

Wolstenholme Rink Limited
Annual report and financial statements
for the year ended 31 December 2006

Registered Number 346680



Wolstenholme Rink Limited

Annual report and financial statements

for the year ended 31 December 2006

Contents

Directors and Advisers for the year ended 31 December 2006	1
Directors' report for the year ended 31 December 2006	2
Profit and loss account for the year ended 31 December 2006	3
Balance sheet as at 31 December 2006	4
Accounting policies	5
Notes to the financial statements for the year ended 31 December 2006	6

Wolstenholme Rink Limited

Directors and Advisers for the year ended 31 December 2006

Directors

C Lord

A C Rink

Secretary

H Brown

Registered Office

Springfield House

Lower Eccleshill Road

Darwen

Lancashire

BB3 0RP

Registered Number

346680

Wolstenholme Rink Limited

Directors' report for the year ended 31 December 2006

The directors present their report and the financial statements of the Company for the year ended 31 December 2006

Principal activities

The Company acts as an intermediate parent company in the Wolstenholme Group Limited group of companies

As the Company did not trade during the year ended 31 December 2006, it is entitled to exemption under section 249AA(1) of the Companies Act 1985. Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors do not envisage any significant changes in the Company's activities in the foreseeable future.

Dividends

The directors do not propose the payment of a dividend (2005 Nil).

Principal risks and uncertainties

The principal risks faced by the Company concern the recoverability of investments and other assets arising from relationships with group undertakings. The directors have prepared the financial statements on a going concern basis as the ultimate parent company, Wolstenholme Group Limited, has indicated that it will continue to provide financial support for the foreseeable future for the Company and other group undertakings.

Directors and their interests

The directors who held office during the year are detailed on page 1.

The directors are directors of the Company's ultimate holding company at the end of the year and their interests in the shares of Wolstenholme Group Limited and its subsidiary companies and in the guaranteed loan notes issued by the Company are disclosed in the financial statements of that company. The directors hold no interest in the shares of the Company at 31 December 2006.

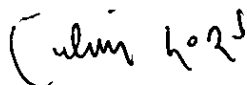
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgments and estimates have been made in preparing the financial statements for the year ended 31 December 2006 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 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.

By order of the Board



C Lord
Director

23 April 2007

Wolstenholme Rink Limited

Profit and loss account for the year ended 31 December 2006

	Note	2006 £	2005 £
Disposal of shares in subsidiary	1	-	16,816,027
Profit on ordinary activities before taxation	4	-	16,816,027
Tax on profit on ordinary activities	5	-	-
Retained profit for the year	11,12	-	16,816,027

All operations in the year and the comparative period relate to discontinued activities

The Company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

Wolstenholme Rink Limited

Balance sheet as at 31 December 2006

	Note	2006 £	2005 £
Fixed assets			
Investments	6	2,739,974	2,739,974
Current assets			
Debtors	7	39,133,676	39,133,676
Creditors: amounts falling due within one year	8	2,125,055	2,125,055
Net current assets		37,008,621	37,008,621
Net assets		39,748,595	39,748,595
Capital and reserves			
Called up share capital	10	2,038,705	2,038,705
Share premium account	11	10,659,526	10,659,526
Profit and loss account	11	27,050,364	27,050,364
Equity shareholders' funds	12	39,748,595	39,748,595

For the year ended 31 December 2006 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985

Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985

The directors acknowledge their responsibility for

- i ensuring the Company keeps accounting records which comply with section 221, and
- ii preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company

The financial statements on pages 4 to 9 were approved by the board of directors on 23 April 2007 and signed on its behalf by

C Lord

C Lord
Director

Wolstenholme Rink Limited

Accounting policies

Accounting convention

The financial statements have been prepared in accordance with applicable Accounting Standards in the UK. A summary of the more important accounting policies, which have been applied consistently, is set out below

Deferred taxation

Deferred taxation is provided on the full provisions method, netting deferred tax assets with deferred tax liabilities as appropriate in accordance with FRS19, 'Deferred Tax'. Where a strategy has not yet been formulated to recover a deferred tax asset, the asset is not recognised

Cash flow statement

The Company is a wholly-owned subsidiary of Wolstenholme Group Limited and is included in the consolidated financial statements of Wolstenholme Group Limited which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996)

Wolstenholme Rink Limited

Notes to the financial statements for the year ended 31 December 2006

1 Disposal of shares in subsidiary

	2006 £	2005 £
Consideration received	-	16,888,811
Expenses associated with disposal	-	(72,784)
	-	16,816,027

2 Employee information

The Company did not employ any persons during the year

3 Director emoluments

No director received any emoluments from the Company during the year ended 31 December 2006 (2005 Nil)

4 Profit on ordinary activities before taxation

Audit fees and fees for other services performed by the auditors arising in relation to the Company are borne by other group undertakings

5 Tax on profit on ordinary activities

	2006 £	2005 £
United Kingdom corporation tax charge/(credit) at 30% (2005: 30%)		
Current	-	-

