

Registered number 2700455

POINTING HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

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POINTING HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

S Rolfs
J T Makal

COMPANY SECRETARY

Gravitas Company Secretarial Services Limited

COMPANY NUMBER

2700455

REGISTERED OFFICE

Oldmeadow Road
Kings Lynn
Norfolk
PE30 4LA

AUDITORS

Ryecroft Glenton
Chartered Accountants & Registered Auditor
32 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QP

POINTING HOLDINGS LIMITED

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POINTING HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and the financial statements for the year ended 31 December 2007

PRINCIPAL ACTIVITIES

The principal activity of the company is to hold, manage and control investments, for the purposes of manufacturing and controlling global distribution of products to the group

BUSINESS REVIEW

Pointing Holdings Limited continued to act as the Finance and Administration centre for the Pointing Group

The Pointing Limited Pension Fund continues to be funded through the holding company. Additional contributions to the pension fund were increased during the year following recommendation by the Actuary and an agreement between the Trustee and the Company.

Pointing Limited continues to be responsible as the principle employer for any funding deficits arising from the Pointing Limited Pension Fund.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £781,368 (2006 - profit £378,750)

The directors do not recommend the payment of a dividend (2006 - Nil)

DIRECTORS

The directors who served during the year were

S Rolfs
J T Makal

Other than as disclosed in the notes to the financial statements no director had a contract or was materially interested in any significant contract with the company at any time during the year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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). 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 then apply them consistently,
- make judgments and 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,
- 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 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.

POINTING HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007
PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any 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

The auditors, Ryecroft Glenton, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 28 December 1993

This report was approved by the board on *11th September 2008* and signed on its behalf



S Rolfs
Director

POINTING HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POINTING HOLDINGS LIMITED

We have audited the financial statements of Pointing Holdings Limited for the year ended 31 December 2007, set out on pages 5 to 15. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an Auditors' 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 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 whether in our opinion the information given in the Directors' report is 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 amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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.

POINTING HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POINTING HOLDINGS LIMITED

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 the company's affairs as at 31 December 2007 and of its loss for the year 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



RYECROFT GLENTON

Chartered Accountants
Registered Auditor

32 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QP

Date *22nd September 2008*

POINTING HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 £	2006 £
Administrative expenses		<u>(846,779)</u>	<u>(793,386)</u>
OPERATING LOSS	2	(846,779)	(793,386)
Income from investments in group companies		-	1,168,078
Interest receivable		5	1,092
Interest payable		<u>(292,815)</u>	<u>(192,981)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,139,589)	182,803
Tax on (loss)/profit on ordinary activities	4	<u>358,221</u>	<u>195,947</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	9	<u>(781,368)</u>	<u>378,750</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2007 or 2006 other than those included in the Profit and loss account

The notes on pages 7 to 15 form part of these financial statements

POINTING HOLDINGS LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Fixed asset investments	5	12,000	12,000
CURRENT ASSETS			
Debtors	6	5,673,328	5,363,928
CREDITORS amounts falling due within one year	7	(5,323,040)	(4,232,272)
NET CURRENT ASSETS		350,288	1,131,656
TOTAL ASSETS LESS CURRENT LIABILITIES		362,288	1,143,656
CAPITAL AND RESERVES			
Called up share capital	8	1,838,517	1,838,517
Profit and loss account	9	(1,476,229)	(694,861)
SHAREHOLDERS' FUNDS		362,288	1,143,656

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

11th September 2008

S Rolfs
Director

J. T. Makai
Director

The notes on pages 7 to 15 form part of these financial statements

POINTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.5 Pensions

The company participates in a defined benefits pension scheme and the pension charge (which is included within the financial statements of Pointing Limited) is based on a full actuarial valuation dated 31 March 2006

1.6 Investments in subsidiary undertakings

On acquisition of a subsidiary by the company, all of the subsidiary's assets and liabilities that existed at the date of acquisition were recorded at their fair values reflecting their condition at that date. Thereafter, they were shown at their balance sheet value with surpluses credited to revaluation reserve and deficits charged to the post acquisition profit and loss reserve

