OTHER COMPREHENSIVE INCOME		
Gain/(loss) defined benefit	**(1,043,000)**	602,000
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	(1,043,000)	602,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(3,314,886)	(2,037,199)

The notes form part of these financial statements

STANDARD SOAP COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2012

	Notes	2012 £	2011 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	8	-	-
Property, plant and equipment	9	-	1,034,491
		-	1,034,491
CURRENT ASSETS			
Inventories	10	36,697	1,230,678
Trade and other receivables	11	53,801	1,324,528
Assets available for sale	12	2,500,000	-
Cash and cash equivalents	13	43,099	300
		2,633,597	2,555,506
TOTAL ASSETS		2,633,597	3,589,997
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	14	2,000,000	2,000,000
Other reserves	15	(2,838,231)	(2,013,231)
Retained earnings	15	(16,277,510)	(13,786,624)
TOTAL EQUITY		(17,115,741)	(13,799,855)
LIABILITIES			
NON-CURRENT LIABILITIES			
Pension liability	20	-	2,013,231
CURRENT LIABILITIES			
Trade and other payables	16	14,710,338	14,311,760
Financial liabilities - borrowings			
Bank overdrafts	17	-	1,055,655
Interest bearing loans and borrowings	17	-	9,206
Provisions	19	2,201,769	-
Pension liability	20	2,837,231	-
		19,749,338	15,376,621
TOTAL LIABILITIES		19,749,338	17,389,852
TOTAL EQUITY AND LIABILITIES		2,633,597	3,589,997

The financial statements were approved by the Board of Directors on 16/11/12 and were signed on its behalf by

K H Pung - Director

The notes form part of these financial statements

STANDARD SOAP COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Called up share capital £	Profit and loss account £	Other reserves £	Total equity £
Balance at 1 October 2010	2,000,000	(10,979,425)	(2,783,231)	(11,762,656)
Changes in equity				
Total comprehensive income	-	(2,807,199)	770,000	(2,037,199)
Balance at 30 September 2011	2,000,000	(13,786,624)	(2,013,231)	(13,799,855)
Changes in equity				
Total comprehensive income	-	(2,490,886)	(825,000)	(3,315,886)
Balance at 30 September 2012	2,000,000	(16,277,510)	(2,838,231)	(17,115,741)

The notes form part of these financial statements

STANDARD SOAP COMPANY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

		2012 £	2011 £
Cash flows from operating activities			
Cash generated from operations	1	(600,577)	(2,454,278)
Net cash from operating activities		(600,577)	(2,454,278)
Cash flows from investing activities			
Purchase of tangible fixed assets		(59,500)	(343,854)
Sale of tangible fixed assets		605,496	-
Interest received		33	10
Net cash from investing activities		546,029	(343,844)
Cash flows from financing activities			
Movement in bank borrowings		(6,621)	(35,047)
Bank interest paid		(18,343)	(31,433)
Capital repayments in year		(2,585)	(13,805)
Movement in related party loans		1,180,551	3,855,148
Net cash from financing activities		1,153,002	3,774,863
Increase in cash and cash equivalents		1,098,454	976,741
Cash and cash equivalents at beginning of year	2	(1,055,355)	(2,032,095)
Cash and cash equivalents at end of year	2	43,099	(1,055,355)

The notes form part of these financial statements

STANDARD SOAP COMPANY LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

1 RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2012	2011
	£	£
Loss before income tax	(2,271,886)	(2,639,199)
Depreciation charges	52,366	76,348
(Profit)/Loss on disposal of fixed assets	(163,871)	100
Property revaluation	(1,900,000)	493,000
Additional pension liability	2,201,769	-
Finance costs	99,625	206,277
Finance income	(33)	(10)
	(1,982,030)	(1,863,484)
Decrease in inventories	1,193,981	690,003
Decrease in trade and other receivables	1,257,514	445,898
Decrease in trade and other payables	(779,042)	(1,436,695)
Difference between pension charge and cash contributions	(291,000)	(290,000)
Cash generated from operations	(600,577)	(2,454,278)

2 CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts

Year ended 30 September 2012

	30/9/12	1/10/11
	£	£
Cash and cash equivalents	43,099	300
Bank overdrafts	-	(1,055,655)
	43,099	(1,055,355)

