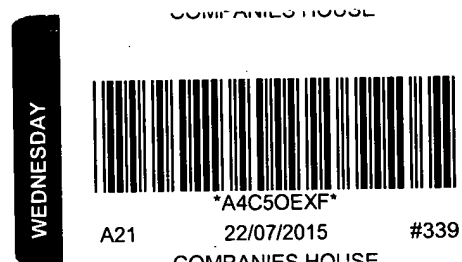


Financial Statements

Cornelius Specialties Limited

For the year ended 31 January 2015



Registered number: 05758693

Company Information

Directors

Mr J M Bilney
Dr N D Prior

Company secretary

Mrs J M Prior

Registered number

05758693

Registered office

15C Rookwood Way
Haverhill
Suffolk
CB9 8PB

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
80 Compair Crescent
Ipswich
Suffolk
IP2 0EH

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Directors' Report

For the year ended 31 January 2015

The directors present their report and the financial statements for the year ended 31 January 2015.

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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Directors

The directors who served during the year were:

Mr J M Bilney
Dr N D Prior

Disclosure 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 relevant audit information and to establish that the company's auditor is aware of that information.

Directors' Report

For the year ended 31 January 2015

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

15/7/2015

and signed on its behalf.



Dr 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 2015, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and reconciliation of net cash flow to movement in net funds/debt 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 (APB'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 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 from the requirement to prepare a strategic report or in preparing the Directors' report.



James Brown (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Ipswich
Date:

20 July 2015

Profit and Loss Account

For the year ended 31 January 2015

	Note	2015 £	2014 £
Turnover	1,2	2,782,520	2,348,026
Cost of sales		(1,328,447)	(1,068,624)
Gross profit		1,454,073	1,279,402
Distribution costs		(68,264)	(56,991)
Administrative expenses		(1,316,080)	(1,098,017)
Other operating income	3	20,006	-
Operating profit	4	89,735	124,394
Interest payable and similar charges	7	(9,702)	(6,830)
Profit on ordinary activities before taxation		80,033	117,564
Tax on profit on ordinary activities	8	(5,693)	(1,734)
Profit for the financial year	15	74,340	115,830

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

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

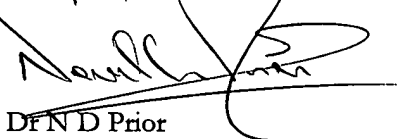
Balance Sheet

As at 31 January 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	9		419,681		397,785
Current assets					
Stocks	10	625,386		462,072	
Debtors	11	603,020		488,258	
Cash at bank		29,106		57	
		1,257,512		950,387	
Creditors: amounts falling due within one year	12	(855,263)		(612,511)	
Net current assets			402,249		337,876
Total assets less current liabilities			821,930		735,661
Provisions for liabilities					
Deferred tax	13		(49,426)		(37,497)
Net assets			772,504		698,164
Capital and reserves					
Called up share capital	14		117,648		117,648
Share premium account	15		80,947		80,947
Profit and loss account	15		573,909		499,569
Shareholders' funds	16		772,504		698,164

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

15/7/2015



Dr 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 2015

	Note	2015 £	2014 £
Net cash outflow from operating activities	17	(8,713)	(51,787)
Returns on investments and servicing of finance	18	(9,702)	(6,830)
Taxation		-	8,377
Capital expenditure and financial investment	18	(103,886)	(92,634)
Decrease in cash in the year		(122,301)	(142,874)

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

For the year ended 31 January 2015

	2015 £	2014 £
Decrease in cash in the year	(122,301)	(142,874)
Movement in net debt in the year	(122,301)	(142,874)
Net debt at 1 February 2014	(304,656)	(161,782)
Net debt at 31 January 2015	(426,957)	(304,656)

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

Notes to the Financial Statements

For the year ended 31 January 2015

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 consider 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
-------------------	---	-----------------------------

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 2015

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 which is the supply of high quality chemicals.

A geographical analysis is as follows:

	2015 £	2014 £
United Kingdom	1,662,218	1,338,375
Overseas	1,120,302	1,009,651
Total	<u>2,782,520</u>	<u>2,348,026</u>

3. Other operating income

	2015 £	2014 £
Government grants receivable	<u>20,006</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 January 2015

4. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	81,990	75,278
Auditor's remuneration	5,500	5,000
Operating lease rentals:		
- plant and machinery	51,977	51,979
- other operating leases	60,000	60,000
Research and development expenditure written off	51,879	28,621
	<u> </u>	<u> </u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	728,844	606,498
Social security costs	81,512	67,305
Other pension costs	21,893	18,594
	<u> </u>	<u> </u>
	832,249	692,397
	<u> </u>	<u> </u>

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

	2015 No.	2014 No.
Production	18	13
Administration	2	2
Research and development	1	2
Management	2	1
	<u> </u>	<u> </u>
	23	18
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the year ended 31 January 2015

6. Directors' remuneration

	2015 £	2014 £
Remuneration	<u>104,003</u>	<u>110,894</u>
Company pension contributions to defined contribution pension schemes	<u>14,029</u>	<u>14,029</u>

During the year retirement benefits were accruing to 1 director (2014 - 1) in respect of defined contribution pension schemes.