1.7 Investment in associated undertaking

The associated business, Sensient Food Colors L P, prepares its financial statements to 31 December

The holding in Sensient Food Colours L P is held by Pointing Color Inc

2 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2007 £	2006 £
Difference on foreign exchange	(197)	3,402

During the year, no director received any emoluments (2006 - £NIL)

POINTING HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

3. AUDITORS' REMUNERATION

	2007 £	2006 £
Fees payable to the company's auditor for the audit of the company's annual accounts	1,680	1,600
Fees payable to the company's auditor and its associates in respect of		
The auditing of accounts of associates of the company pursuant to legislation	5,040	4,800

4 TAXATION

	2007 £	2006 £
Analysis of tax credit in the year		
UK corporation tax credit on (loss)/profit for the year	(358,221)	(295,553)
Adjustments in respect of prior periods	-	99,606
Tax on (loss)/profit on ordinary activities	(358,221)	(195,947)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2006 - *lower than*) the standard rate of corporation tax in the UK (30%) The differences are explained below

	2007 £	2006 £
(Loss)/profit on ordinary activities before tax	(1,139,589)	182,803
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 - 30%)	(341,877)	54,841
Effects of.		
Dividend Income from subsidiary undertakings not taxable	-	(350,424)
Amount due for group relief surrendered - prior years	(18,657)	99,606
Expenses not deductible for tax purposes	2,313	30
Current tax credit for the year (see note above)	(358,221)	(195,947)

Factors that may affect future tax charges

There is an unrecognised deferred tax asset of £11,561 (2006 £11,561) which represents tax losses brought forward. On the basis of available evidence it is unlikely that the company will generate any suitable taxable profits in the future against which to relieve these losses brought forward.

POINTING HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

5 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Cost or valuation	
At 1 January 2007 and 31 December 2007	<u>12,000</u>

POINTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

5 FIXED ASSET INVESTMENTS (continued)

The investment in Pointing Asia Limited was fully written down in 2000 due to trading losses. An application to de-register Pointing Asia Limited was made on 6 April 2005 and the company was formally de-registered on the 5 August 2005. After due notice the liquidation is expected to be finalised in 2006. The remainder of fixed asset investments, currently held at cost less revaluations in periods up to 31 March 1998, are reviewed annually for impairment by reference to unaudited financial statements for Pointing Canada Limited and Pointing Color Inc and audited financial statements for Sensient Colors South Africa (Pty) Limited.

Details of unlisted group undertakings

Name	Description of shares held	Proportion of equity held * indicates holding held directly by the company	Nature of business
Pointing Ltd	£1 ordinary shares	100%*	No longer trading
Pointing Chemicals Ltd	£1 ordinary shares	100%*	No longer trading
Pointing International Ltd	£1 ordinary shares	100%*	Intermediate holding company
Dinova! Chemicals Ltd	£1 ordinary shares	100%	Liquidated
Dinova! Chemicals UK Ltd	£1 ordinary shares	100%	Liquidated
Dinova! Ltd	£1 ordinary shares	100%	Liquidated
July Ltd	£1 ordinary shares	100%	Liquidated
Pointing Asia Ltd (incorporated in Hong Kong)	HK\$100 shares	100%	Liquidated
Pointing Canada Ltd (incorporated in Canada)	C\$1 common shares	100%	No longer trading
Pointing Color Inc (incorporated in U S A)	US\$1 common shares	100%	No longer trading
Pointing Mexico S A de C V (incorporated in Mexico)	N\$ 1000 common variable shares N\$ 100 common shares	100% 100%	Liquidated

POINTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

5 FIXED ASSET INVESTMENTS (continued)

Sensient Colors South Africa R1 ordinary (Pty) Ltd (incorporated in S Africa)	shares	100%	Sell and distribute food colour and food ingredients
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Rikem Ltd	£1 ordinary shares	100%	Liquidated
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All the above undertakings operated principally in their country of incorporation