The current tax credit for the year is the same as (2005 lower than) the standard rate of corporation tax in the United Kingdom (30%) The differences are explained below

	2006 £	2005 £
Profit on ordinary activities before taxation	-	16,816,027
Profit on ordinary activities multiplied by standard rate of tax in the United Kingdom of 30% (2005 30%)	-	(5,044,808)
Effects of	-	
Permanent differences between tax and accounting profits/(losses)	-	5,044,808
Current tax charge/(credit) for the period	-	-

Wolstenholme Rink Limited

6 Investments

	Subsidiaries £	Joint ventures £	Total £
Cost			
At 1 January 2006 and at 31 December 2006	3,557,974	525,000	4,082,974
Amounts written off			
At 1 January 2006 and at 31 December 2006	843,000	500,000	1,343,000
Net book value at 1 January 2006 and at 31 December 2006	2,714,974	25,000	2,739,974

Interests in group undertakings

The following subsidiary undertakings are wholly owned and incorporated in Great Britain

Name of undertaking	Principal activity
World of Gold Limited	Intermediate holding company
Wolstenholme Rink International Investment Corporation	Intermediate holding company

Consolidated financial statements have not been prepared as the Company is a wholly owned subsidiary of Wolstenholme Group Limited, an undertaking incorporated in Great Britain

7 Debtors

	2006 £	2005 £
Amounts falling due within one year		
Amounts owed by group undertakings	39,133,676	39,133,676

8 Creditors: amounts falling due within one year

	2006 £	2005 £
Amounts owed to group undertakings	2,125,055	2,125,055

The Company has given cross guarantees in respect of group undertaking bank loans and overdrafts amounting to £Nil (2005 £Nil)

Wolstenholme Rink Limited

9 Deferred taxation

Deferred taxation provided in the financial statements and the amount unprovided of the total potential asset are as follows

	Amount provided		Amount unprovided	
	2006	2005	2006	2005
	£	£	£	£
Excess of tax allowances over depreciation	-	-	1,229	1,229

No adjustment is made to the tax charge where group relief at the provision stage differs from the final group relief submission

10 Called up share capital

	2006	2005
	£	£
Authorised		
11,000,000 ordinary shares of 25 pence each	2,750,000	2,750,000
Allotted, called up and fully paid		
8,154,819 ordinary shares of 25 pence each	2,038,705	2,038,705

11 Reserves

	Share Premium account	Profit and loss account	Total
	£	£	£
At 1 January 2006 and at 31 December 2006	10,659,526	27,050,364	37,709,890

12 Reconciliation of movements in shareholders' funds

	2006	2005
	£	£
Profit for the financial year	-	16,816,027
Net change in shareholders' funds	-	16,816,027
Opening shareholders' funds	39,748,595	22,932,568
Closing shareholders' funds	39,748,595	39,748,595

Wolstenholme Rink Limited

13 Pension and similar obligations

The Company was a member of the Wolstenholme Rink Group Pension Scheme which provided defined benefits based on employees' final pensionable salaries. On 23 August 2000, the Company was deemed to have been acquired by Wolstenholme Group Limited, which has control over the Pigments and Coatings Division of the former Wolstenholme Rink PLC group of companies.

Given the split of the former Wolstenholme Rink PLC group of companies and the closure of Wolstenholme Rink Group Pension Scheme to new members on 2 November 2000, a decision was taken to discontinue the Wolstenholme Rink Group Pension Scheme by ceasing contributions on 31 December 2001 and initiating its wind up and the transfer of assets and liabilities into separate Wolstenholme Group Limited and Openshaw Group Limited pension schemes. The wind up of the Wolstenholme Rink Group Pension Scheme is at an advanced stage and the scheme has no remaining assets or liabilities.

As a result of the transfer of assets and liabilities, the Company no longer accounts for any pension assets or liabilities.

14 Related party transactions

As a wholly owned subsidiary, the Company has taken advantage of the exemption under FRS8 not to disclose intra-group transactions. Except as disclosed in the notes above, there have been no other related party transactions.

15 Ultimate and immediate holding companies

The directors regard Wolstenholme Group Limited, a company registered in Great Britain, as the ultimate holding company and Wolstenholme (Bidco) Limited, as the immediate parent undertaking. The financial statements of the ultimate holding company are available by writing to the company secretary, Wolstenholme Group Limited, Springfield House, Lower Eccleshill Road, Darwen, Lancashire, BB3 0RP.

16 Ultimate controlling party

A controlling interest in Wolstenholme Group Limited is held by four UK Limited Partnerships which are collectively known as the Rutland Fund. This controlling interest takes the form of holding all of the issued "A" ordinary shares in Wolstenholme Group Limited. By virtue of its controlling interest and the majority voting power held by the directors appointed by the "A" ordinary shareholders in Wolstenholme Group Limited, the Company considers the Partnerships comprising the Rutland Fund to be the ultimate controlling party. Rutland Fund Management Limited or one of its wholly owned subsidiaries is the General Partner of each of the Partnerships comprising the Rutland Fund and also provides management services to the Group.