

POINTING CHEMICALS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2005**



POINTING CHEMICALS LIMITED

COMPANY INFORMATION

DIRECTORS	S Rolfs C Lawlor (resigned 8 April 2005) J T Makal (appointed 8 April 2005)
SECRETARY	Gravitas Company Secretarial Services Limited
COMPANY NUMBER	2365064
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 CHEMICALS LIMITED

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POINTING CHEMICALS LIMITED

DIRECTORS' REPORT **For the year ended 31 December 2005**

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

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

On 20 December 2000, the company's business was sold to The White Sea and Baltic Company Limited. From that date the company has not traded and the directors are planning to liquidate the company.

On 21 December 2005 the ultimate parent company, Sensient Technologies (UK) Limited changed its name to Sensient Holdings UK and this company has re-registered as an un-limited company.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £- (2004 - Loss £231,968) .

The directors paid a dividend of £600,000 on 21 December 2005.

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.

DIRECTORS

The directors who served during the year were:

S Rolfs

C Lawlor (resigned 8 April 2005)

J T Makal (appointed 8 April 2005)

POINTING CHEMICALS LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2005

DIRECTORS (continued)

ADDITIONAL INFORMATION RE DIRECTORS

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 United Kingdom Generally Accepted Accounting Practice.

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 of the company 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;
- 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 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.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

This report was approved by the board on 16 October 2006 and signed on its behalf.



S Rolfs
Director

POINTING CHEMICALS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POINTING CHEMICALS LIMITED

We have audited the financial statements of Pointing Chemicals Limited for the year ended 31 December 2005 set out on pages 5 to 10. 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 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 AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 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.

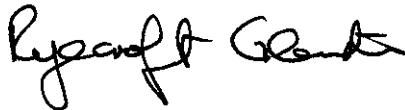
POINTING CHEMICALS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POINTING CHEMICALS LIMITED

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2005 and of its results for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



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

Date: **20 OCT 2006**

POINTING CHEMICALS LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2005

	Note	2005 £	2004 £
Interest receivable		-	784
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	784
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	-	(232,752)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		-	(231,968)
DIVIDENDS - On equity shares	5	(600,000)	-
RETAINED LOSS FOR THE FINANCIAL YEAR		(600,000)	(231,968)
RETAINED PROFIT BROUGHT FORWARD		1,768,078	2,000,046
RETAINED PROFIT CARRIED FORWARD		£ 1,168,078	£ 1,768,078

All amounts relate to continuing operations.

The notes on pages 8 to 10 form part of these financial statements.

POINTING CHEMICALS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2005

	2005 £	2004 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	-	(231,968)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>£ -</u>	<u>£ (231,968)</u>

The notes on pages 8 to 10 form part of these financial statements.

POINTING CHEMICALS LIMITED

BALANCE SHEET
As at 31 December 2005

	Note	2005 £	2004 £
CURRENT ASSETS			
Debtors	6	1,180,078	1,780,078
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 1,180,078</u>	<u>£ 1,780,078</u>
CAPITAL AND RESERVES			
Called up share capital	7	12,000	12,000
Profit and loss account		1,168,078	1,768,078
SHAREHOLDERS' FUNDS - All Equity	8	<u>£ 1,180,078</u>	<u>£ 1,780,078</u>

The financial statements were approved by the board on 16 October 2006 and signed on its behalf.


S Rolfs
Director

The notes on pages 8 to 10 form part of these financial statements.

POINTING CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2005

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 has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Pensions

The company participated in a funded defined benefit scheme, which required contributions to be made to separately administered funds. Contributions to these funds were charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives. Variations in pension cost, which were identified as a result of actuarial valuations, were spread over the average remaining working lives of employees.

Differences between the amounts funded and the amounts charged to the profit and loss account were shown as either provisions or prepayments in the balance sheet.

2. OPERATING PROFIT

During the year, no director received any emoluments (2004 - £nil). Auditors remuneration was paid by the company's parent company Pointing Holdings Limited.

3. PENSION COMMITMENTS

The company no longer includes disclosure of The Pointing Limited Pension Fund within the financial statements as it no longer has any employees and therefore no active members. The directors understand that any deficit on the scheme is to be met by its parent company Pointing Holding Limited who would make payments on behalf of the principal employer Pointing Limited. For further information and full FRS17 disclosure, see financial statements of Pointing Holding Limited or Pointing Limited.

4. TAXATION

	2005 £	2004 £
Analysis of tax charge in year		
UK corporation tax charge on profits of the year	-	235
Amount due for group relief surrendered - prior years	-	232,517
Total current tax	-	232,752
Tax on profit on ordinary activities	£ -	£ 232,752

POINTING CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2005

4. TAXATION (continued)

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applicable to the company (30%). The differences are explained below:

	2005 £	2004 £
Profit on ordinary activities before tax	-	784
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2004 - 30)	-	235
Effects of:		
Amount due for group relief surrendered - prior years	-	232,517
Current tax charge for year (see note above)	£ -	£ 232,752

Factors that may affect future tax charges

There is no evidence that the company will generate any suitable taxable profits in the future.

5. DIVIDENDS

	2005 £	2004 £
On equity shares		
Total dividends paid	£ 600,000	£ -

6. DEBTORS

	2005 £	2004 £
Amounts owed by group undertakings	£ 1,180,078	£ 1,780,078

7. SHARE CAPITAL

	2005 £	2004 £
Authorised, allotted, called up and fully paid		
12,000 Ordinary shares of £1 each	£ 12,000	£ 12,000

POINTING CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2005

8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2005 £	2004 £
Profit/(loss) for the year	-	(231,968)
Dividends	(600,000)	-
	<u>(600,000)</u>	<u>(231,968)</u>
Opening shareholders' funds	1,780,078	2,012,046
Closing shareholders' funds	<u>£ 1,180,078</u>	<u>£ 1,780,078</u>

9. 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.

10. 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 Limited are available from Companies House, Crown Way, Cardiff, CF4 3UZ.