

**Sibelco Minerals and Chemicals (Holdings)
Limited**

**Directors' report and financial
statements**

Registered number 495403

31 December 2010



Contents

Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	2
Independent auditors' report to the members of Sibelco Minerals and Chemicals (Holdings) Limited	3
Income statement	5
Balance sheet	7
Cash flow statement	8
Notes	9

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2010

Business review

Sibelco Minerals and Chemicals (Holdings) Limited operates as a holding company for the mineral companies within the UK SCR Sibelco NV group

On 22 December 2010 ownership of the Company was transferred to Watts Blake Bearne & Co Ltd, another group company

Dividend

During the year the Company paid a dividend of £2,830,000 to the company's former immediate parent company and controlling party, WBB Minerals (Holdings) Limited (2009 £nil)

Directors

The changes in the directors and those directors presently in office are listed below, all served on the board throughout the year unless otherwise indicated

TC Cutbush
MC James

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information 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 to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the board



MC James
Director

Brookside Hall
Congleton Road
Sandbach
Cheshire
CW11 4TF

23 March 2011

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU 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 estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditor's report to the members of Sibelco Minerals and Chemicals (Holdings) Limited

We have audited the financial statements of Sibelco Minerals and Chemicals (Holdings) Limited for the year ended 31 December 2010 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 set out on page 2, 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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 2010 and of its profit for the year then ended
- have been properly prepared in accordance with IFRSs as adopted by the EU and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

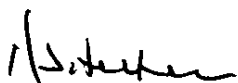
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Sibelco Minerals and Chemicals (Holdings) 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



D J Hutchinson (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 The Embankment
Leeds
LS1 4DW
Leeds

23 March 2011

Income statement
for the year ended 31 December 2010

	<i>Note</i>	2010 £	2009 £
Financial income		12,387	17,269
Dividend from subsidiary undertaking		18,414,379	-
Profit before tax		18,426,766	17,269
Taxation	3	(3,468)	(4,835)
Profit for the year	8	18,423,298	12,434

The notes on pages 9 to 13 form part of these financial statements

Statement of recognised income and expense
for the year ended 31 December 2010

	<i>Note</i>	2010 £	2009 £
Profit for the year	8	18,423,298	12,434
Total recognised income		18,423,298	12,434

The notes on pages 9 to 13 form part of these financial statements

Balance sheet
at 31 December 2010

	<i>Note</i>	2010		2009	
		£	£	£	£
Non-current assets					
Investments	4	4,735,604		4,735,606	
Current assets					
Cash and cash equivalents	5	23,791,166		8,194,398	
Current liabilities					
Trade and other payables	6	(8,303)		(4,835)	
Net current assets		23,782,863		8,189,563	
Net assets		28,518,467		12,925,169	
Shareholders' equity					
Called up share capital	7	1,200,002		1,200,002	
Share premium account	8	11,218,274		11,218,274	
Capital reserve	8	493,460		493,460	
Profit and loss account	8	15,606,731		13,433	
Total equity shareholders' funds	9	28,518,467		12,925,169	

These financial statements were approved by the board of directors on 23 March 2011 and were signed on its behalf by

M.C. James

MC James
 Director

The notes on pages 9 to 13 form part of these financial statements

Cash flow statement
for the year ended 31 December 2010

	<i>Note</i>	2010	2009
		£	£
Cash flow from operating activities			
Profit before tax		18,426,766	17,269
<i>Adjustments for</i>			
Financial income		(12,387)	(17,269)
Dividend received from subsidiary undertaking		(18,414,379)	-
		<hr/>	<hr/>
Operating result before changes in working capital		-	-
Increase / (decrease) in creditors		3,468	(55,353)
		<hr/>	<hr/>
Cash flow generated from operations		3,468	(55,353)
Tax paid		(3,468)	(4,835)
		<hr/>	<hr/>
Net cash flow from operating activities		-	(60,188)
Cash flow from financing activities			
Interest received		12,387	17,269
Proceeds from sale of investments		2	-
Dividend paid to Company's shareholder		(2,830,000)	-
Dividend received from subsidiary undertaking		18,414,379	-
		<hr/>	<hr/>
Net cash flow from financing activities		15,596,768	17,269
		<hr/>	<hr/>
Increase / (decrease) in cash and cash equivalents in the year		15,596,768	(42,919)
Cash and cash equivalents at 1 January		8,194,398	8,237,317
		<hr/>	<hr/>
Cash and cash equivalents at 31 December	5	23,791,166	8,194,398
		<hr/>	<hr/>

The notes on pages 9 to 13 form part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

Sibelco Minerals and Chemicals (Holdings) Limited (the "Company") is a company incorporated in the UK

Basis of preparation

The financial statements have been prepared under the historical cost convention and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs")

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements

Consolidated financial statements

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Investments

Investments in subsidiary and associated companies are stated at cost less provisions for any permanent diminution in value.