Details of unlisted associated undertaking			
Sensient Food Colors L P (a Missouri - U S A Limited Partnership)	Unincorporated	17.65%	+ Manufacture and marketing of food colours and other products

+Indicates holding is held by Pointing Color Inc

The proportion of equity held by the company varied as a result of a capital injection by Sensient Colors Inc, in the year 2000 Profit is shared in the ratio, Sensient Colors Inc 75.56%, Pointing Color Inc 24.44%

Sensient Food Colors L P operated principally in the U S A

The head office address of Sensient Food Colors L P is 777 East Wisconsin Avenue, Milwaukee, WI 53202-5304

The group accounts of Sensient Technologies Corporation include the accounts of Sensient Food Colors L P on a consolidated basis

The exemption conferred by regulation 7 of the Partnership and Unlimited Companies (Accounts) Regulations 1993 has been applied in respect of the accounts of Sensient Colors L P

The aggregate amount of the capital and reserves of Sensient Food Colors L P as shown by its unaudited accounts to 31 December 2007 was £12,835,135 (31 December 2006 £12,633,062) and its profit before tax was £385,188 (2006 £307,585)

In the opinion of the directors, the aggregate value of the assets of the company consisting of shares in and amounts arising from, the company's investments is not less than the aggregate of the amount at which those assets are stated in the company's balance sheet

6. DEBTORS

	2007 £	2006 £
Amounts owed by group undertakings	5,656,133	5,285,560
Other debtors	6,693	6,927
Prepayments and accrued income	10,502	71,441
	<u>5,673,328</u>	<u>5,363,928</u>

POINTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

7 CREDITORS

Amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	-	5,544
Trade creditors	3,510	56,546
Amounts owed to group undertakings	5,273,486	4,118,405
Other creditors	415	469
Accruals and deferred income	45,629	51,308
	<u>5,323,040</u>	<u>4,232,272</u>

8 SHARE CAPITAL

	2007 £	2006 £
Authorised		
5,000,000 Ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid		
1,838,517 Ordinary shares of £1 each	<u>1,838,517</u>	<u>1,838,517</u>

9 RESERVES

	Profit and loss account £
At 1 January 2007	(694,861)
Loss for the year	(781,368)
At 31 December 2007	<u>(1,476,229)</u>

10 PENSION COMMITMENTS

The company participates in a defined benefit pension scheme, The Pointing Limited Pension Fund, which is closed to new entrants. This is an approved funded pension scheme and the principal employer is Pointing Limited. The assets of the Scheme are held separately from the assets of Pointing Limited in trustee administered funds. The Scheme provides benefits on a defined benefit basis and the following disclosures relate to the defined benefit scheme.

The contribution made by the parent company, Pointing Holdings Ltd for the year ended 31 December 2007 was £579,000. The agreed long term recovery programme of contributions was increased during the year to £684,000 per annum (inclusive of the agreed employers' contribution rate of 29.8% for the current employee). Contributions are assessed in accordance with the advice of a qualified actuary and paid by Pointing Holdings Ltd.

The amounts in the financial statements for the year ended 31 December 2007, relating to pensions, are based on a full actuarial valuation dated 31 March 2006.

POINTING HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

10. PENSION COMMITMENTS (continued)

The contribution made for the year ended 31 December 2007 was £579,000. The agreed contribution rate for future years is NIL%.