7. Interest payable

	2015 £	2014 £
On bank loans and overdrafts	<u>9,702</u>	<u>6,830</u>

8. Taxation

	2015 £	2014 £
Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	5,262	11,498
Adjustments in respect of prior periods	(11,498)	(22,434)
Total current tax	<u>(6,236)</u>	<u>(10,936)</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	11,929	12,670
Tax on profit on ordinary activities	<u>5,693</u>	<u>1,734</u>

Notes to the Financial Statements

For the year ended 31 January 2015

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>80,033</u>	<u>117,564</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	16,007	23,513
Effects of:		
Expenses not deductible for tax purposes	1,184	668
Differences between capital allowances and depreciation	(11,929)	(12,683)
Adjustments to tax charge in respect of prior periods	(11,498)	(22,434)
Current tax credit for the year (see note above)	<u>(6,236)</u>	<u>(10,936)</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. Tangible fixed assets

	Plant & machinery £
Cost	
At 1 February 2014	1,193,857
Additions	103,886
At 31 January 2015	<u>1,297,743</u>
Depreciation	
At 1 February 2014	796,072
Charge for the year	81,990
At 31 January 2015	<u>878,062</u>
Net book value	
At 31 January 2015	<u>419,681</u>
At 31 January 2014	<u>397,785</u>

Notes to the Financial Statements

For the year ended 31 January 2015

10. Stocks

	2015	2014
	£	£
Work in progress	82,719	67,563
Finished goods and goods for resale	542,667	394,509
	<u>625,386</u>	<u>462,072</u>

11. Debtors

	2015	2014
	£	£
Trade debtors	490,931	430,705
Other debtors	11,055	9,497
Prepayments and accrued income	101,034	48,056
	<u>603,020</u>	<u>488,258</u>

12. Creditors:

Amounts falling due within one year

	2015	2014
	£	£
Bank overdrafts	456,063	304,713
Trade creditors	105,179	59,573
Amounts owed to group undertakings	158,100	136,302
Corporation tax	5,310	11,546
Other taxation and social security	22,284	18,412
Accruals and deferred income	108,327	81,965
	<u>855,263</u>	<u>612,511</u>

Bank overdrafts of £30,360 (2014 - £31,130) are secured by a mortgage debenture incorporating a specific equitable charge over the assets of the company and £425,703 (2014 - £273,583) are secured on certain trade debts.

13. Deferred taxation

	2015	2014
	£	£
At beginning of year	37,497	24,827
Charged to profit and loss account	11,929	12,670
	<u>49,426</u>	<u>37,497</u>

Notes to the Financial Statements

For the year ended 31 January 2015

13. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2015	2014
	£	£
Accelerated capital allowances	<u>49,426</u>	<u>37,497</u>

14. Share capital

	2015	2014
	£	£
Allotted, called up and fully paid		
117,648 Ordinary shares of £1 each	<u>117,648</u>	<u>117,648</u>

15. Reserves

	Share premium account	Profit and loss account
	£	£
At 1 February 2014	80,947	499,569
Profit for the financial year	-	74,340
At 31 January 2015	<u>80,947</u>	<u>573,909</u>

16. Reconciliation of movement in shareholders' funds

	2015	2014
	£	£
Opening shareholders' funds	698,164	582,334
Profit for the financial year	74,340	115,830
Closing shareholders' funds	<u>772,504</u>	<u>698,164</u>

Notes to the Financial Statements

For the year ended 31 January 2015

17. Net cash flow from operating activities

	2015 £	2014 £
Operating profit	89,735	124,394
Depreciation of tangible fixed assets	81,990	75,278
(Increase)/decrease in stocks	(163,314)	78,109
Increase in debtors	(114,762)	(148,064)
Increase in creditors	75,840	27,712
Increase/(decrease) in amounts owed to group undertakings	21,798	(209,216)
Net cash outflow from operating activities	(8,713)	(51,787)

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid on bank loans and overdrafts	(9,702)	(6,830)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(103,886)	(92,634)

19. Analysis of changes in net debt

	1 February 2014 £	Cash flow £	Other non-cash changes £	31 January 2015 £
Cash at bank and in hand	57	29,049	-	29,106
Bank overdraft	(304,713)	(151,350)	-	(456,063)
Net debt	(304,656)	(122,301)	-	(426,957)

20. Pension commitments

The company contributes to a defined contributions pension scheme. The total contributions for the year amounted to £21,893 (2014 - £18,594). At 31 January 2015 there were no unpaid contributions at the beginning and end of the year.

Notes to the Financial Statements

For the year ended 31 January 2015

21. Operating lease commitments

At 31 January 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2015	Other
	2015	2014		
	£	£	£	£
Expiry date:				
After more than 5 years	60,000	60,000	49,888	49,888

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

22. Derivatives

At the year end the company was party to a number of foreign exchange contracts to sell \$nil (2014 - \$360,000) and to purchase €nil (2014 - €120,000). At 31 January 2015, the fair value of these agreements was £nil (2014 - asset of £2,084).

23. Related party transactions

During the year the company paid a management charge of £25,000 (2014 - £25,000) to Cornelius Group PLC.

The company made purchases of £65,525 (2014 - £50,958) from Cornelius Group PLC.

At 31 January 2015 the company owed Cornelius Group PLC £158,100 (2014 - £136,302)

24. 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, Maindy, Cardiff, CF14 3UZ.