Year ended 30 September 2011

	30/9/11	1/10/10
	£	£
Cash and cash equivalents	300	300
Bank overdrafts	(1,055,655)	(2,032,395)
	(1,055,355)	(2,032,095)

The notes form part of these financial statements

1 ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

The financial statements are presented in Pounds Sterling, being the functional currency of the company, and have been prepared under the historical cost convention, except for pensions that have been measured at fair value

The financial statements are not prepared on a going concern basis due to the decision of the directors during the year to cease trading

Non current assets have been reclassified as current under IAS 1 as they are held for resale Current assets have been revalued to fair value at the year end

Non current liabilities have been reclassified as current under IAS 1 as they are expected to be settled within twelve months of the balance sheet date

The defined benefit pension scheme liability has been reclassified as a current liability at the balance sheet date and the directors have made a further provision in respect of the additional liability that may crystallise should the scheme be divested

Intangible Assets
Acquired trademarks are measured initially at cost and are amortised on a straight line basis over their estimated useful lives - being 10 years from the commencement of commercial production

Research costs are expensed as incurred Development costs are capitalised in line with IAS 38 'Intangible Assets' Following initial recognition of development expenditure, the cost is amortised on a straight line basis over the project's estimated useful life - being 10 years from the commencement of commercial production

Property, plant and equipment
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life

Freehold land & buildings	- 2 5% on cost
Plant and machinery	- 10% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line

Included within Plant and machinery are Motor vehicles, which have been depreciated at a rate of 33% straight line

All property, plant and equipment are reviewed for impairment in accordance with IAS 36 'Impairment of Assets' when there are indications that the carrying value may not be recoverable

Impairment of tangible and intangible assets
At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets are impaired If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs

The recoverable amount is the higher of fair value less costs to sell, and value in use If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount An impairment loss is recognised as an expense immediately in the income statement

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of the recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years A reversal of an impairment loss is recognised as a credit to the income statement immediately

1 ACCOUNTING POLICIES - continued

Financial Assets

The company's financial assets include cash and cash equivalents and trade receivables and other receivables and all, therefore, comprise loans and receivables

All financial assets are initially recognised at fair value plus transaction costs, when the company becomes party to the contractual provisions of the instrument

Interest and other cash flows resulting from holding financial assets are recognised in the statement of comprehensive income using the effective interest method

Trade and other receivables are measured subsequent to initial recognition at amortised cost using the effective interest method, less provision for impairment Provision for impairment of trade and other receivables is made when objective evidence is received that the company will not be able to collect all amounts due to it in accordance with the original terms of the receivable The amounts of the impairment is determined as the difference between the assets' carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate Any change in their value through impairment or reversal of impairment is recognised in profit and loss

A financial asset is derecognised only where the contractual rights to the cash flows from the asset expire or the financial asset if transferred and that transfer qualifies for derecognition

A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the company retains the contractual right to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients A financial asset that is transferred qualifies for derecognition if the company transfers substantially all the risk and rewards of ownership of the asset

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as short term highly liquid investments such as bank deposits, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value

Equity

Share capital represents the nominal value of equity shares that have been issued Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income

Financial liabilities

The company's financial liabilities include bank loans, trade and other payables

Financial liabilities are recognised when the company becomes a party to the contractual agreement of the instrument All interest related charges are recognised as an expense in 'finance costs' in the statement of comprehensive income using the effective interest method

Bank loans are raised for support of the long term funding of the company's operations They are recognised initially at fair value, net of direct issue costs and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the statement of comprehensive income Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the statement of comprehensive income on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period which they arise

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost less settled payments

A financial liability is derecognised only when the obligation is extinguished, that is when the obligation is discharged or cancelled or expires

1 ACCOUNTING POLICIES - continued

Classification as equity or financial liability

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities under potentially unfavourable conditions In addition contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities Shares containing such obligations are classed as financial liabilities

An equity instrument is any contract that evidences a residual interest in the asset of the company after deducting all of its liabilities Dividends and distributions relating to equity instruments are debited directly to equity

