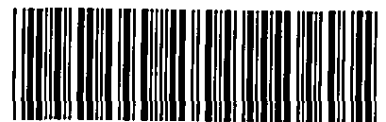


COMPANY NO: 1384952

G.W. Chemicals Limited

**Report and Financial Statements
18 Months ended 31 August 2006**

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G W CHEMICALS LIMITED

FINANCIAL STATEMENTS

PERIOD ENDED 31st AUGUST 2006

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G W CHEMICALS LIMITED

COMPANY INFORMATION

Directors	R Francis
Company secretary	S Heseltine (resigned 22nd January 2008) T Mackin (appointed 19th February 2008)
Registered office	A1(M) Business Centre Dixons Hill Road Welham Green Hertfordshire AL9 7JE
Registered number	1384952
Auditors	Grant Thornton UK LLP Chartered Accountants 30 Finsbury Square London EC2P 2YU
Solicitors	CMS Cameron McKenna Mitre House 160 Aldersgate Street London EC1A 4DD
Bankers	Royal Bank of Scotland Plc 2nd Floor 10 St Peters Street St Albans Hertfordshire AL1 3LY

G W CHEMICALS LIMITED

DIRECTOR'S REPORT

18 MONTH PERIOD ENDED 31st AUGUST 2006

The directors present their report and the financial statements of the company for the period ended 31st August 2006

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company was the manufacture and supply of hygiene chemicals

The company and its subsidiaries were acquired by Zenith Hygiene Group Plc on 15th December 2005

On 1st July 2006 the assets, liabilities and trade of G W Chemicals Limited were integrated with those of Zenith Hygiene Systems Limited, a wholly owned subsidiary of the ultimate parent undertaking. Following this, the company ceased trading and became dormant

RESULTS FOR THE PERIOD

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements

There were no dividends paid in the period (2005 £193,040)

DIRECTORS

The directors who served the company during the period were as follows,

A Williams	(resigned 15th December 2005)
S Heseltine	(resigned 19th February 2008)
R Francis	(appointed 15th December 2005)
R Colwell	(appointed 15th December 2005, resigned 9th May 2007)
A Cosgrove	(appointed 15th December 2005, resigned 19th February 2008)

The directors have no interest in the shares of the company. The directors' interests in the shares of the parent undertaking are shown in the director's report of that company.

DISCLOSURE OF INFORMATION TO AUDITORS

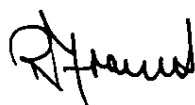
At the date of making this report each of the company's directors, as set out on page 1, confirm the following

- so far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

RSM Robson Rhodes LLP ("Robson Rhodes") merged its audit practice with that of Grant Thornton UK LLP ("Grant Thornton") with effect from 2 July 2007, with the successor firm being Grant Thornton. Robson Rhodes therefore resigned as auditors on 13 July 2007 creating a casual vacancy, which the directors filled by appointing Grant Thornton. A resolution to reappoint Grant Thornton as auditors of the company will be proposed at the forthcoming Annual General Meeting. RSM Robson Rhodes LLP ("Robson Rhodes") merged its audit practice with that of Grant Thornton UK

The Directors' report was authorised and approved by the Board on 22 February 2008 and signed on their behalf by



R Francis
Director

G W CHEMICALS LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
18 MONTH PERIOD ENDED 31st AUGUST 2006

The directors are responsible for preparing 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). The financial statements are required by law to 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 apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

G W CHEMICALS LIMITED
INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS
18 MONTH PERIOD ENDED 31st AUGUST 2006

We have audited the financial statements on pages 6 to 16. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the accounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

G W CHEMICALS LIMITED

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS (continued)

18 MONTH PERIOD ENDED 31st AUGUST 2006

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 August 2006 and of its loss for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



Grant Thornton UK LLP
Chartered Accountants and Registered Auditors
London, England
22 February 2008

G.W. CHEMICALS LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD FROM 1st MARCH 2005 to 31st AUGUST 2006**

