

Company Registration No. 107845

## **HOLLIDAY PIGMENTS LIMITED**

### **Report and Financial Statements**

**31 December 2011**



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# **HOLLIDAY PIGMENTS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2011**

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# **HOLLIDAY PIGMENTS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISORS**

### **DIRECTORS**

A M Whitfield  
R Atkinson

### **SECRETARY**

R Atkinson

### **REGISTERED OFFICE**

Temple Fields  
Harlow  
Essex  
CM20 2BH

### **BANKERS**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

### **SOLICITORS**

Pinsent Masons LLP  
1 Park Row  
Leeds  
LS1 5AB

### **AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Cambridge

# **HOLLIDAY PIGMENTS LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2011

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

## **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year under review was that of a non-trading company within the Yule Catto & Co plc Group (the "Group")

The loss for the year after taxation amounted to £136,000 (2010 £154,000) and is dealt with on page 7

As a global, speciality chemicals business, the Group is subject to raw material price risk which it seeks to mitigate through strong supplier relationships and risks associated with global economic conditions. This is fully discussed in the Yule Catto & Co plc Group Annual Report

Having regard to the above, the company's status and the Group's financial position, the directors have concluded it remains appropriate to prepare the accounts on a going concern basis

The balance sheet on page 8 of the financial statements shows that the company's financial position at 31 December 2011 has net liabilities of £21,346,000 (2010 net liabilities £21,210,000)

Yule Catto Plc manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the company is discussed in the group's Annual Report which does not form part of this Report

## **RESULTS AND DIVIDENDS**

The loss for the year after taxation amounted to £136,000 (2010 - £154,000) and is dealt with on page 7. No final dividend has been proposed (2010 £nil)

## **DIRECTORS**

The directors who served throughout the year were as follows

A M Whitfield  
R Atkinson

# HOLLIDAY PIGMENTS LIMITED

## DIRECTORS' REPORT

### AUDITOR

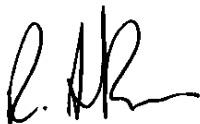
Each of the persons who is a director at the date of approval of this annual report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



R Atkinson  
Director

21 May 2012

## **HOLLIDAY PIGMENTS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual 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 judgements 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, 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLLIDAY PIGMENTS LIMITED**

We have audited the financial statements of Holliday Pigments Limited for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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**

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 annual report 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 31 December 2011 and of its loss 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**

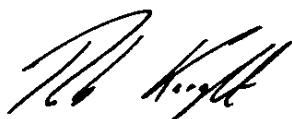
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLLIDAY PIGMENTS LIMITED (continued)**

### **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



**Robert Knight FCA (Senior Statutory Auditor)**  
For and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Cambridge, United Kingdom

*22 May 2012*



## **HOLLIDAY PIGMENTS LIMITED**

### **PROFIT AND LOSS ACCOUNT** **Year ended 31 December 2011**

	<b>Note</b>	<b>2011 £'000</b>	<b>2010 £'000</b>
Other operating expenses	2	-	(18)
<b>OPERATING LOSS</b>	4	-	(18)
Interest payable and similar charges	3	(136)	(136)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(136)	(154)
Tax charge on loss on ordinary activities	6	-	-
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	10	(136)	(154)

All results are derived from discontinued operations (note 1)

There are no recognised gains and losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is given.

# HOLLIDAY PIGMENTS LIMITED

## BALANCE SHEET 31 December 2011

	Note	2011 £'000	2010 £'000
<b>CREDITORS: amounts falling due within one year</b>	7	(6,846)	(6,710)
<b>NET CURRENT LIABILITIES</b>		<u>(6,846)</u>	<u>(6,710)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(6,846)	(6,710)
<b>CREDITORS: amounts falling due after more than one year</b>	8	(14,500)	(14,500)
<b>NET LIABILITIES</b>		<u>(21,346)</u>	<u>(21,210)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	9	593	593
Share premium	10	3,000	3,000
Profit and loss account	10	(24,939)	(24,803)
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	11	<u>(21,346)</u>	<u>(21,210)</u>

The financial statements of Holliday Pigments Limited, registered number 107845, were approved by the Board of Directors and authorised for issue on 21 May 2012

Signed on behalf of the Board of Directors



A Whitfield  
Director

# HOLLIDAY PIGMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2011

### 1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and with the preceding year, are as follows

#### Going concern

The directors have reviewed the going concern basis of preparation and in doing so have considered the principal risks and uncertainties outlined in the Directors' Report, the financial position of the Company and the expected timing of the settlement of intercompany balances. The Company is a member of the Yule Catto & Co plc group and, as such, is a member of the group's banking arrangements under which it is a cross guarantor. The directors have concluded that the fact that the Company is a cross-guarantor does not present a significant risk to the going concern position of the Company since the group is considered to be a going concern, the basis on which the group is considered to be a going concern, and the related assumptions and risks, are fully disclosed within the financial statements of Yule Catto & Co plc.

