

Wolstenholme (Bidco) Limited
Annual report and financial statements
for the year ended 31 December 2004

Registered Number 4028201



Wolstenholme (Bidco) Limited
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for the year ended 31 December 2004

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Wolstenholme (Bidco) Limited

Directors and Advisers for the year ended 31 December 2004

Directors

C Lord
C B Dowling
P I Cartwright
A C Rink

Secretary

C Lord

Auditors

Grant Thornton UK LLP
Heron House
Albert Square
Manchester
M60 8GT

Registered Office

Springfield House
Lower Eccleshill Road
Darwen
Lancashire
BB3 0RP

Registered Number

4028201

Wolstenholme (Bidco) Limited

Directors' report for the year ended 31 December 2004

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2004.

Principal activities

The Company's principal activity was to hold investments and pay interest to guaranteed loan note holders.

Review of business and future developments

The profit and loss account for the year is set out on page 4. The directors do not envisage any significant changes in the Company's activities in the foreseeable future.

Dividends

The directors do not propose the payment of a dividend (2003: Nil).

Directors and their interests

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

A C Rink
C Lord
C B Dowling
P I Cartwright

The directors are directors of the Company's ultimate holding company at the end of the year and their interests in the shares of Wolstenholme Group Limited and its subsidiary companies and in the guaranteed loan notes issued by the Company are disclosed in the financial statements of that company. The directors hold no interest in the shares of the Company at 31 December 2004.

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.

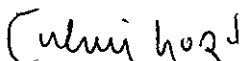
The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgments and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have 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.

Auditors

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

By order of the Board



C Lord
Director
25 February 2005

Wolstenholme (Bidco) Limited

Independent auditors' report to the members of Wolstenholme (Bidco) Limited

We have audited the financial statements of Wolstenholme (Bidco) Limited for the year ended 31 December 2004 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 14. These financial statements have been prepared in accordance with 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 the financial statements in accordance with applicable law and United Kingdom accounting standards 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 United Kingdom auditing standards.

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.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton UK LLP

GRANT THORNTON UK LLP

REGISTERED AUDITORS

CHARTERED ACCOUNTANTS

MANCHESTER

28 FEBRUARY 2005

Wolstenholme (Bidco) Limited

Profit and loss account for the year ended 31 December 2004

	Note	2004 £	2003 £
Administrative expenses		1,934	1,088
Operating loss		(1,934)	(1,088)
Interest payable and similar charges	1	(76,054)	(231,862)
Loss on ordinary activities before taxation	4	(77,988)	(232,950)
Tax on loss on ordinary activities	5	23,396	69,885
Retained loss for the year	10	(54,592)	(163,065)

All of the above operations are continuing.

The Company has no recognised gains and losses other than those included in the losses above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents.

Wolstenholme (Bidco) Limited

Balance sheet as at 31 December 2004

	Note	2004 £	2003 £
Fixed assets			
Investments	6	50,483,932	50,483,932
Current assets			
Cash at bank and in hand	7	1,817,540	1,941,799
		1,817,540	1,941,799
Creditors: amounts falling due within one year	7	54,165,469	54,235,136
Net current liabilities		(52,347,929)	(52,293,337)
Net liabilities		(1,863,997)	(1,809,405)
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	(1,863,998)	(1,809,406)
Equity shareholders' funds	11	(1,863,997)	(1,809,405)

The financial statements on pages 4 to 9 were approved by the board of directors on 25 February 2005 and signed on its behalf by:

(Signed)

C Lord
Director

Wolstenholme (Bidco) Limited

Accounting policies

Accounting convention

The financial statements have been prepared 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.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. The balance sheet at 31 December 2004 shows net liabilities of £1,863,997. The directors have prepared the financial statements on a going concern basis as the ultimate parent company, Wolstenholme Group Limited, has indicated that it will continue to provide financial support for the foreseeable future.

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.

Cash flow statement

The Company is a wholly-owned subsidiary of Wolstenholme Group Limited and is included in the consolidated financial statements of Wolstenholme Group Limited which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996).

Wolstenholme (Bidco) Limited

Notes to the financial statements for the year ended 31 December 2004

1 Interest payable and similar charges

	2004 £	2003 £
Interest payable on bank loans and overdrafts	9,093	107,295
Interest payable on other loans	66,961	124,567
	76,054	231,862

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 2004 (2003: Nil).

4 Loss 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 loss on ordinary activities

	2004 £	2003 £
United Kingdom corporation tax credit at 30% (2003: 30%)		
Current - group relief	23,396	69,885

The current tax credit for the year is the same as (2003: same as) the standard rate of corporation tax in the United Kingdom (30%).

6 Investments

	Subsidiaries £
Cost	
At 1 January and at 31 December 2004	50,483,932

Interests in group undertakings

The following subsidiary undertaking is wholly owned and incorporated in Great Britain:

Name of undertaking	Principal activity
Wolstenholme Rink Limited	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.

Wolstenholme (Bidco) Limited

7 Creditors: amounts falling due within one year

	2004 £	2003 £
Bank loans and overdrafts	35,702	-
Floating rate secured loan note instruments	1,778,594	1,899,760
Amounts owed to group undertakings	52,077,795	52,000,282
Other creditors	273,378	335,094
	54,165,469	54,235,136

The Company has given cross guarantees in respect of group undertaking bank loans and overdrafts amounting to £10,439,000 (2003: £11,017,000).

When requested by shareholders in Wolstenholme Rink Limited, Wolstenholme (Bidco) Limited issued loan note instruments as consideration for shares on the acquisition of the whole of the issued share capital of Wolstenholme Rink Limited. These are repayable on 30 June and 31 December of each year when requested by the holders. They are secured by cash of £1,778,594 (2003: £1,899,760) held in a separate account which is not available for use by the Group.

8 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	
	2004 £	2003 £	2004 £	2003 £
Tax effect of timing differences	-	-	83,372	83,372

No adjustment is made to the tax charge where group relief at the provision stage differs from the final group relief submission.

9 Called up share capital

	2004 £	2003 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1 ordinary share of £1 each	1	1

Wolstenholme (Bidco) Limited

10 Profit and loss account

	2004 £
At 1 January 2004	(1,809,406)
Retained loss for the year	(54,592)
At 31 December 2004	(1,863,998)

11 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Loss for the financial year	(54,592)	(163,065)
Net change in shareholders' funds	(54,592)	(163,065)
Opening shareholders' funds	(1,809,405)	(1,646,340)
Closing shareholders' funds	(1,863,997)	(1,809,405)

12 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.

13 Ultimate and immediate holding companies

The directors regard Wolstenholme Group Limited, a company registered in Great Britain, as the ultimate holding company and Wolstenholme (Holdco), as the immediate parent undertaking. 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.

14 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.