	Note	18 months ended 31st Aug 06 £	Year ended 28th Feb 05 £
TURNOVER	2	9,980,809	7,313,576
Cost of sales		<u>(4,918,418)</u>	<u>(3,052,525)</u>
GROSS PROFIT		5,062,391	4,261,051
Administrative expenses		<u>(6,022,427)</u>	<u>(4,032,437)</u>
OPERATING (LOSS)/PROFIT	3	(960,036)	228,614
Interest payable and similar charges	5	<u>(130,418)</u>	<u>(70,022)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,090,454)	158,592
Tax on (loss)/profit on ordinary activities	6	145,473	13,703
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	19	<u>(944,981)</u>	<u>172,295</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for each period as set out above

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

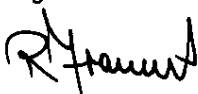
G.W. CHEMICALS LIMITED

BALANCE SHEET

31st AUGUST 2006

		As at 31 August 2006		As at 28 February 2005	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	8		-	1,643,971	
Investments	9		<u>735,405</u>	<u>735,405</u>	
			735,405	2,379,376	
CURRENT ASSETS					
Stocks	10	-		707,661	
Debtors	11	967,733		1,792,531	
Cash at bank and in hand		-		706	
		<u>967,733</u>		<u>2,500,898</u>	
CREDITORS: Amounts falling due within one year	12	<u>(1,375,850)</u>		<u>(2,570,315)</u>	
NET CURRENT ASSETS/LIABILITIES			<u>(408,117)</u>		<u>(69,417)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			327,288		2,309,959
CREDITORS: Amounts falling due after more than one year	13		<u>-</u>		<u>(511,499)</u>
			327,288		1,798,460
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	14		<u>-</u>		<u>(70,756)</u>
			<u>327,288</u>		<u>1,727,704</u>
CAPITAL AND RESERVES					
Called-up equity share capital	16		19,304		19,304
Share premium reserve	17		2,725		2,725
Capital redemption reserve	18		24,346		24,346
Revaluation reserve	19		-		455,435
Profit and loss account			<u>280,913</u>		<u>1,225,894</u>
SHAREHOLDERS' FUNDS	20		<u>327,288</u>		<u>1,727,704</u>

These financial statements were authorised and approved by the directors on 22 February 2008 and are signed on their behalf by



R FRANCIS

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

G W CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

18 MONTH PERIOD ENDED 31st AUGUST 2006

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Going Concern

The financial statements have been prepared on a going concern basis. The company is ultimately dependent upon the ultimate parent company, ZHG plc and its subsidiaries, hereinafter the 'Group' for financial support.

The Group incurred significant trading losses and increases in net debt during both the years ended 31 August 2007 and 31 August 2006. The directors have carried out a restructuring program and have agreed additional facilities totalling £12.75 million with the Group's bankers as set out in note 23, Post balance sheet events. The directors have also prepared detailed profit and cash flow projections for the period to 31 August 2009 which show that the Group should remain within its facilities throughout this period. As a result, the directors are of the opinion that the Group has adequate working capital to continue as a going concern for the foreseeable future and, in particular, for a period of at least 12 months from the date of approval of these financial statements.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed Assets

All fixed assets are initially recorded at cost. Freehold land and buildings are revalued in accordance with FRS 15 to reflect the market value of these assets.

Depreciation

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

Freehold buildings	- 2 % straight line
Plant & Machinery	- 10 to 20% reducing balance
Fixtures & Fittings	- 10 to 20% reducing balance
Motor Vehicles	- 25% reducing balance
Injection equipment	- 24 to 48 % straight line

Land is not depreciated.

Stocks

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

G W CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
18 MONTH PERIOD ENDED 31st AUGUST 2006

1 ACCOUNTING POLICIES (continued)

Investments

Investments are carried at cost less provision for impairment

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Research and development

Research and development expenditure is charged to profits in the period in which it is incurred.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

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

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

Leasing and hire purchase commitments

Assets held under finance leases are capitalised and included in tangible fixed assets at fair value. Each asset is depreciated over the shorter of the lease term or its useful life. The obligation relating to finance leases, net of finance charges in respect of future periods, are included as appropriate under creditors due within or creditors due after one year. The interest element of the rental obligation is allocated to accounting periods during the lease term to reflect a constant rate of interest on the remaining balance of the obligation for each accounting period.

