

**Icon Polymer UK Limited**

**Directors' report and financial  
statements**

**Registered number 03907128**

**30 September 2005**



## **Contents**

Company information	1
Directors' report	1
Statement of directors' responsibilities	1
Independent auditors' report to the members of Icon Polymer UK Limited	1
Profit and loss account	1
Balance sheet	1
Notes	1

## **Company information**

<b>Directors</b>	R Gogerty M Harris
<b>Secretary</b>	M Harris
<b>Auditors</b>	KPMG LLP St Nicholas House Park Row Nottingham NG1 6FQ
<b>Bankers</b>	Lloyds TSB Bank plc Colmore Row Birmingham West Midlands B3 3SD
<b>Registered office</b>	Victoria Works Thrumpton Lane Retford Nottinghamshire DN22 6HH
<b>Registered number</b>	03907128

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 September 2005.

### **Principal activities**

The principal activity of the company is that of an intermediary holding company.

### **Dividends**

There were no dividends receivable in the year (2004: £6,296,000). The directors do not propose the payment of a dividend (2004: £6,237,000). Preferred ordinary dividends of £nil were paid in the year (2004: £nil).

### **Directors and directors' interests**

The directors who held office during the year and their interests in the share capital of the company were as follows:

R Gogerty

A Sunter – resigned 12 March 2005

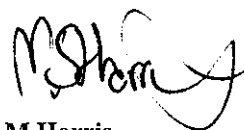
M Harris – appointed 12 March 2005

None of the directors who held office at the end of the financial year had any disclosable interests in the shares of the company. The directors' interests in the shares of the ultimate parent undertaking, Icon Polymer Group Limited, are shown in the directors' report of that company.

### **Auditors**

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**M Harris**  
*Secretary*

### **Registered office:**

Victoria Works  
Thrumpton Lane  
Retford  
Nottinghamshire  
DN22 6HH

Dated: *25 April 2006*

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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

St Nicholas House  
Park Row  
Nottingham  
NG1 6FQ

### **Independent auditors' report to the members of Icon Polymer UK Limited**

We have audited the financial statements on pages 5 to 10.

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 are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

#### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG LLP*

Chartered Accountants  
Registered Auditor

Dated: *25 April, 2006*

**Profit and loss account**  
*for the year ended 30 September 2005*

	<i>Note</i>	<b>2005</b> <b>£000</b>	2004 £000
Income from shares in group undertakings		-	6,296
Administrative expenses		-	-
		<hr/>	<hr/>
<b>Operating profit and profit on ordinary activities before taxation</b>		-	6,296
Tax on profit on ordinary activities	2	-	-
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>		-	6,296
Dividends	3	-	(6,237)
		<hr/>	<hr/>
<b>Profit transferred to reserves</b>	8	-	59
		<hr/> <hr/>	<hr/> <hr/>

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account.

In both the current and preceding year, the company made no material acquisitions and had no discontinued operations.

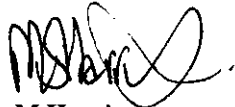
**Balance sheet**  
*as at 30 September 2005*

	Note	2005 £000	2004 £000
<b>Fixed assets</b>			
Investments	4	15,010	15,010
<b>Current assets</b>			
Debtors	5	5	7,155
<b>Creditors: amounts falling due within one year</b>	6	(14,490)	(21,640)
<b>Net current liabilities</b>		(14,485)	(14,485)
<b>Net assets</b>		525	525
<b>Capital and reserves</b>			
Called up share capital	7	49	49
Share premium account	8	373	373
Capital redemption reserve	8	103	103
Profit and loss account	8	-	-
<b>Shareholders' funds</b>	9		
Equity		523	523
Non-equity		2	2
		525	525

These financial statements were approved by the board of directors on 25 April 2006 and were signed on its behalf by:



**R Gogerty**  
*Director*



**M Harris**  
*Director*



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### ***Basis of preparation***

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

#### ***Consolidated financial statements***

In accordance with section 228(1) of the Companies Act 1985, the company has not prepared consolidated financial statements as it is a wholly owned subsidiary undertaking of a larger group for which consolidated financial statements are prepared.

#### ***Cash flow statement***

Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

#### ***Investments***

Investments are stated at cost less amounts provided for impairment.

### 2 Tax on profit on ordinary activities

There is no charge for taxation in the current or previous year.

