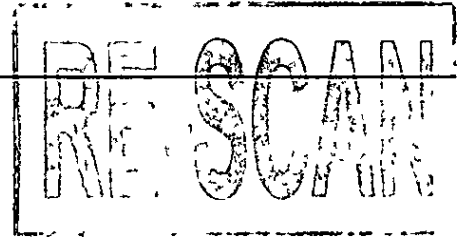


Financial Statements Cornelius Specialties Limited

For the Year Ended 31 January 2012



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COMPANIES HOUSE

Registered number: 05758693

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Company Information

Directors	J M Bilney N D Prior
Company secretary	J M Prior
Company number	05758693
Registered office	15C Rookwood Way Haverhill Suffolk CB9 8PB
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Crown House Crown Street Ipswich Suffolk IP1 3HS

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Directors' Report

For the Year Ended 31 January 2012

The directors present their report and the financial statements for the year ended 31 January 2012

Principal activities

The principal activity of the company during the year was the supply of high quality chemicals

Directors

The directors who served during the year were

J M Bilney
N D Prior

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 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.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Directors' Report

For the Year Ended 31 January 2012

Auditor

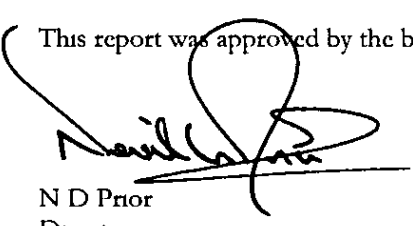
Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on

25/7/2012

and signed on its behalf



N D Prior
Director



Independent Auditor's Report to the Members of Cornelius Specialties Limited

We have audited the financial statements of Cornelius Specialties Limited for the year ended 31 January 2012, which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 an Auditor's 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 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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 January 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Cornelius Specialties Limited

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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report

Grant Thornton UK LLP

James Brown (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants
Statutory Auditor

Ipswich

Date

26 July 2012

Profit and Loss Account

For the Year Ended 31 January 2012

	Note	2012 £	2011 £
Turnover	1,2	2,313,610	1,703,829
Cost of sales		(1,002,115)	(712,156)
Gross profit		1,311,495	991,673
Distribution costs		(63,397)	(47,956)
Administrative expenses		(947,542)	(774,943)
Operating profit	3	300,556	168,774
Interest payable and similar charges	6	(8,078)	(5,314)
Profit on ordinary activities before taxation		292,478	163,460
Tax on profit on ordinary activities	7	(38,947)	(13,003)
Profit for the financial year	14	253,531	150,457

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and Loss Account

The notes on pages 8 to 16 form part of these financial statements

Balance Sheet

As at 31 January 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	8		325,819		304,530
Current assets					
Stocks	9	477,991		328,524	
Debtors	10	506,791		344,351	
Cash at bank		50		50	
		<u>984,832</u>		<u>672,925</u>	
Creditors , amounts falling due within one year	11	<u>(748,226)</u>		<u>(679,017)</u>	
Net current assets/(liabilities)			<u>236,606</u>		<u>(6,092)</u>
Total assets less current liabilities			<u>562,425</u>		<u>298,438</u>
Provisions for liabilities					
Deferred tax	12		<u>(33,482)</u>		<u>(23,026)</u>
Net assets			<u><u>528,943</u></u>		<u><u>275,412</u></u>
Capital and reserves					
Called up share capital	13		117,648		117,648
Share premium account	14		80,947		80,947
Profit and loss account	14		<u>330,348</u>		<u>76,817</u>
Shareholders' funds	15		<u><u>528,943</u></u>		<u><u>275,412</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

25/7/2012


N D Prior
Director

The notes on pages 8 to 16 form part of these financial statements

Cash Flow Statement

For the Year Ended 31 January 2012

	Note	2012 £	2011 £
Net cash flow from operating activities	16	(46,442)	154,467
Returns on investments and servicing of finance	17	(8,078)	(5,314)
Capital expenditure and financial investment	17	(79,044)	(78,493)
(Decrease)/Increase in cash in the year		(133,564)	70,660

Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the Year Ended 31 January 2012

	2012 £	2011 £
(Decrease)/Increase in cash in the year	(133,564)	70,660
Movement in net debt in the year	(133,564)	70,660
Net debt at 1 February 2011	(147,354)	(218,014)
Net debt at 31 January 2012	(280,918)	(147,354)

The notes on pages 8 to 16 form part of these financial statements

Notes to the Financial Statements

For the Year Ended 31 January 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided excluding VAT and trade discounts. The management considers the company's point of sale to be when the goods leave the warehouse.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	over three to fifteen years
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1.4 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements

For the Year Ended 31 January 2012

1. Accounting Policies (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account

1.8 Research and development

Research and development expenditure is written off in the year in which it is incurred

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2. Turnover

The whole of the turnover is attributable to the principal activity of the company

A geographical analysis of turnover is as follows

	2012 £	2011 £
United Kingdom	1,288,061	836,081
Rest of European Union	1,025,549	867,748
	<u>2,313,610</u>	<u>1,703,829</u>

3. Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	57,755	47,747
Auditors' remuneration	4,000	4,000
Accountancy fees	1,000	1,000
Operating lease rentals		
- plant and machinery	48,125	43,000
- other operating leases	60,000	60,000
	<u>169,880</u>	<u>155,747</u>

Notes to the Financial Statements

For the Year Ended 31 January 2012

4. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£	£
Wages and salaries	555,139	438,243
Social security costs	57,908	47,291
Other pension costs	17,509	16,202
	<u>630,556</u>	<u>501,736</u>

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

	2012	2011
	No	No
Production	11	10
Administration	2	2
Research and development	2	1
Management	1	0
	<u>16</u>	<u>13</u>

5. Directors' remuneration

	2012	2011
	£	£
Emoluments	<u>128,322</u>	<u>102,624</u>
Company pension contributions to defined contribution pension schemes	<u>13,361</u>	<u>12,311</u>

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes

6. Interest payable

	2012	2011
	£	£
On bank borrowing	<u>8,078</u>	<u>5,314</u>

Notes to the Financial Statements

For the Year Ended 31 January 2012

7. Taxation

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	28,491	-
Deferred tax (see note 12)		
Origination and reversal of timing differences	10,456	13,003
Tax on profit on ordinary activities	<u>38,947</u>	<u>13,003</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 26 32% (2011 - 21%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>292,478</u>	<u>163,460</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 32% (2011 -21%)	76,980	34,327
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,116	628
Capital allowances for year in excess of depreciation	(1,837)	(1,090)
Utilisation of tax losses	(4,818)	(11,874)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(37,249)	(21,991)
Marginal relief	(5,701)	-
Current tax charge for the year (see note above)	<u>28,491</u>	<u>-</u>

Notes to the Financial Statements

For the Year Ended 31 January 2012

8. Tangible fixed assets

	Plant & machinery £
Cost	
At 1 February 2011	896,492
Additions	79,044
At 31 January 2012	<u>975,536</u>
Depreciation	
At 1 February 2011	591,962
Charge for the year	57,755
At 31 January 2012	<u>649,717</u>
Net book value	
At 31 January 2012	<u><u>325,819</u></u>
At 31 January 2011	<u><u>304,530</u></u>

9. Stocks

	2012 £	2011 £
Work in progress	48,295	34,574
Finished goods	429,696	293,950
	<u>477,991</u>	<u>328,524</u>

10. Debtors

	2012 £	2011 £
Trade debtors	463,593	304,473
Other debtors	11,379	13,234
Prepayments and accrued income	31,819	26,644
	<u>506,791</u>	<u>344,351</u>