Inventories

Inventories are stated at the lower of cost and net realisable value In determining the cost of raw materials, consumables and goods for resale, the weighted average purchase price is used For work in progress and finished goods manufactured by the company, cost is taken as production cost, which includes an appropriate proportion of attributable overheads

Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the year end date They are calculated according to the tax rates and tax laws enacted and substantively enacted at the year end date, based on the taxable profit for the year

Deferred tax is provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis

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

Hire purchase and leasing commitments

Rentals payable under operating leases are charged to the income statement on a straight line basis over the period of the term of the relevant lease

Employee benefit costs

The company operated a defined benefit pension scheme for employees The assets of the scheme are held separately from those of the company

The interest cost and the expected return on assets are shown as a net amount in the income statement as other finance costs or income, recognised in the period in which they arise, while service costs are spread systematically over the expected service lives of employees Actuarial gains and losses are recognised immediately in the statement of comprehensive income

Plan assets are recorded at fair value based on market price information and in the case of quoted securities is the published bid price Plan obligations are measured on an actuarial basis using the projected credit unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities Pension scheme deficits are recognised in full on the balance sheet, net of related deferred tax

Revenue recognition

Revenue is derived from the provision of goods and services to third party and inter group customers

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured Revenue is measured at the fair value of the consideration received, excluding trade discounts, VAT and other sales taxes or duties

Borrowing costs

Borrowing costs are recognised in the income statement as finance costs in the period in which they are occur

1 ACCOUNTING POLICIES - continued

Consolidated financial statements

The financial statements present information about the company as an individual undertaking and not about its group The company has not prepared consolidated financial statements as it is exempt from the requirement to do so under the Companies Act 2006 as it is a subsidiary undertaking of Kuala Lumpur Kepong Berhad, a company incorporated in Malaysia, and is included in the consolidated financial statements of that company

Segmental reporting

An operating segment is a distinguishable component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the directors to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available

As the directors review financial information for and make decisions about the company's performance overall, they have identified a single operating segment, that of development and manufacture of personal care products

Standard and interpretations in issue, not yet effective

The company has not early adopted the following new standards, amendments or interpretations that have been issued but are not yet effective

IFRS 9 Financial Instruments - Effective for periods beginning on or after 1 January 2015

The company has commenced assessment of the impact of the above standards on presentation and disclosure but is not yet in a position to state whether these standards would have a material impact on its results of operations and financial position

Critical accounting estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amounts recognized in the financial statements other than those disclosed in the following notes

Note 4 - Break up adjustments

Note 8 - Measurement of the recoverable amount of cash generating units

Note 12 - Property valuation

Note 13 - Provision of retirement benefits and contingencies

2 SEGMENTAL REPORTING

The company operates within one segment and as per IFRS 8 is exempt from preparing the disclosure as the entity,

i) does not hold debt or equity instruments that are traded in a public market,

ii) does not file, and is not planning to file, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market

3 EMPLOYEES AND DIRECTORS

	2012 £	2011 £
Wages and salaries	789,209	2,644,513
Social security costs	88,536	180,751
Other pension costs	-	22,445
	877,745	2,847,709

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

	2012	2011
Number of production staff	41	98
Number of administrative staff	23	56
Number of sales staff	3	8
	67	162

	2012 £	2011 £
Directors' remuneration	-	130,802

4 EXCEPTIONAL ITEMS

	2012 £
Fair value adjustment in relation to assets held for sale	1,900,000
Fair value adjustment in relation to pension deficit	(2,200,769)

Exceptional items are fair value adjustments, see note 23 for further explanation

5 NET FINANCE COSTS

	2012 £	2011 £
Finance income		
Deposit account interest	33	10
Finance costs		
Bank interest	18,343	31,433
Amounts payable to group Companies	10,282	52,844
Interest on pension scheme liabilities	71,000	122,000
	99,625	206,277
Net finance costs	99,592	206,267

6 LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting)

	2012	2011
	£	£
Hire of plant and machinery	**46,220**	91,050
Depreciation - owned assets	**52,366**	76,348
(Profit)/Loss on disposal of fixed assets	**(163,871)**	100
Auditors' remuneration	**7,000**	10,000
Foreign exchange differences	**1,460**	8,324
Exceptional Items	**748,043**	588,213
Research & Development	**-**	327,629