The current tax charge for the year is the same as (2004: *lower than*) the standard rate of corporation tax in the UK of 30% (2004: 30%).

	<b>2005</b>	2004
	<b>£000</b>	£000
<i>Current tax reconciliation:</i>		
Profit on ordinary activities before tax	-	6,296
	<hr/>	<hr/>
Current tax at 30% (2004: 30%)	-	1,889
Non taxable dividends received	-	(1,889)
	<hr/>	<hr/>
Total current tax charge	-	-
	<hr/>	<hr/>

### 3 Dividends

	<b>2005</b>	2004
	<b>£000</b>	£000
Ordinary dividends proposed	-	6,237
Preferred ordinary dividend paid	-	-
	<hr/>	<hr/>
	-	6,237
	<hr/>	<hr/>

## Notes (continued)

### 4 Investments

	£000
<i>Cost:</i>	
At 1 October 2004 and 30 September 2005	15,010

Details of the subsidiaries in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding and type of shares	Proportion of voting rights and shares held	Nature of Business
<i>Subsidiary undertakings</i>			
Icon Warne Holdings Limited	Ordinary	100% direct	Holding company
Icon Polymer Limited	Ordinary	100% direct	Property holding and fixed asset hire
Icon Northern Rubber Limited	Ordinary	100% direct	Rubber products manufacturer
NRC Pension Company Limited	Ordinary	100% direct	Trustee for Northern Rubber Pension Scheme
Icon Warne Limited	Ordinary Preference	100% indirect 100% indirect	Rubber products manufacturer

### 5 Debtors

	2005 £000	2004 £000
Amounts owed by group undertakings	5	7,155

### 6 Creditors: amounts falling due within one year

	2005 £000	2004 £000
Amounts owed to group undertakings	14,490	21,640

## Notes (continued)

### 7 Called up share capital

	2005 £000	2004 £000
<i>Authorised</i>		
150,000 ordinary shares of 50p each	75	75
200,000 preferred ordinary shares of 1p each	2	2
150,000 redeemable preference shares of 50p each	75	75
	<hr/> 152 <hr/>	<hr/> 152 <hr/>
<i>Allotted, called up and fully paid</i>		
94,000 ordinary shares of 50p each	47	47
200,000 preferred ordinary shares of 1p each	2	2
	<hr/> 49 <hr/>	<hr/> 49 <hr/>

#### *Preferred ordinary shares*

Preferred ordinary shareholders are entitled to an 8.75% annual dividend, on the aggregate of the amount paid for each share and any premium paid on subscription, for each financial year up to 30 September 2003.

On a winding up, the available assets of the company, after repayment of preference shareholders, will be applied in repaying to the preferred ordinary shareholders the amount paid up on the shares and any premium together with any unpaid dividends due. Each preferred ordinary shareholder is entitled to one vote per share at meetings.

### 8 Share premium and reserves

	Share premium £000	Capital redemption reserve £000	Profit and loss account £000
At 1 October 2004	373	103	-
Profit for the year	-	-	-
	<hr/> 373 <hr/>	<hr/> 103 <hr/>	<hr/> - <hr/>
At 30 September 2005	373	103	-

## Notes (continued)

### 9 Reconciliation of movements in shareholders' funds

	2005 £000	2004 £000
Profit/(loss) for the financial year	-	6,296
Dividends	-	(6,237)
	<hr/>	<hr/>
Net addition to/(reduction in) shareholders' funds	-	59
Opening shareholders' funds	525	466
	<hr/>	<hr/>
Closing shareholders' funds	525	525
	<hr/>	<hr/>

### 10 Contingent liabilities

The company has given a cross guarantee to HM Customs & Excise in relation to the group VAT registration, with the potential liability at 30 September 2005 being £40,000 (2004: £130,000).

There is a fixed and floating charge over various of the company's assets in respect of loans taken out by its ultimate parent undertaking, with the potential liability at 30 September 2005 being £19,345,000 (2004: £12,731,000).

### 11 Related party disclosures

The company has taken advantage of the exemption under FRS 8 'Related Party Transactions' and has not disclosed transactions or balances with entities that are part of the group.

### 12 Ultimate parent undertaking

The company's ultimate parent undertaking and controlling party is Icon Polymer Group Limited, and copies of its financial statements can be obtained from Icon Polymer Limited, Retford, Nottinghamshire, England, DN22 6HH.