Financial instruments

Financial assets and financial liabilities, in respect of financial instruments, are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities with group companies are initially recognised at fair value which is equal to cost at inception.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows. A central component of the company's treasury policy is that cash balances and bank overdrafts are held with a fellow group undertaking, to maximise financial benefits to the company and its ultimate parent undertaking. All cash balances, overdrafts, loans and borrowings between the companies in the SCR-Sibelco NV group are organised on an arm's length basis, being interest bearing at relevant market rates.

Notes (continued)

2 Directors and employees

The average number of persons employed by the Company, excluding directors, during the year was nil (2009 nil)

None of the directors received any emoluments during the year in respect of their services to the Company (2009 nil)

3 Taxation

	2010 £	2009 £
Recognised in the income statement		
Current tax on income for the year	3,468	4,835
Adjustments in respect of prior year	-	-
	<hr/>	<hr/>
Total current tax	3,468	4,835
	<hr/>	<hr/>
Total tax in income statement	3,468	4,835
	<hr/>	<hr/>
	2010 £	2009 £
Reconciliation of effective tax rate		
Profit before tax	18,426,766	17,269
	<hr/>	<hr/>
Tax using UK corporation tax rate of 28% (2009 28%)	5,159,494	4,835
Dividend received from subsidiary undertaking	(5,156,026)	-
	<hr/>	<hr/>
Total tax in income statement	3,468	4,835
	<hr/>	<hr/>

Notes (continued)

4 Investments

	Shares in subsidiary undertakings £
<i>Shares</i>	
<i>Cost</i>	
At 31 December 2009	4,867,002
Disposal	(2)
At 31 December 2010	4,867,000
<i>Provisions</i>	
At 1 January and 31 December 2010	131,396
<i>Net book value</i>	
At 31 December 2010	4,735,604
At 31 December 2009	4,735,606

During the year the Company sold its investment in WBB Devon Clays Limited for total consideration of £2, being its net asset value on the date of disposal

The company has the following investments in subsidiaries

Company	Country of incorporation or registration
Sibelco UK Limited	England
*Prestige Sports Surfaces Limited	England
*Fordath Limited	England
*Ilamian Limited	England

Each company is wholly owned (except Prestige Sports Surfaces Limited which is 50% owned) and operates in its country of incorporation or registration. Those companies which are not direct subsidiaries of Sibelco Minerals and Chemicals (Holdings) Limited are denoted*

In the opinion of the directors, the aggregate value of the investment in the Company's subsidiaries is not less than the aggregate of the amount at which those assets are stated in the balance sheet

5 Cash and cash equivalents

	2010 £	2009 £
Cash and cash equivalents held with fellow group undertakings	23,791,166	8,194,398

Notes (continued)

6 Trade and other payables

	2010 £	2009 £
<i>Amounts payable within one year</i>		
Amounts owed to fellow group undertakings	8,303	4,835

7 Share capital

	2010 £	2009 £
Ordinary shares of £1 each		
Authorised	1,200,002	1,200,002
Allotted, called up and fully paid	1,200,002	1,200,002

8 Reserves

	Share premium account £	Capital reserve £	Profit and loss account £
At 1 January 2010	11,218,274	493,460	13,433
Dividend paid to parent undertaking	-	-	(2,830,000)
Profit for the year	-	-	18,423,298
At 31 December 2010	11,218,274	493,460	15,606,731

9 Reconciliation in movement in shareholders' funds

	2010 £	2009 £
Profit for the year	18,423,298	12,434
Dividend paid	(2,830,000)	-
Shareholders' funds at 1 January	12,925,169	12,912,735
Shareholders' funds at 31 December	28,518,467	12,925,169

Notes (continued)

10 Ultimate holding company

The company's immediate parent company and controlling party is Watts Blake Bearne & Co Limited, registered in England and Wales. Copies of the Watts Blake Bearne & Co Limited financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The smallest and largest group in which the results of the company are consolidated is that of the ultimate parent undertaking and controlling related party, SCR Sibelco NV. This company is incorporated in Belgium, with its consolidated financial statements available from Balanscentrale, at Nationale Bank van België, Balanscentrale, de Berlaimontlaan 14, 1000 Brussel.