Notes to the Financial Statements

For the Year Ended 31 January 2012

11. Creditors:

Amounts falling due within one year

	2012	2011
	£	£
Overdrafts	280,968	147,404
Trade creditors	21,301	55,080
Amounts owed to group undertakings	288,748	414,030
Corporation tax	28,491	-
Social security and other taxes	18,626	14,215
Accruals and deferred income	110,092	48,288
	<u>748,226</u>	<u>679,017</u>

Bank overdrafts of £nil (2011 - £3,231) are secured by a mortgage debenture incorporating a specific equitable charge over the assets of the company and £280,968 (2011 - £144,173) are secured on certain trade debts

12. Deferred taxation

	2012	2011
	£	£
At beginning of year	23,026	10,023
Charge for year	10,456	13,003
	<u>33,482</u>	<u>23,026</u>
At end of year	<u>33,482</u>	<u>23,026</u>

The provision for deferred taxation is made up as follows

	2012	2011
	£	£
Accelerated capital allowances	33,482	26,868
Tax losses carried forward	-	(3,842)
	<u>33,482</u>	<u>23,026</u>

13. Share capital

	2012	2011
	£	£
Authorised		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
117,648 Ordinary shares of £1 each	<u>117,648</u>	<u>117,648</u>

Notes to the Financial Statements

For the Year Ended 31 January 2012

14. Reserves

	Share premium account £	Profit and loss account £
At 1 February 2011	80,947	76,817
Profit for the year	-	253,531
At 31 January 2012	<u>80,947</u>	<u>330,348</u>

15. Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	275,412	124,955
Profit for the year	<u>253,531</u>	<u>150,457</u>
Closing shareholders' funds	<u>528,943</u>	<u>275,412</u>

16. Net cash flow from operating activities

	2012 £	2011 £
Operating profit	300,556	168,774
Depreciation of tangible fixed assets	57,755	47,747
Increase in stocks	(149,467)	(115,276)
(Increase)/decrease in debtors	(162,440)	17,728
(Decrease)/increase in creditors	(92,846)	35,494
Net cash (outflow)/inflow from operating activities	<u>(46,442)</u>	<u>154,467</u>

17. Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest paid	<u>(8,078)</u>	<u>(5,314)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(79,044)</u>	<u>(78,493)</u>

Notes to the Financial Statements

For the Year Ended 31 January 2012

18. Analysis of changes in net debt

	1 February 2011	Cash flow	31 January 2012
	£	£	£
Cash at bank and in hand	50	-	50
Bank overdraft	(147,404)	(133,564)	(280,968)
Net debt	(147,354)	(133,564)	(280,918)

19. Operating lease commitments

At 31 January 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Expiry date:				
After more than 5 years	60,000	60,000	43,000	43,000

The parent company Cornelius Group Plc has guaranteed to pay the above commitments in the event Cornelius Specialties Limited is unable to do so

20. Derivatives

At the year end the company was party to a number of forward exchange contracts to sell \$1,715,000 (2011 - \$1,090,000) and to purchase €165,000 (2011- €115,000) At 31 January 2012, the fair value of these agreements was a liability of £3,805 (2011 - £11,358)

21. Related party transactions

During the year the company paid a management charge of £25,000 (2011 - £25,000) to Cornelius Group plc

The company made sales of £nil (2011 - £903) to and made purchases of £52,661 (2011 - £3,629) from Cornelius Group plc

At 31 January 2012 the company owed Cornelius Group plc £288,748 (2011 - £414,030)

Notes to the Financial Statements

For the Year Ended 31 January 2012

22. Ultimate parent undertaking and controlling party

The ultimate parent undertaking of this company is Cornelius Group plc by virtue of its 85% holding in Cornelius Specialties Limited

The largest of undertakings for which group accounts have been drawn up is that headed by Cornelius Group plc. Copies of the group accounts can be obtained at Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ



Companies House
— for the record —

COMPANY NAME: CORNELIUS SPECIALTIES LTD

COMPANY NUMBER: 05758693

Pages containing unnecessary material were removed from the accounts on
09/08/2012