

Registered Number 5586099

EMD Group Holdings Limited  
Directors' report and financial statements  
for the year ended 31 December 2007

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# **EMD Group Holdings Limited**

## **Directors' report and financial statements for the year ended 31 December 2007**

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# **EMD Group Holdings Limited**

## **Directors' report for the year ended 31 December 2007**

The directors present their annual report and the audited financial statements of the Company for the year to 31 December 2007. The comparative financial statements have been presented for the 64 week period ended 31 December 2006.

### **Principal activities**

The Company's principal activity during the year was that of a holding company. The Company's principal subsidiary undertakings are shown in note 6 to the financial statements.

The company relies upon inter company borrowing from fellow group companies which it expects to continue into the future. The company also expects to incur interest costs in the future.

### **Results and dividends**

The loss for the year after taxation amounted to £ 953,000 (2006 £1,368,000). The directors do not propose the payment of a dividend. The loss sustained for the year of £953,000 (2006 £1,368,000) has been transferred to reserves.

### **Directors**

The composition of the Board of Directors during the year, and up to the date of this report, was as follows:

AT Fletcher  
AO Fischer  
I Fisher  
JC Richardson

# **EMD Group Holdings Limited**

## **Directors' report for the year ended 31 December 2007 (continued)**

### **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 group and of the profit or loss of the company and group 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 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 in which case there should be supporting assumptions or qualifications as necessary

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

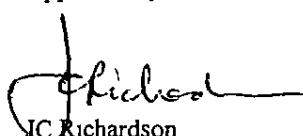
### **Statement on disclosure of information to the independent auditors**

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

Approved by the Board



JC Richardson

Director

25 July 2008

# **EMD Group Holdings Limited**

## **Independent auditors' report to the members of EMD Group Holdings Limited**

We have audited the financial statements of EMD Group Holdings Limited for the year ended 31 December 2007 which comprise the Profit and loss account, the Balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **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). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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.

# EMD Group Holdings Limited

## Independent auditors' report to the members of EMD Group Holdings Limited (continued)

### 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

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Leeds

28 July 2008

## EMD Group Holdings Limited

### Profit and loss account for the year ended 31 December 2007

	Note	2007 £'000	Period to 31 December 2006 £'000
Amounts written off investments	6	-	(700)
Interest payable and similar charges	4	(1,022)	(706)
<b>Loss on ordinary activities before taxation</b>		<b>(1,022)</b>	<b>(1,406)</b>
Tax on loss on ordinary activities	5	69	38
<b>Loss for the financial year/period</b>	<b>11</b>	<b>(953)</b>	<b>(1,368)</b>

The profit and loss account represents continuing activities for the year ended 31 December 2007

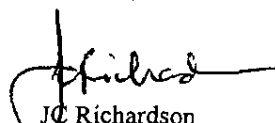
The company has no recognised gains or losses other than those shown in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

# EMD Group Holdings Limited

## Balance sheet as at 31 December 2007

	Note	2007 £'000	2006 £'000
<b>Fixed assets</b>			
Investments	6	8,115	8,115
<b>Current assets</b>			
Debtors	7	107	38
<b>Total assets less current liabilities</b>		<b>8,222</b>	<b>8,153</b>
<b>Creditors: amounts falling due after more than one year</b>	8	<b>(10,543)</b>	<b>(9,521)</b>
<b>Net Liabilities</b>		<b>(2,321)</b>	<b>(1,368)</b>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	(2,321)	(1,368)
<b>Shareholder's deficit</b>	11	<b>(2,321)</b>	<b>(1,368)</b>

The financial statements on pages 5 to 11 were approved by the board of directors on 25 July 2008 and were signed on its behalf by

  
JC Richardson  
Director



# **EMD Group Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2007**

### **1 Accounting policies**

#### **Accounting convention**

These financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable United Kingdom accounting standards

The principal accounting policies, which the directors have adopted within that convention, are set out below

#### **Basis of preparation**

The company has taken exemption under Financial Reporting Standard 2 "Subsidiary Undertakings" not to prepare consolidated financial statements since its ultimate parent undertaking, Rubicon Partners Industries LLP, is established under the law of a European Community member state, and prepares consolidated financial statements

#### **Investments in subsidiary undertakings**

Investments in subsidiary undertakings are recorded at acquisition cost, less provision to reduce the carrying value to its estimated recoverable amount where, in the opinion of the directors, there has been an impairment

#### **Taxation**

The charge for taxation is based on the result for the year. In accordance with FRS 19, deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is recognised in respect of tax losses to the extent that they are regarded as recoverable on the basis that it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted.

