

Report of the Directors and
Unaudited Financial Statements
for the year ended 31 December 2006
for
D M Chemicals Ltd

Hatcher Hughes
Unit S8b
Chester Enterprise Centre
Hoole Bridge
Chester
Cheshire
CH2 3NE

THURSDAY



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D M Chemicals Ltd

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for the year ended 31 December 2006

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D M Chemicals Ltd

Company Information
for the year ended 31 December 2006

DIRECTORS:

R R Cox
R R Cox Junior
D M Cox

SECRETARY:

D M Cox

REGISTERED OFFICE:

Shalford House
16 Westbrook Road
Kingsley
Frodsham
Cheshire
WA6 8EA

REGISTERED NUMBER:

5225833

ACCOUNTANTS:

Hatcher Hughes
Unit S8b
Chester Enterprise Centre
Hoole Bridge
Chester
Cheshire
CH2 3NE

D M Chemicals Ltd

Report of the Directors
for the year ended 31 December 2006

The directors present their report with the financial statements 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 chemical supplies and consultancy services.

DIRECTORS

The directors during the year under review were:

R R Cox
R R Cox Junior
D M Cox

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 A Class Voting Shares £1 shares		
R R Cox	1	1
R R Cox Junior	-	-
D M Cox	1	1
Ordinary B Class Voting Shares £1 shares		
R R Cox	-	-
R R Cox Junior	1	1
D M Cox	-	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

D. M. Cox
D M Cox - Secretary

Date: 30/3/2007

D M Chemicals Ltd**Profit and Loss Account**
for the year ended 31 December 2006

		Year Ended 31.12.06	Period 8.9.04 to 31.12.05
	Notes	£	£
TURNOVER		308,780	392,603
Cost of sales		219,497	335,111
GROSS PROFIT		89,283	57,492
Administrative expenses		29,211	38,703
		60,072	18,789
Other operating income		500	-
OPERATING PROFIT	2	60,572	18,789
Interest receivable and similar income		74	7
		60,646	18,796
Interest payable and similar charges	3	1,721	2,089
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		58,925	16,707
Tax on profit on ordinary activities	4	11,188	3,354
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		47,737	13,353
Deficit brought forward		(1,747)	-
		45,990	13,353
Dividends	5	(46,800)	(15,100)
DEFICIT CARRIED FORWARD		£(810)	£(1,747)

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period.

The notes form part of these financial statements

D M Chemicals Ltd

Balance Sheet

31 December 2006

		31.12.06		31.12.05	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		6,727		2,516
CURRENT ASSETS:					
Stocks	7	29,096		44,186	
Debtors	8	38,760		53,266	
Cash at bank		2,419		32,237	
		70,275		129,689	
CREDITORS: Amounts falling due within one year	9	77,809		133,949	
NET CURRENT LIABILITIES:			(7,534)		(4,260)
TOTAL ASSETS LESS CURRENT LIABILITIES:			£(807)		£(1,744)
CAPITAL AND RESERVES:					
Called up share capital	11		3		3
Profit and loss account			(810)		(1,747)
SHAREHOLDERS' FUNDS:	13		£(807)		£(1,744)

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2006.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2006 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 30th March 2007 and were signed on its behalf by:

R. R. Cox
R R Cox - Director

R. R. Cox Junior
R R Cox Junior - Director

The notes form part of these financial statements

D M Chemicals Ltd

Notes to the Financial Statements **for the year ended 31 December 2006**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 25% on cost

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31.12.06 £	Period 8.9.04 to 31.12.05 £
Depreciation - owned assets	2,522	839
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	4,992	5,638
	<u> </u>	<u> </u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following:

	Year Ended 31.12.06 £	Period 8.9.04 to 31.12.05 £
Interest on Corporation Tax	21	-
	<u> </u>	<u> </u>

Notes to the Financial Statements
for the year ended 31 December 2006**4. TAXATION****Analysis of the tax charge**

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

	Year Ended 31.12.06 £	Period 8.9.04 to 31.12.05 £
Current tax:		
UK corporation tax	11,188	3,354
	<hr/>	<hr/>
Tax on profit on ordinary activities	11,188	3,354
	<hr/>	<hr/>

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

5. DIVIDENDS

	Year Ended 31.12.06 £	Period 8.9.04 to 31.12.05 £
Equity shares:		
Ordinary A Class Voting Shares shares of £1 each		
Final - share type 1	16,800	15,100
Ordinary B Class Voting Shares share of £1		
Final - share type 2	30,000	-
	<hr/>	<hr/>
	46,800	15,100
	<hr/>	<hr/>

6. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST:	
At 1 January 2006	3,355
Additions	6,733
	<hr/>
At 31 December 2006	10,088
	<hr/>
DEPRECIATION:	
At 1 January 2006	839
Charge for year	2,522
	<hr/>
At 31 December 2006	3,361
	<hr/>
NET BOOK VALUE:	
At 31 December 2006	6,727
	<hr/>
At 31 December 2005	2,516
	<hr/>

D M Chemicals Ltd**Notes to the Financial Statements
for the year ended 31 December 2006****7. STOCKS**

	31.12.06	31.12.05
	£	£
Stock	29,096	44,186

**8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.06	31.12.05
	£	£
Trade debtors	38,760	53,266

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.06	31.12.05
	£	£
Bank loans and overdrafts (see note 10)	22,749	-
Trade creditors	21,157	129,885
Directors current accounts	14,118	(6,219)
Social security & other taxes	7,066	4,260
Taxation	11,188	3,354
Accrued expenses	1,531	2,669
	77,809	133,949

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.12.06	31.12.05
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	22,749	-

11. CALLED UP SHARE CAPITAL

Authorised:			31.12.06	31.12.05
Number:	Class:	Nominal value:	£	£
50	Ordinary A Class Voting Shares	£1	50	50
50	Ordinary B Class Voting Shares	£1	50	50
			100	100
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.06	31.12.05
			£	£
2	Ordinary A Class Voting Shares	£1	2	2
1	Ordinary B Class Voting Shares	£1	1	1
			3	3

**Notes to the Financial Statements
for the year ended 31 December 2006****12. TRANSACTIONS WITH DIRECTORS**

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

	31.12.06 £	31.12.05 £
R R Cox		
Balance outstanding at start of year	2,073	-
Balance outstanding at end of year	-	2,073
Maximum balance outstanding during year	<u>2,073</u>	<u>2,073</u>
R R Cox Junior		
Balance outstanding at start of year	2,073	-
Balance outstanding at end of year	-	2,073
Maximum balance outstanding during year	<u>2,073</u>	<u>2,073</u>
D M Cox		
Balance outstanding at start of year	2,073	-
Balance outstanding at end of year	-	2,073
Maximum balance outstanding during year	<u>2,073</u>	<u>2,073</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.06 £	31.12.05 £
Profit for the financial year	47,737	13,353
Dividends	<u>(46,800)</u>	<u>(15,100)</u>
	937	(1,747)
Ordinary A Class Voting Shares issued	-	2
Ordinary B Class Voting Shares issued	<u>-</u>	<u>1</u>
Net addition/(reduction) to shareholders' funds	937	(1,744)
Opening shareholders' funds	<u>(1,744)</u>	<u>-</u>
Closing shareholders' funds	<u>(807)</u>	<u>(1,744)</u>
Equity interests	<u>(807)</u>	<u>(1,744)</u>