

E Wood Holdings Limited
(formerly E Wood Holdings Plc)

**Directors' report and financial
statements**

Registered number 00417183

31 December 2011



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Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the Company is that of a holding company. The Company did not trade during the year.

Business review

On 9 August 2011 the company re-registered as a private limited company by the name of E Wood Holdings Limited.

Since acquisition by 3M UK Holdings Limited in 2007, 3M have commenced a process of integrating the operations of the Company and its subsidiaries into the activities carried on by other 3M group companies. This is expected to culminate in the future solvent liquidation of the Company.

As the Company only holds investments in subsidiary undertakings and its principal creditors are group undertakings there are no relevant risks and uncertainties or analysis using key performance indicators to disclose.

The results for the year are set out on page 6.

Proposed dividend

The directors do not recommend the payment of a dividend (2010 £nil).

Directors

The directors, who held office during the year, and changes since the year end, were as follows:

Christopher Pikett	
Kenneth Brownlee	(resigned 29 April 2011)
Donald Gray	(appointed 29 April 2011)
James McSheffrey	

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year.

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.

Directors' report *(continued)*

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting

The directors' report has been prepared taking advantage of the small companies' exemption under Section 415A of the Companies Act 2006

By order of the board



Christopher Pikett
Secretary

3M Centre
Cain Road
Bracknell
Berkshire
RG12 8HT

24 September 2012

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG Audit Plc

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the members of E Wood Holdings Limited

We have audited the financial statements of E Wood Holdings Limited for the year ended 31 December 2011 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 3, 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 2011 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, 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 E Wood 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



Paul Moran (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

24 September 2012

Profit and Loss Account
for the year ended 31 December 2011

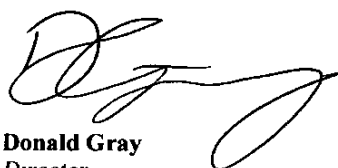
	<i>Note</i>	2011 £000	2010 £000
Administrative expenses		20	(35)
Operating profit/(loss)		20	(35)
Interest payable and similar charges	<i>5</i>	(20)	(18)
Loss on ordinary activities before taxation		-	(53)
Tax on loss on ordinary activities	<i>6</i>	-	-
Loss for the financial year	<i>11</i>	-	(53)

There are no recognised gains or losses other than the loss for the financial period and, accordingly, no statement of total recognised gains and losses is shown

Balance Sheet
as at 31 December 2011

	<i>Note</i>	2011 £000	£000	2010 £000	£000
Fixed assets					
Investments	7		7,144		7,144
Current assets					
Debtors	8	1		-	
Cash at bank and in hand		176		176	
		<u>177</u>		<u>176</u>	
Creditors: amounts falling due within one year	9	(2,633)		(2,632)	
Net current liabilities			(2,456)		(2,456)
Net assets			4,688		4,688
Capital and reserves					
Called up share capital	10		621		621
Share premium account	11		661		661
Capital redemption reserve	11		1,681		1,681
Profit and loss account	11		1,725		1,725
Shareholders' funds			4,688		4,688

These financial statements were approved by the board of directors on 24 September 2012 and were signed on its behalf by



Donald Gray
Director

Company registered number 00417183

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 December 2011

	2011 £000	2010 £000
Loss for the financial year	-	(53)
Net reduction in shareholders' funds	-	(53)
Opening shareholders' funds	4,688	4,741
Closing shareholders' funds	4,688	4,688

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 financial statements

Basis of preparation

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

The Company no longer trades and has net assets of £4.7m. The majority of the £2.6m liabilities comprise amounts due to group undertakings which are not expected to be called for settlement in the foreseeable future

The Board has considered whether the Company is entitled to claim an exemption from preparing group accounts for itself and its subsidiary undertakings under s401 of the Companies Act 2006. The Company has concluded that it has met the conditions set out in s401 and in particular the board has concluded that 3M Company Incorporated annual accounts and report has been drawn up in a manner equivalent to consolidated accounts and consolidated annual reports drawn up in accordance with the provisions of the Seventh Directive (where applicable as modified by the provisions of the Bank Accounts Directive or the Insurance Accounts Directive). These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

Investments

Investments in subsidiary undertakings and associates are stated at cost less amounts written off

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Post-retirement benefits

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy above), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

2 Notes to the profit and loss account

Auditors' remuneration

	2011 £000	2010 £000
Audit of these financial statements	7	7

3 Remuneration of directors

None of the directors received any emoluments from the company in either year, nor are they accruing pension benefits.