### **2 Directors' emoluments**

None of the directors received any emoluments in respect of their services to the company. There were no employees other than the directors.

# EMD Group Holdings Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 3 Auditors' remuneration

Auditors' remuneration was borne by a fellow group undertaking

### 4 Interest payable and similar charges

	Period to 31 December	
	2007	2006
	£'000	£'000
Amortisation of debt issue costs	75	68
Interest payable to group undertakings	947	638
<b>Interest payable and similar charges</b>	<b>1,022</b>	<b>706</b>

### 5 Taxation on loss on ordinary activities

	Period to 31 December	
	2007	2006
	£'000	£'000
<b>Current Tax</b>		
UK Corporation tax	77	38
Adjustment charge in respect of prior years	(8)	-
<b>Tax credit on loss on ordinary activities</b>	<b>69</b>	<b>38</b>

# EMD Group Holdings Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

The differences between total current tax assessed and the standard rate of corporation tax in the UK (30%) are explained below

	2007 £'000	2006 £'000
<b>Loss on ordinary activities before taxation</b>	<b>(1,022)</b>	<b>(1406)</b>
Loss on ordinary activities multiplied by the standard taxation rate in the UK of 30%	307	422
Amounts not taxable	(230)	(384)
Adjustment in respect of prior years	(8)	-
<b>Current tax credit for the year</b>	<b>69</b>	<b>38</b>

## 6 Investments

Shares in subsidiary undertakings

	Gross cost £'000	Provision £'000	Net book value £'000
<b>At 1 January and 31 December 2007</b>	<b>8,815</b>	<b>(700)</b>	<b>8,115</b>

The directors' are of the opinion that the value of the Company's investment in its subsidiaries is not less than the book value

Subsidiary name	Country of incorporation and operation	Principal activity
Minortravel Limited	England	Holding Company
EMD Drive Systems Limited	England	DC motor and gear box manufacturer

## 7 Debtors

	2007 £'000	2006 £'000
<b>UK corporation tax – Group relief</b>	<b>107</b>	<b>38</b>

# EMD Group Holdings Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 8 Creditors: amounts falling due after more than one year

	2007	2006
	£'000	£'000
Amounts owed to group undertakings	10,543	9,521

The amounts owed to group undertakings are unsecured, interest bearing and have no fixed repayment date

### 9 Called up share capital

	2007	2006
	£	£
<b>Authorised</b>		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, issued and fully paid</b>		
1 ordinary shares of £1 each	1	1

# EMD Group Holdings Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 10 Profit and Loss

	2007 £'000	2006 £'000
At 1 January	(1,368)	-
Loss for the financial year/ period	(953)	(1,368)
At 31 December	(2,321)	(1,368)

### 11 Reconciliation of movements in shareholders' funds

	2007 £'000	2006 £'000
Loss for the financial year	(9,530)	(1,368)
Opening shareholder's deficit	(1,368)	-
Closing shareholder's deficit	(2,321)	(1,368)

### 12 Cash flow statement

The company is exempt from preparing a cash flow statement as required by FRS 1 (Revised) 1996 as it is a wholly owned subsidiary undertaking within the context of the standard. A consolidated group cash flow statement is included in the accounts of Rubicon Partners Industries LLP, the ultimate parent undertaking.

### 13 Contingent liabilities

The company has entered into an unlimited cross guarantee arrangement in respect of the borrowings of all companies in the Rubicon Partners Industries LLP group. At 31 December 2007 the net borrowings of the group amounted to approximately £73 million (2006: £76 million).

The bank holds a debenture in respect of the company incorporating a fixed and floating charge over all assets.

# **EMD Group Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2007 (continued)**

### **14 Ultimate parent company and related party transactions**

Transactions with other companies within the group are not disclosed as the Company has taken advantage of the exemption under FRS 8 'Related Party Disclosures', as the consolidated financial statements of Rubicon Partners Industries LLP are available at the address noted below

The company is a wholly owned subsidiary of Rubicon Partners Industries LLP, a company registered in England and Wales, and thus under section 228 of the Companies Act 1985 is exempt from producing group accounts

The company's ultimate parent undertaking and ultimate controlling party is Rubicon Partners Industries LLP, which is the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of Rubicon Partners Industries LLP can be obtained from the company secretary at the following address

The Secretary  
Rubicon Partners Industries LLP  
2B Sidings Court  
Doncaster  
South Yorkshire  
DN4 5NU