The main financial assumptions used in the actuarial valuation were:

	2007 %	2006 %	2005 %
Inflation	3.4	3.1	4.8
Rate of increase in salaries	3.4	4.6	4.3
Rate of increase pensions - Pre1997	3.0	3.0	2.8
Rate of increase pensions- Post 1997	3.4	3.1	2.8
Discount rate	5.9	5.2	NIL
Overall expected rate of return on plan assets	5.0	4.8	NIL

The assets in the scheme and the expected rates of return were:

	Long-term rate of return expected at 2007 %	Value at 2007 £	Long-term rate of return expected at 2006 %	Value at 2006 £	Long-term rate of return expected at 2005 %	Value at 2005 £
Equities	-	-	-	-	8.1	3,020,000
Bonds	5.0	3,655,000	4.7	3,474,000	5.1	816,000
Cash and other investments	5.3	595,000	4.8	77,000	4.3	582,000
Total market value of assets		4,250,000		3,551,000		4,418,000
Present value of scheme liabilities		(5,155,000)		(5,805,000)		(8,897,000)
Net pension liability		(905,000)		(2,254,000)		(4,479,000)

If the above amounts had been recognised in the financial statements, the company's net assets and Profit and loss account reserve at 31 December 2007 and 31 December 2006 would be as follows:

	2007 £	2006 £
Net assets excluding pension scheme assets/(liabilities)	362,288	1,143,656
Pension assets/(liabilities)	(905,000)	(2,254,000)
Net liabilities including pension scheme assets/(liabilities)	(542,712)	(1,110,344)
Profit and loss reserve excluding pension scheme assets/(liabilities)	(1,476,229)	(694,861)
Pension reserve	(905,000)	(2,254,000)
Profit and loss reserve	(2,381,229)	(2,948,861)

POINTING HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

10. PENSION COMMITMENTS (continued)

The following amounts would have been recognised in the financial statements in the year to 31 December 2007 and 31 December 2006 under the requirements of FRS17

	2007	2006
	£	£
Other finance income		
Expected return on pension scheme assets	179,000	<i>268,000</i>
Interest on pension scheme liabilities	(302,000)	<i>(423,000)</i>
Net return	(123,000)	<i>(155,000)</i>
	2007	2006
	£	£
Movements in deficit during the year		
Deficit in scheme at beginning of year	(2,254,000)	<i>(4,479,000)</i>
Current year service cost	-	<i>-</i>
Contributions	579,000	<i>458,000</i>
Current year service cost	(1,000)	<i>(1,000)</i>
Other finance income	(123,000)	<i>(155,000)</i>
Gain/(loss) on settlement	-	<i>1,252,000</i>
Actuarial gain	894,000	<i>671,000</i>
Other item - user input	-	<i>-</i>
Deficit in scheme at end of year	(905,000)	<i>(2,254,000)</i>

History of experience gains and losses in the scheme

	2007	2006	2005	2004
Difference between the expected and actual return on scheme assets				
Amount (£)	894000	<i>671000</i>	<i>(52,000)</i>	<i>84,000</i>
Percentage of scheme assets	21 0%	<i>18 9%</i>	<i>2 1%</i>	<i>4 0%</i>
Total amount recognised in statement of total recognised gains and losses				
Amount (£)	894000	<i>671000</i>	<i>(1,386,000)</i>	<i>(428,000)</i>
Percentage of the present value of the scheme liabilities	17 3%	<i>11 6%</i>	<i>(15 6)%</i>	<i>(6 0)%</i>

11 RELATED PARTY TRANSACTIONS

The exemption granted by Financial Reporting Standard No 8 "Related Party Disclosures" not to disclose transactions and balances with other group companies where 90% or more of the voting rights are controlled within the group has been used in preparing these accounts

POINTING HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

12 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

In the opinion of the directors, the company's ultimate parent company and ultimate controlling party is Sensient Technologies Corporation, a company incorporated in the United States of America. This is the parent undertaking of the largest group for which group accounts are prepared. The parent undertaking and the penultimate controlling party is Sensient Holdings UK (formerly Sensient Technologies (UK) Limited), a company registered in England and Wales.

Copies of the group financial statements of Sensient Technologies Corporation are filed at the Securities and Exchange Commission, Washington DC. Copies of the group financial statements of Sensient Holdings UK are available from Companies House, Crown Way, Cardiff, CF4 3UZ.