Based upon the above, the directors believe that the company can continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation.

#### Cash flow statement

A cash flow statement has not been prepared as the company is a wholly owned subsidiary undertaking of Yule Catto & Co plc, a company registered in England and Wales. A consolidated cash flow statement is provided in the group financial statements of the parent company.

#### Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

In accordance with FRS 19, "Deferred Tax", full provision is made on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

### 2. OTHER OPERATING EXPENSES

	2011 £'000	2010 £'000
Administrative and technical costs	-	18

### 3. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £'000	2010 £'000
Interest payable to group undertakings	135	135
On loans and overdrafts	1	1
	<u>136</u>	<u>136</u>

## HOLLIDAY PIGMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2011

#### 4 AUDITOR'S REMUNERATION

Auditor's remuneration of £2,000 (2010 - £2,000), in respect of the audit of the company's financial statements, was borne by the ultimate parent company for both years

#### 5. EMPLOYEES AND DIRECTORS

The company did not have any employees in the current or preceding years

The directors received no emoluments for their services to the company (2010 - £nil)

A Whitfield is also a director of Yule Catto & Co plc, and other fellow subsidiary companies. All remuneration is borne by Yule Catto & Co plc and it is not practicable to ascertain the proportion of these directors' emoluments that specifically relate to the company.

#### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2011 £'000	2010 £'000
UK corporation tax at 26.5% (2010: 28%) based on the loss for the year	-	-
Total current taxation charge	-	-
Deferred taxation		
Current year deferred tax charge	-	-
	-	-

The tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK: 26.5% (2010: 28%)

	2011 £'000	2010 £'000
The differences are explained below		
Loss on ordinary activities before tax	(136)	(154)
Tax at 26.5% (2010: 28%) thereon	(36)	(43)
Effects of		
Imputed interest income	36	24
Adjustment in respect of group relief	-	19
Current tax charge for the year	-	-

Finance (No 2) Act 2010 was enacted in the period and included a reduction in the main rate of corporation tax from 28% to 26% with effect from 1 April 2011, with subsequent 1% reductions annually to 23% in 2014.

The effective rate for the year ended 31 December 2011 has reduced accordingly.

# **HOLLIDAY PIGMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2011**

### **7. CREDITORS- AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Bank overdraft	61	60
Amounts owed to group undertakings	6,535	6,400
Government grant	250	250
	<u>6,846</u>	<u>6,710</u>

### **8. CREDITORS- AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to parent company	<u>14,500</u>	<u>14,500</u>

The loan due to the parent company is interest free and has no fixed repayment date. The directors have obtained confirmation from the parent company that the loan will not be recalled within one year from the date of approval of these financial statements.

### **9. CALLED-UP SHARE CAPITAL**

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Allotted, called-up and fully paid 593,001 ordinary shares of £1 each	<u>593</u>	<u>593</u>

### **10. RESERVES**

The movement on reserves during the year was as follows

	<b>Share premium £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
At 1 January 2011	3,000	(24,803)	(21,803)
Loss for the financial year	-	(136)	(136)
At 31 December 2011	<u>3,000</u>	<u>(24,939)</u>	<u>(21,939)</u>

## **HOLLIDAY PIGMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2011**

#### **11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT**

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Loss for the financial year	(136)	(154)
Net increase in shareholders' deficit	(136)	(154)
Opening shareholders' deficit	(21,210)	(21,056)
Closing shareholders' deficit	(21,346)	(21,210)

#### **12. ULTIMATE CONTROLLING PARTY**

The immediate parent undertaking is Yule Catto International Ltd. The company's ultimate parent company and ultimate controlling party is Yule Catto & Co. plc, registered in England and Wales.

The largest and smallest group of which the company is a member is that headed by Yule Catto & Co. plc. The consolidated accounts of Yule Catto & Co. plc are available from Companies House.

As a subsidiary undertaking of Yule Catto & Co. plc, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transactions with other members of the group headed by Yule Catto & Co. plc.