Rentals under operating leases are charged to the profit and loss account as incurred.

G W CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

18 MONTH PERIOD ENDED 31st AUGUST 2006

2 TURNOVER

The turnover and profit before taxation are attributable to the principal activity of the company

The analysis of turnover between customer areas is as follows

	2006 £	2005 £
United Kingdom	9,355,935	6,873,746
Rest of Europe	624,874	439,830
	<u>9,980,809</u>	<u>7,313,576</u>

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2006 £	2005 £
Directors' emoluments	119,467	163,460
Research and development expenditure	10,749	58,630
Depreciation on owned assets	688,441	215,822
Depreciation on assets acquired under hire purchase contracts	38,854	26,990
Auditors' remuneration	18,045	12,000
Loss on disposal of fixed assets	39,960	9,580
	<u>900,516</u>	<u>486,482</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed during the period amounted to

	2006 No	2005 No
Production	25	33
Administration and management	18	20
Distribution	18	20
	<u>61</u>	<u>73</u>

The aggregate payroll costs for the above were

	2006 £	2005 £
Wages and salaries	2,580,029	1,829,081
Social security costs	250,137	172,512
Pension costs	50,815	38,807
	<u>2,880,981</u>	<u>2,040,400</u>

G W CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
18 MONTH PERIOD ENDED 31st AUGUST 2006

4 PARTICULARS OF EMPLOYEES (continued)

Directors' emoluments comprise	2006 £	2005 £
Management remuneration	115,372	159,500
Pension contributions	4,095	3,960
	<u>119,467</u>	<u>163,460</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2006 £	2005 £
Interest payable on bank borrowing	120,705	63,282
Interest payable on hire purchase contracts	9,713	6,740
	<u>130,418</u>	<u>70,022</u>

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

	2006 £	2005 £
Current tax		
In respect of the period		
UK Corporation tax based on the results for the period	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
Deferred tax		
In respect of prior year	185,176	-
In respect of current period	<u>(330,649)</u>	<u>(13,703)</u>
Tax credit on (loss) / profit on ordinary activities	<u>(145,473)</u>	<u>(13,703)</u>

G W CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
18 MONTH PERIOD ENDED 31st AUGUST 2006

6. TAXATION ON ORDINARY ACTIVITIES (continued)**(b) Factors affecting current tax charge**

The tax assessed on profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 30% (2005 19%)

	2006 £	2005 £
(Loss)/profit on ordinary activities before taxation	(1,090,454)	158,592
Theoretical tax at UK corporation tax rate 30%	(327,136)	47,578
Effects of		
Expenses disallowed for tax purposes	12,424	6,965
Decelerated/(accelerated) capital allowances	85,115	(26,867)
Creation of tax losses	229,597	16,480
Tax credits	-	(8,794)
Allowable expenditure not in the accounts	-	(35,362)
Total current tax (note 6(a))	-	-

7 DIVIDENDS

	2006 £	2005 £
Dividend on ordinary shares	-	193,040

8 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Plant & Injection Equipment £	Motor Vehicles £	Fixtures & Fittings £	TOTAL £
COST					
At 1st March 2005	895,000	1,612,397	154,185	107,508	2,769,090
Additions	-	395,402	25,355	27,625	448,382
Disposals	(110,000)	(5,256)	(154,185)	(6,772)	(276,213)
Transfers	(785,000)	(2,002,543)	(25,355)	(128,361)	(2,941,259)
At 31st August 2006	-	-	-	-	-
DEPRECIATION					
At 1st March 2005	19,720	978,508	54,246	72,645	1,125,119
Charge for the period	13,165	664,447	38,944	10,739	727,295
Disposals	-	(3,562)	(85,023)	(5,911)	(94,496)
Transfers	(32,885)	(1,639,393)	(8,167)	(77,473)	(1,757,918)
At 31st August 2006	-	-	-	-	-
NET BOOK VALUE					
At 31st August 2006	-	-	-	-	-
At 28th February 2005	875,280	633,889	99,939	34,863	1,643,971

