

Wolstenholme Rink Limited
Annual report and financial statements
for the year ended 31 December 2005

Registered Number 346680



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for the year ended 31 December 2005

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Wolstenholme Rink Limited

Directors and Advisers for the year ended 31 December 2005

Directors

A C Rink

C Lord

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 2005

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2005.

Principal activities

The Company acts as an intermediate parent company in the Wolstenholme Group Limited group of companies. The directors do not envisage any significant changes in the Company's activities in the foreseeable future.

Results and review of business

In the year, the Company sold its interest in Inca Bronze Powders Limited to Ciba Specialty Chemicals Holding Inc. The directors are satisfied with the results and financial position of the Company.

Dividends

The directors do not propose the payment of a dividend (2004: Nil).

Directors and their interests

The directors who held office during the year are given below:

A C Rink

C Lord

A C Rink and C Lord are directors of the ultimate holding company at the end of the year and their interests in the shares of that company are disclosed in the financial statements of that company. The directors hold no interest in the shares of the Company at 31 December 2005.

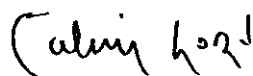
Statement of directors' responsibilities

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 2005 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

1 March 2007

Wolstenholme Rink Limited

Independent auditors' report to the members of Wolstenholme Rink Limited

We have audited the financial statements of Wolstenholme Rink Limited for the year ended 31 December 2005 which comprise the principal accounting policies, the profit and loss account, the balance sheet, and notes 1 to 17. These financial statements have been prepared under 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 Directors' Report and financial statements in accordance with United Kingdom law and 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 opinion

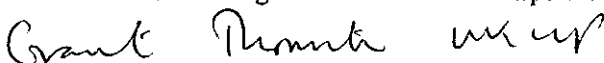
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

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 2005 and of its profit 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



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
MANCHESTER
1 March 2007

Wolstenholme Rink Limited

Profit and loss account for the year ended 31 December 2005

	Note	2005 £	2004 £
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 2005

	Note	2005 £	2004 £
Fixed assets			
Investments	6	2,739,974	2,739,976
Current assets			
Debtors	7	39,133,676	22,317,876
Creditors: amounts falling due within one year	8	2,125,055	2,125,284
Net current assets		37,008,621	20,192,592
Net assets		39,748,595	22,932,568
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	10,234,337
Equity shareholders' funds	12	39,748,595	22,932,568

The financial statements on pages 4 to 8 were approved by the board of directors on 1 March 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 on the historical cost basis of accounting and 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.

Wolstenholme Rink Limited

Notes to the financial statements for the year ended 31 December 2005

1 Disposal of shares in subsidiary

	2005 £	2004 £
Consideration received	16,888,811	(595,000)
Expenses associated with disposal	(72,784)	19,500
	16,816,027	(575,500)

2 Employee information

The Company did not employ any persons during the year.

3 Directors' emoluments

No director received any emoluments from the Company during the year ended 31 December 2005 (2004: 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

	2005 £	2004 £
United Kingdom corporation tax charge/(credit) at 30% (2004: 30%)		
Current	-	-

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2005 £	2004 £
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% (2004: 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 2005	3,557,976	525,000	4,082,976
Disposals	(2)		
At 31 December 2005	3,557,974	525,000	4,082,974
Amounts written off			
At 1 January 2005 and at 31 December 2005	843,000	500,000	1,343,000
Net book value at 1 January 2005 and at 31 December 2005	2,714,974	25,000	2,739,974

Interests in principal group undertakings

The following subsidiaries 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

	2005 £	2004 £
Amounts falling due within one year		
Amounts owed by group undertakings	39,133,676	22,317,876

8 Creditors: amounts falling due within one year

	2005 £	2004 £
Amounts owed to group undertakings	2,125,055	2,125,284

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	
	2005	2005	2005	2004
	£	£	£	£
Excess of tax allowances over depreciation	-	-	1,229	1,638

10 Called up share capital

The Company had the following authorised share capital

	2005	2004
	£	£
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 2005	10,659,526	10,234,337	20,893,863
Retained profit for the financial period	-	16,816,027	16,816,027
At 31 December 2005	10,659,526	27,050,364	37,709,890

12 Reconciliation of movements in shareholders' funds

	2005	2004
	£	£
Profit for the financial year	16,816,027	-
Net change in shareholders' funds	16,816,027	-
Opening shareholders' funds	22,932,568	22,932,568
Closing shareholders' funds	39,748,595	22,932,568

Wolstenholme Rink Limited

13 Contingent liabilities

The Company has given unlimited cross guarantees in respect of subsidiary and parent company bank borrowings amounting to £nil at 31 December 2005 (2004: £11,017,000).

14 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 prepayment. The pension charge for the period was £nil (2004: £nil) including £nil (2004: £nil) in respect of SSAP 24 adjustments.

15 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.

16 Ultimate holding company

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 company. 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.

17 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.