Exceptional Items included in Administrative expenses

In 2011 exceptional items represent further redundancy costs of £22,236, further Pension Protection fund Levy of £72,977 and impairment of Property, plant and equipment of £493,000

In 2012 exceptional items represent further redundancy costs of £650,817 and a further Pension Protection fund Levy of £97,226

7 INCOME TAX

Analysis of the tax charge
No liability to UK corporation tax arose on ordinary activities for the year ended 30 September 2012 nor for the year ended 30 September 2011

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

	2012	2011
	£	£
Loss on ordinary activities before tax	(2,2,71,886)	(2,639,199)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 27%)	(545,253)	(1,347,523)
Effects of		
Depreciation in excess of capital allowances	-	(48,525)
Capital allowances in excess of depreciation	5,649	-
Expenses not allowable for tax purposes	(10,680)	225,090
Other short term timings differences	2,468	(104,815)
Unrelieved tax losses	-	637,922
Utilisation of tax losses	523,816	-
Chargeable gains	24,000	2,912
Total income tax	-	(634,939)

8 INTANGIBLE ASSETS

	Trademarks	Development costs	Totals
	£	£	£
COST			
At 1 October 2011	4,373	6,939	11,312
Disposals	(4,373)	(6,939)	(11,312)
At 30 September 2012	-	-	-
AMORTISATION			
At 1 October 2011	4,373	6,939	11,312
Eliminated on disposal	(4,373)	(6,939)	(11,312)
At 30 September 2012	-	-	-
NET BOOK VALUE			
At 30 September 2012	-	-	-
At 30 September 2011	-	-	-

9 PROPERTY, PLANT AND EQUIPMENT

	Freehold land & buildings £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 October 2011	1,857,995	4,943,249	9,190	241,029	7,051,463
Additions	-	59,500	-	-	59,500
Disposals	(1,257,995)	(5,002,749)	(9,190)	(241,029)	(6,510,963)
Reclassification/transfer	(600,000)	-	-	-	(600,000)
At 30 September 2012	-	-	-	-	-
DEPRECIATION					
At 1 October 2011	991,258	4,776,660	9,190	239,864	6,016,972
Charge for year	28,829	23,082	-	455	52,366
Eliminated on disposal	(1,020,087)	(4,799,742)	(9,190)	(240,319)	(6,069,338)
At 30 September 2012	-	-	-	-	-
NET BOOK VALUE					
At 30 September 2012	-	-	-	-	-
At 30 September 2011	866,737	166,589	-	1,165	1,034,491

The gross book value of freehold property includes £nil (2011 £1,257,995) of depreciable assets

Due to the cessation of trade, freehold property has been transferred to investment property held as assets available for sale included in current assets

10 INVENTORIES

	2012 £	2011 £
Raw materials	-	878,737
Finished goods	36,697	351,941
	36,697	1,230,678

11 TRADE AND OTHER RECEIVABLES

	2012 £	2011 £
Current		
Trade receivables	-	1,200,783
Amounts owed by group undertakings	-	13,213
Other receivables	11,887	1,691
VAT	15,704	-
Prepayments and accrued income	26,210	108,841
	53,801	1,324,528

11 TRADE AND OTHER RECEIVABLES - continued

All of the company's trade and other receivables have been reviewed for indicators of impairment No provision for impairment has been recorded at the year end date

The ages of financial assets past due but not impaired are as follows

	2011	2010
	£	£
Up to three months past due	-	180,054
More than three months past due	-	83,632
	-	263,686

As at the balance sheet date there were no financial assets up to or more than three months past due

12 ASSETS AVAILABLE FOR SALE

	2012	2011
	£	£
Freehold property transferred from non-current assets	600,000	-
Fair value adjustment	1,900,000	-
	2,500,000	-

Freehold property has been reclassified as an investment property within current assets in the year and revalued to its current market value

13 CASH AND CASH EQUIVALENTS

	2012	2011
	£	£
Cash in hand	-	300
Bank accounts	43,099	-
	43,099	300

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	2012	2011
			£	£
2,000,000	Ordinary	£1	2,000,000	2,000,000