G W CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

18 MONTH PERIOD ENDED 31st AUGUST 2006

9 INVESTMENTS

Cost

At 31 August 2006 and 28 February 2005

£

735,405

Shares in subsidiary undertakings

Company Name	% holding in £1 Ordinary Shares	Nature of business
* CMR Chemicals Limited	100%	Manufacture and supply of Chemicals and allied products
* Delmarco Limited	100%	Supply of Chemicals and allied products
Detra Limited	100%	Dormant
MDT Chemicals Limited	100%	Dormant
Senatemark Limited	100%	Dormant
Daylodge Limited	100%	Dormant
Micrakey Limited	100%	Dormant
* Kitchenmaster Limited	100%	Supply of Chemicals and allied products

* Direct subsidiaries of GW Chemicals Limited

All subsidiary undertakings are registered in England and Wales

10 STOCKS

	2006 £	2005 £
Raw materials	-	308,677
Finished Goods	-	<u>398,984</u>
	-	<u>707,661</u>

11 DEBTORS

	2006 £	2005 £
Trade debtors	-	1,302,260
Prepayments and accrued income	-	192,085
Amounts owed by group undertakings	<u>967,733</u>	<u>298,186</u>
	<u>967,733</u>	<u>1,792,531</u>

12. CREDITORS. Amounts falling due within one year

	2006 £	2005 £
Current instalments due on loans	-	150,836
Bank overdraft	-	229,245
Trade creditors	-	1,549,071
Amounts owed to group undertakings	<u>1,375,850</u>	<u>36,968</u>
Other taxation and social security	-	403,462
Obligations due under hire purchase contracts (note 14)	-	38,328
Accruals and deferred income	-	<u>162,405</u>
	<u>1,375,850</u>	<u>2,570,315</u>

G W CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

18 MONTH PERIOD ENDED 31st AUGUST 2006

13 CREDITORS Amounts falling due after more than one year

	2006 £	2005 £
Bank loans (repayable by instalments)		
1 to 2 years	-	162,481
2 to 5 years	-	172,940
Greater than 5 years	-	152,467
	-	487,888
Obligations under hire purchase contracts (note 14)	-	23,611
	-	511,499

14 DEFERRED TAXATION

	2006 £	2005 £
Provision at start of period	70,756	84,459
Profit and loss account movement arising during the period	(145,473)	(13,703)
Transferred to group undertaking	74,717	-
Provision at end of period	-	70,756

Deferred tax provision was analysed as follows

Tax losses available for relief	(101,378)	-
Decelerated capital allowances	27,487	70,756
Other provisions	(826)	-
Transferred to group undertaking	74,717	-
	-	70,756

15. OBLIGATIONS UNDER HIRE PURCHASE

	2006 £	2005 £
Amounts payable within one year	-	44,233
Amounts payable within one to two years	-	19,523
Amounts payable within two to five years	-	7,961
	-	71,717
Less finance charges relating to future periods	-	(9,778)
	-	61,939
This is shown as		
Current obligations (Note 11)	-	38,328
Non-current obligations (Note 12)	-	23,611
	-	61,939

All amounts due under hire purchase contracts are secured on the assets concerned

G W CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

18 MONTH PERIOD ENDED 31st AUGUST 2006

16 SHARE CAPITAL

Authorised share capital

	2006 £	2005 £
Authorised 100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid

	2006 £	2005 £
19,304 Ordinary shares of £1 each	<u>19,304</u>	<u>19,304</u>

17. SHARE PREMIUM RESERVE

	2006 £	2005 £
At 1st March 2005 and 31st August 2006	<u>2,725</u>	<u>2,725</u>

18. CAPITAL REDEMPTION RESERVE

	2006 £	2005 £
At 1st March 2005 and 31st August 2006	<u>24,346</u>	<u>24,346</u>

19. REVALUATION RESERVE

	2006 £	2005 £
At 1st March 2005 and 2004	455,435	455,435
Transfer to group company	(455,435)	-
At 1st March 2005 and 31st August 2006	<u>-</u>	<u>455,435</u>

