

Company Registration No. 107845

HOLLIDAY PIGMENTS LIMITED

Report and Financial Statements

31 December 2012



HOLLIDAY PIGMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS 2012

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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

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
10 Bricket Road
St Albans
AL1 3JX
United Kingdom

HOLLIDAY PIGMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

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 Synthomer plc Group (the "Group")

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 Synthomer 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 financial statements on a going concern basis.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £21,346,000 (2011 loss - £136,000) and is dealt with on page 7. No final dividend has been proposed (2011 £nil).

DIRECTORS

The directors of the company who were in office during the year and up to the date of signing the financial statements were

A D Burnett

R Atkinson

A Whitfield (resigned 21 December 2012)

HOLLIDAY PIGMENTS LIMITED

DIRECTORS' REPORT

INDEPENDENT AUDITORS

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

PricewaterhouseCoopers 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

10 May 2013

HOLLIDAY PIGMENTS LIMITED

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 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.

HOLLIDAY PIGMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOLLIDAY PIGMENTS LIMITED

We have audited the financial statements of Holliday Pigments Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet 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).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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.

HOLLIDAY PIGMENTS LIMITED

INDEPENDENT AUDITORS' 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

Wendy Russell

Wendy Russell (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditor
St Albans, United Kingdom

10 May 2013

HOLLIDAY PIGMENTS LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Waiver of loan to group company	2	21,347	-
OPERATING PROFIT		21,347	-
Interest payable and similar charges	3	(1)	(136)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		21,346	(136)
Tax charge on profit/(loss) on ordinary activities	6	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		21,346	(136)

All results are derived from discontinued operations

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.

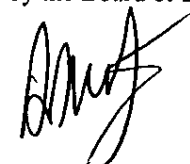
There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents.

HOLLIDAY PIGMENTS LIMITED

BALANCE SHEET 31 December 2012

	Note	2012 £'000	2011 £'000
CREDITORS. amounts falling due within one year	7	-	(6,846)
NET CURRENT LIABILITIES		-	(6,846)
TOTAL ASSETS LESS CURRENT LIABILITIES		-	(6,846)
CREDITORS: amounts falling due after more than one year	8	-	(14,500)
NET LIABILITIES		-	(21,346)
CAPITAL AND RESERVES			
Called-up share capital	9	-	593
Share premium account	10	-	3,000
Profit and loss account	10	-	(24,939)
TOTAL SHAREHOLDERS' DEFICIT	11	-	(21,346)

The financial statements of Holliday Pigments Limited (registered number 107845) on pages 7 to 12 were approved by the Board of Directors on 10 May 2013 and signed on its behalf by



A Burnett
Director

HOLLIDAY PIGMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

1 ACCOUNTING POLICIES

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principle accounting policies, which have been applied consistently throughout the year, are set out below.

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 Synthomer 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 Synthomer 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 Synthomer 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. WAIVER OF LOAN TO GROUP COMPANY

	2012 £'000	2011 £'000
Waiver of loan to group company	21,347	-

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2012 £'000	2011 £'000
Interest payable to group undertakings	-	135
Interest payable on loans and overdrafts	1	1
	<u>1</u>	<u>136</u>

HOLLIDAY PIGMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

4. AUDITORS' REMUNERATION

Auditors' remuneration of £500 (2011 - £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 (2011 - £nil)

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

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2012 £'000	2011 £'000
UK corporation tax at 24.5% (2011: 26.5%) based on the profit 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: 24.5% (2011: 26.5%)		
	2012 £'000	2011 £'000
The differences are explained below		
Profit/(Loss) on ordinary activities before tax	21,346	(136)
Tax at 24.5% (2011: 26.5%) thereon	5,230	(36)
Effects of		
Non-taxable items	(5,230)	-
Imputed interest income	(6)	36
Adjustment in respect of group relief	6	-
Current tax charge for the year	-	-

The main rate of corporation tax was reduced from 26% to 24% from 1 April 2012 and to 23% from 1 April 2013, enacted under Finance Act 2012. Further reductions to the main rate were proposed in the Autumn Statement 2012 to reduce the rate to 21% by 1 April 2014. Beyond a reduction to 23% from 1 April 2013, the changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The effective rate for the year ended 31 December 2012 has reduced accordingly.

HOLLIDAY PIGMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Bank overdraft	-	61
Amounts owed to group undertakings	-	6,535
Government grant	-	250
	<u>-</u>	<u>6,846</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012 £'000	2011 £'000
Amounts owed to parent company	-	14,500

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

	2012 £	2011 £
Allotted, called-up and fully paid		
Ordinary shares of £1 each	1	593,001

10. RESERVES

The movement on reserves during the year was as follows

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 1 January 2012	3,000	(24,939)	(21,939)
Share capital and share premium reduction	(3,000)	3,593	593
Profit for the financial year	-	21,346	21,346
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2012	-	-	-

HOLLIDAY PIGMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2012	2011
	£'000	£'000
Profit/(Loss) for the financial year	21,346	(136)
Net (increase)/decrease in shareholders' deficit	21,346	(136)
Opening shareholders' deficit	(21,346)	(21,210)
Closing shareholders' deficit	-	(21,346)

12. RELATED PARTY TRANSACTIONS

In accordance with Financial Reporting Standard No 8 "Related Party Disclosures" transactions with other undertakings within the Synthomer plc group have not been disclosed in these financial statements

13. ULTIMATE CONTROLLING PARTY

These financial statements present information about the company as an individual undertaking

In the opinion of the directors, the company's immediate parent and controlling company at the year end was Yule Catto International Limited, a company incorporated in the United Kingdom Synthomer plc is the ultimate parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared Copies of the group financial statements are available from Synthomer plc, Temple Fields, Harlow, Essex, CM20 2BH