15 RESERVES

	Retained earnings £	Other reserves £	Totals £
At 1 October 2011	(13,786,624)	(2,013,231)	(15,799,855)
Deficit for the year	(2,271,886)	-	(2,271,886)
Actuarial loss on post-employment benefit obligations	-	(1,044,000)	(1,044,000)
Transfer to pension reserve	(219,000)	219,000	-
At 30 September 2012	(16,277,510)	(2,838,231)	(19,115,741)

Profit and loss account excluding pension liability	(13,439,279)
Pension deficit	(2,838,231)
Profit and loss account	(16,277,510)

16 TRADE AND OTHER PAYABLES

	2012 £	2011 £
Current		
Trade payables	24,914	511,202
Amounts owed to group undertakings	14,611,616	13,437,503
Social security and other taxes	1,704	146,415
Other payables	91	5,759
Accruals and deferred income	72,013	210,881
	14,710,338	14,311,760

Bank overdraft and loans have been secured by the company's ultimate parent undertaking, Kuala Lumpur Kepong Berhad

Payables due to related parties have been detailed further in the related parties note

17 FINANCIAL LIABILITIES - BORROWINGS

	2012 £	2011 £
Current		
Bank overdrafts	-	1,055,655
Bank loans	-	6,621
Hire purchase contracts (see note 18)	-	2,585
	-	1,064,861

17 FINANCIAL LIABILITIES - BORROWINGS - continued

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's financial instruments are bank borrowings, related party borrowings, cash, bank deposits and various items such as short term receivables and payables that arise from its operations The main purpose of these financial instruments is to fund the company's working capital requirement during the year

The main risks arising from the company's financial instruments are credit risk, liquidity risk, interest rate risk and foreign exchange risk The directors review and agree policies for managing each of these risks and they are summarised below These policies have remained unchanged throughout the period

Credit risk

The company's principal financial assets are bank balances and trade and other receivables The company's credit risk is primarily attributable to its trade and loan receivables The amounts presented in the balance sheet are net of allowance for doubtful receivables An allowance for impairment is made where there is objective evidence the company will not be able to collect all amounts due according to the original terms of the receivable concerned The credit risk for liquid funds is considered negligible, since the counterparties are reputable banks with high quality external credit ratings

The company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised below,

	2012	2011
	£	£
Classes of financial assets - carrying amount		
Cash and cash equivalents	43,099	300
Trade and other receivables	27,000	
	70,099	1,923,574

The company continuously monitors defaults of customers and other counterparties, and incorporates this information into its credit risk controls External credit ratings and/or reports on customers and other counterparties are obtained and used The company's policy is to deal only with credit worthy counterparties

The company's management considers that all the above financial assets that are not impaired for the reporting dates under review are of good credit quality, including those that are past due

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable working capital needs The company does this by taking out loans with banks and obtaining additional funding from related parties

The company's borrowing analysis at the balance sheet date is presented above

Bank overdraft and loans

Bank borrowings are secured by the ultimate parent undertaking, Kuala Lumpur Kepong Berhad, and the company eceived confirmation that borrowings will continue to be guaranteed for at least the next 12 months

Amounts due to related parties

Amounts due to related parties are shown in note 18

17 FINANCIAL LIABILITIES - BORROWINGS - continued

Foreign exchange risk

The company is exposed to foreign exchange rise principally via transactional exposure, from the cost of future purchases of goods for resale which are denominated in a currency other than the functional currency of the company

This risk is managed through use of natural hedges where possible, matching receipts from customers in foreign currency to purchases that are required in foreign currency In addition, agreements for the purchase of goods are denominated in the functional currency of the company where possible

Interest rate risk

The company finances its operations through retained profit, cash balances and the use of short and long term borrowings Where possible, fixed rates of interest apply for bank and certain related party borrowings

When the company places cash balances on deposit, rates used are fixed in the short term but for sufficiently short periods that there is no need to hedge against implied risk

The directors consider the fair value of the loans not to be significantly different from their carrying value

18 LEASING AGREEMENTS

Minimum lease payments fall due as follows

Hire purchase contracts

	2012	2011
	£	£
Net obligations repayable		
Within one year	-	2,585

Non-cancellable operating leases

	2012	2011
	£	£
Within one year	-	30,263
Between one and five years	-	12,124
	-	42,387