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Retained (loss)/profit for the period	(944,981)	172,295
Dividends paid	-	(193,040)
Transfer revaluation reserve to group company	(455,435)	-
Opening shareholders' equity funds	<u>1,727,704</u>	<u>1,748,449</u>
Closing shareholders' equity funds	<u>327,288</u>	<u>1,727,704</u>

G W CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
18 MONTH PERIOD ENDED 31st AUGUST 2006

21 RELATED PARTY TRANSACTIONS

Control of the company is with the ultimate parent undertaking as stated in note 21 to the accounts

Amounts due to and from group undertakings are aggregated as permitted by FRS 8 and shown separately in debtors (note 10) and creditors (note 11)

In accordance with FRS 8 exemption is taken not to disclose transactions in the period between group undertakings where 90% or more of the voting rights are controlled within the group and the consolidated financial statements in which G W Chemicals Limited is included are publicly available

22. ULTIMATE PARENT COMPANY

On 16th December 2005 the entire share capital of G W Chemicals Limited was acquired by Zenith Hygiene Group Plc, a company registered in England and Wales

The directors consider that the immediate and ultimate parent undertaking is Zenith Hygiene Group Plc. It is also the parent undertaking of the largest and smallest group for which group accounts are prepared

23. POST BALANCE SHEET EVENTS

On 22 February 2008 the Group concluded renegotiations of its banking facilities. The principle terms of the ongoing facility are set out below

- 1 An fixed term loan of £6 million carrying an interest charge of 2% over the base rate repayable on 31 August 2009
- 2 A mezzanine facility of £3.75 million carrying an interest charge of 3% over the banks base lending rate payable on a quarterly basis across the term. In addition a further charge of the banks base lending rate plus 7% is payable on 31 August 2009
- 3 An overdraft facility of up to £3 million repayable on an on demand basis carrying an interest charge of the bank's base rate plus 2%

In addition the group will provide certain financial covenants and will incur arrangement and

G.W. CHEMICALS LIMITED

UNAUDITED DETAILED PROFIT AND LOSS ACCOUNT

PERIOD FROM 1st MARCH 2005 to 31st AUGUST 2006

	18 months ended 31st August 06		Year ended 28th February 05	
	£	£	£	£
TURNOVER		9,980,809		7,313,576
Cost of sales		<u>4,918,418</u>		<u>3,052,525</u>
GROSS PROFIT		5,062,391		4,261,051
Loss on sale of fixed assets	(39,960)		(5,754)	
Rental income	40,604		30,453	
Management charges	-	<u>644</u>	66,200	<u>90,899</u>
		5,063,035		4,351,950
OVERHEADS				
Directors remuneration	115,372		159,500	
Directors pension	4,095		3,960	
Wages and Salaries	2,714,794		1,842,093	
Pension contributions	46,720		34,847	
Commission	226,279		155,373	
Research and development expenditure	10,749		58,630	
Rent and rates	183,214		119,166	
Light and heat	94,385		44,537	
Telephone	83,509		62,151	
Motor and travel expenses	846,502		646,015	
Repairs and renewals	64,986		80,074	
Insurance	83,264		83,570	
Printing and postage	105,039		99,016	
Hire purchase interest	9,713		6,740	
Bank charges and interest	139,363		73,815	
Computer expenses	12,258		21,304	
Audit and accountancy	79,691		44,755	
Travel and subsistence	73,084		53,226	
Sundry expenses	92,879		68,809	
Entertaining	7,098		7,583	
Depreciation	727,295		242,812	
Equipment hire	74,736		57,209	
Legal and professional	56,005		12,169	
Carriage	259,077		185,910	
Advertising	17,241		8,330	
Bad debts	<u>26,141</u>		<u>21,764</u>	
		6,153,489		4,193,358
(LOSS)/PROFIT ON ORDINARY ACTIVITIES		<u>(1,090,454)</u>		<u>158,592</u>