4 Staff numbers and costs

The company did not employ any staff during the current or previous year.

The average number of directors in both years was 3.

Notes (continued)

5 Interest payable and similar charges

	2011 £000	2010 £000
On loans from group undertakings	20	18

6 Taxation

Analysis of charge in period

	2011 £000	2010 £000
UK corporation tax	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	-	-

Factors affecting the tax charge for the current period

The current tax charge for the period is equal to (2010 credit) than the standard rate of corporation tax in the UK 26.5%, (2010 28%) The differences are explained below

	2011 £000	2010 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	-	(53)
Current tax at 26.5% (2010 28%)	-	(15)
<i>Effects of</i>		
Unrelieved tax losses	-	7
Expenses not deductible for tax purposes	-	(7)
Group relief surrendered	-	5
Other short term timing differences	-	10
Total current tax credit (see above)	-	-

A deferred tax asset of £3,752 (2010 275,727) relating to carried forward tax losses has not been recognised as the directors do not believe that this can be utilised in the foreseeable future

In addition, capital losses in the Company are estimated at (gross) £1,333,106 (2010 41,333,000)

Notes (continued)

7 Fixed asset investments

	Shares in group undertakings £000
<i>Cost</i>	
At beginning of year	11,555
Disposals	-
	<hr/>
At end of year	11,555
	<hr/>
<i>Provisions</i>	
At beginning of year	4,411
Disposals	-
	<hr/>
At end of year	4,411
	<hr/>
<i>Net book value</i>	
At 31 December 2011	7,144
	<hr/>
At 31 December 2010	7,144
	<hr/>

The principal companies in which the Company's interest at the year end is more than 20% are as follows

	Country of incorporation	Principal Activity	Class and Percentage of shares held
<i>Subsidiary undertakings</i>			
Meristem Limited	England	Holding company	100%
E Wood Limited*	England	Specialist surface coatings	100%
Thortex Specialist Services Limited*	England	Construction contract management	100%

*interest held by subsidiary undertaking

In addition the Company indirectly owns 100% of a dormant company and two non-trading sub-holding companies

8 Debtors

	2011 £000	2010 £000
Other debtors	1	-
	<hr/>	<hr/>

Notes (continued)

9 Creditors: amounts falling due within one year

	2011 £000	2010 £000
Amounts owed to group undertakings	2,633	2,590
Accruals	-	42
	<u>2,633</u>	<u>2,632</u>

10 Called up share capital

	5p Ordinary shares 2011 £000	2010 £000
<i>Allotted, called up and fully paid</i>	621	621
<i>Authorised</i>	<u>4,350</u>	<u>4,350</u>

11 Share premium and reserves

	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000
At beginning of year	661	1,681	1,725
Loss for the year	-	-	-
At end of year	<u>661</u>	<u>1,681</u>	<u>1,725</u>

12 Pension Costs

E Wood Holdings Limited Retirement and Death Benefits Scheme is a defined contribution scheme, the costs of which are charged directly to the profit and loss account. The pension cost charge for the year was £nil (2010 £nil).

Notes *(continued)*

13 Financial instruments

The Company's only financial instruments comprise amounts due to group undertakings together with accruals. These are disclosed in note 9. The book values and fair values are not materially different.

14 Related party disclosures

The Company has taken advantage of the exemption allowed by FRS 8 'Related Party Disclosures' from disclosing transactions with other group companies that are also wholly owned by 3M Company, the ultimate parent company.

15 Ultimate parent company and parent undertaking of larger group of which the Company is a member

E Wood Holdings Limited is a wholly owned subsidiary of 3M UK Holdings Limited, a company incorporated in the United Kingdom.

The directors regard 3M Company, a company incorporated in the United States of America, as the ultimate parent company and controlling party. This is the largest, and also the smallest, group of which the Company is a member and for which group financial statements are prepared. Copies of the consolidated financial statements of the ultimate parent company may be obtained from 3M Investor Relations, 3M center, Building 225-SN-04 St Paul, MN 55144-1000, USA.

Financial statements of certain of the US and UK companies are also available on the internet at <http://www.3m.com/uk>