19 PROVISIONS

	2012	2011
	£	£
Other provisions	2,201,769	-

Analysed as follows		
Current	2,201,769	-

Current year provision relates to an additional pension liability for the year based on the directors expectation of the transfer out value of the scheme to the Pension Protection Fund

20 EMPLOYEE BENEFIT OBLIGATIONS

Defined contribution

The company operates a defined contribution stakeholder pension scheme (which became available from 1 March 2002) 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

	2012	2011
	£	£
Contributions payable by the company for the year	-	22,445

Defined benefit

The company operates a funded defined benefit scheme (which was closed to new entrants with effect from 1 March 2002 and closed to future accruals with effect from 1 July 2011), the assets of which are held as a segregated fund and administered by trustees At 30 September 2012, contributions of £nil (2011 £nil were payable to the defined benefit scheme and are included within other payables

The contributions to the defined benefit scheme are determined by an independent qualified actuary on the basis of triennial valuation, using the projected unit valuation method The last actuarial valuation as at 6 April 2008, carried out by Quattro Pensions Consulting Limited, indicated that the market value of the scheme's assets at the review date was £8,134,000 and that the actuarial value of those assets represented 84% of the value of past service liabilities on an ongoing basis

In accordance with the actuary's recommendations, the funding rates have been increased to recoup the deficit over the remaining average service lifetime of existing members The Trustees and employer have agreed to a level of future employer contributions as follows

- On or before 31 March 2009 and on each subsequent 31 March, ending on 31 March 2014 a lump sum of £290,000, plus
- Life insurance premiums for death in service cover and the expenses of running the scheme

The valuation used for IAS19 disclosures has been based on the most recent actuarial valuation at 6 April 2008 as updated to take accounts of the requirements of IAS19 by Quattro Pensions Consulting Limited in order to assess the liabilities of the scheme at 30 September 2011 Scheme assets are stated at their market value at 30 September 2012

As the pension scheme is closed to new entrants the projected unit method will give rise to an increase in the current service cost as the members of the scheme approach retirement

The amounts recognised in the balance sheet are as follows

	Defined benefit pension plans	
	2012	2011
	£	£
Present value of funded obligations	(14,207,231)	(12,223,231)
Fair value of plan assets	11,370,000	10,210,000
	(2,837,231)	(2,013,231)
Present value of unfunded obligations	-	-
Deficit	(2,837,231)	(2,013,231)
Net liability	(2,837,231)	(2,013,231)

20 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in profit or loss are as follows

	Defined benefit pension plans 2012	2011
	£	£
Current service cost	-	65,000
Interest cost	615,000	636,000
Expected return	(544,000)	(522,000)
Past service cost	-	-
	71,000	179,000
Actual return on plan assets	1,301,000	(11,000)

Changes in the present value of the defined benefit obligation are as follows

	Defined benefit pension plans 2012	2011
	£	£
Opening defined benefit obligation	12,223,231	12,982,231
Current service cost	-	65,000
Contributions by scheme participants	-	36,000
Interest cost	615,000	636,000
Actuarial losses/(gains)	1,800,000	(1,135,000)
Benefits paid	(431,000)	(361,000)
	14,207,231	12,223,231

Changes in the fair value of scheme assets are as follows

	Defined benefit pension plans 2012	2011
	£	£
Opening fair value of scheme assets	10,210,000	10,199,000
Contributions by employer	290,000	347,000
Contributions by scheme participants	-	36,000
Expected return	544,000	522,000
Actuarial gains/(losses)	757,000	(533,000)
Benefits paid	(431,000)	(361,000)
	11,370,000	10,210,000

20 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the statement of recognised income and expense are as follows

	Defined benefit pension plans	
	2012	2011
	£	£
Actuarial gains/(losses) on scheme assets	**757,000**	(533,000)
Actuarial gains/(losses) on scheme liabilities	**(1,800,000)**	1,135,000
	(1,043,000)	602,000
Cumulative amount of actuarial gains/(losses)	**(1,043,000)**	602,000

The major categories of scheme assets as amounts of total scheme assets are as follows

	Defined benefit pension plans	
	2012	2011
	£	£
Equities	**4,487,000**	4,306,000
Bonds	**6,087,000**	5,380,000
Other Assets	**796,000**	524,000
	11,370,000	10,210,000

A deferred tax asset of £681,000 (2011 £543,000) is attached to the deficit on the scheme However, this asset has not been recognised in these financial statements because the company has insufficient taxable profits to realise the asset

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2012	2011
Discount rate	**4 10%**	5 12%
Expected return on scheme assets	**4 37%**	5 37%
Future salary increases	**-**	3 28%
Future pension increases	**2 83%**	3 28%

Mortality assumptions are based on those used in the triennial valuation The mortality tables used are the PNXA00 series tables by year of birth, rated up three years, with an adjustment for future improvements in mortality in line with the medium cohort projections and a 1% floor These assumptions are the same as those used in last year's IAS 19 disclosures

Rate of return on scheme assets

The expected rates of return to apply from the triennial valuation date forward are set to be net of investment management fees and scheme expenses, derived as follows,

- Return on bonds is set equal to the discount rate less 0 3% deduction to allow for expenses and investment management costs,
- Return on cash is set to be 0 5%, the current bank base rate, and
- Return on equities is set to be 2% above the net return on bonds

20 EMPLOYEE BENEFIT OBLIGATIONS - continued

Amounts for the current and previous four periods are as follows

	2012	2011	2010	2009	2008
	£	£	£	£	£
Defined benefit pension plans					
Defined benefit obligation	**(14,207,231)**	(12,223,231)	(12,982,231)	(11,852,231)	(7,921,000)
Fair value of scheme assets	**11,370,000**	10,210,000	10,199,000	8,951,000	7,801,000
Deficit	**(2,837,231)**	(2,013,231)	(2,783,231)	(2,901,231)	(120,000)
Experience adjustments on scheme liabilities	**757,000**	(533,000)	(683,000)	(3,620,000)	2,918,000
Experience adjustments on scheme assets	**(1,800,000)**	1,135,000	676,000	520,000	(1,667,000)

21 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of KLK Overseas Investments Limited, a company incorporated in the British Virgin Islands

The ultimate parent undertaking of the company is Kuala Lumpur Kepong Berhad, a company incorporated in Malaysia Copies of the ultimate parent company's financial statements, of which the company is included, are available from Wisma Taiko,1 Jalan SP Seenivasagam, 30000 Ipoh, Perak Darul Ridzuan, Malaysia

22 RELATED PARTY DISCLOSURES

At the year end the company had the following balances with fellow group undertakings,

	2012	2011
	£	£
Amounts due from related parties		
Crabtree & Evelyn Trading Ltd	-	12,863
Crabtree & Evelyn (USA) Inc	-	350
Amounts due to related parties		
Due in less than one year		
KLK Industrial Holdings Sdn Bhd	**97,163**	123,718
Taiko Palm-Oleo (Zhangjiagang) Co Ltd	-	8,409
Crabtree & Evelyn (USA) Inc	-	1,192
Kuala Lumpur Kepong Berhad	**3,317,358**	2,581,342
KLK Overseas Investments Ltd	**10,907,095**	10,432,842
KLK International	**290,000**	290,000

Interest is charged on loans from the ultimate parent company, at 6 75% per annum, being £28,625 (2011 £52,844)

During the year the company made the following transactions with fellow group undertakings shown above, all occurring on an arm's length basis,

	2011	2011
	£	£
Transactions		
Sales of manufactured goods to group companies	**429,103**	1,038,245
Purchases of raw materials from other group companies and recharge of travel expenses	-	679,536

23 FAIR VALUE DISCLOSURES

Measurement methods for financial assets and liabilities accounted for at amortised cost and at fair value are described below

Trade and other receivables, cash and cash equivalents and trade and other payables

The carrying amount is considered a reasonable approximation of fair value due to the short duration of these instruments

Bank loans

Fair value is considered to be equivalent to book value as loans are obtained at market rates

Assets available for sale

Fair value is considered to be equivalent to current market value

Pension deficit

Fair value is considered to be the directors best estimate of the pension deficit following cessation of trade