

Hamsard 2291 Limited

Report and Financial Statements

31 March 2006



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COMPANIES HOUSE 16/08/2006

Hamsard 2291 Limited

Registered No. 04179373

Director

N Bamford

Secretary

A Ventrella

Auditors

Ernst & Young LLP
City Gate West
Toll House Hill
Nottingham
NG1 5FY

Registered Office

Falcon Works,
PO Box 7713,
Meadow Lane,
Loughborough,
LE11 1ZF

Directors' Report

The director presents his report and the audited financial statements for the year ended 31 March 2006.

Results and dividends

The audited financial statements for the year ended 31 March 2006 are set out on pages 6 to 10. The profit for the year after taxation amounted to \$1,687,000 (2005: \$421,000 profit) and has been transferred to the profit and loss account reserve.

The director does not recommend the payment of a dividend for the year.

Principal activity and review of the business

The principal activity of the company is to act as an intermediate holding company.

The director does not expect the company to commence trading in the foreseeable future but it will continue to receive loan interest in future years.

Directors and their interests

The director who served during the year ended 31 March 2006 and thereafter was as listed on page 1.

No director had any interests in the shares of the company at 31 March 2006.

N Bamford was also a director of the ultimate parent undertaking, and his interest in the shares of that company are disclosed in that company's financial statements.

Directors' Liabilities

FKI plc, the ultimate parent undertaking, has indemnified the director of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision was in force during the year.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Directors' statement as to disclosure of information to auditors

The director who was the member of the board at the time of approving the directors' report is listed on page 1. The director confirms that:

- to the best of his knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- he has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board



N Bamford
Director

Date: 7 August 2006

Statement of directors' responsibilities in respect of the financial statements

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; 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 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.

Independent auditors' report

to the members of Hamsard 2291 Limited

We have audited the company's financial statements for the year ended 31 March 2006 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 11. These financial statements have been prepared on the basis of 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 are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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, are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements.

We also 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.

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.

Independent auditors' report

to the members of Hamsard 2291 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 March 2006 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.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Nottingham

Date: 7 August 2006

Profit and loss account

for the year ended 31 March 2006

	Notes	2006 US\$000	2005 US\$000
Interest receivable	3	1,687	421
Profit on ordinary activities before taxation		<u>1,687</u>	<u>421</u>
Tax on profit on ordinary activities	4	-	-
Retained profit for the financial year	8	<u><u>1,687</u></u>	<u><u>421</u></u>

There were no recognised gains or losses other than the profit for the financial year and consequently no statement of total recognised gains and losses has been prepared.

Balance sheet

at 31 March 2006

	Notes	2006 US\$000	2005 US\$000
Fixed assets			
Investments	5	822,999	822,999
Current assets			
Debtors	6	51,515	49,828
Net assets		<u>874,514</u>	<u>872,827</u>
Capital and reserves			
Called up share capital	7	863,999	863,999
Profit and loss account	8	10,515	8,828
Equity shareholders' funds	8	<u>874,514</u>	<u>872,827</u>

Approved by the Board and signed on its behalf by:



N Bamford
Director

Date: 7 August 2006

Notes to the financial statements

at 31 March 2006

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company has taken advantage of the exemption from preparing group financial statements afforded by section 228 of the Companies Act 1985 because it is a wholly owned subsidiary undertaking of FKI plc, which prepares consolidated financial statements which are publicly available.

Statement of cash flows

Under the provisions of FRS 1 "Cash flow statements (Revised 1996)", the company has not prepared a statement of cash flows because its ultimate parent undertaking, FKI plc, has prepared consolidated financial statements which include the financial statements of the company and which contain a statement of cash flows.

Investments

Investments are stated at cost less provision for impairment.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted by the balance sheet date.

Foreign currencies

The company's functional currency is the US dollar. Transactions denominated in other currencies are translated into dollars at the rate of exchange ruling on the date of the transaction. Balances denominated in other currencies are translated into dollars at the exchange rate ruling on the balance sheet date. The resulting exchange differences are included in the profit and loss account for the year.

2. Directors remuneration, staff costs and audit fee

The director received no remuneration for his services to the company during the year (2005: £nil). The emolument of N Bamford has been borne by FKI plc, the ultimate parent undertaking. The director of the company is also director of a number of the companies within the FKI group. The director's services to the company do not occupy a significant amount of his time. As such, the director does not consider that he has received any remuneration for his incidental services to the company for the year ended 31 March 2006 and 31 March 2005.

There were no staff employed other than directors (2005: none).

The audit fee in 2005 and 2006 was borne by the parent undertaking.

3. Interest receivable

	2006 US\$000	2005 US\$000
From fellow subsidiary undertakings	1,687	421

Notes to the financial statements

at 31 March 2006

4. Tax on profit on ordinary activities

	2006	2005
	£000	£000

Corporation tax

- -

The tax assessed for the year is lower than the standard rate of corporation tax in the UK as explained below:

	2006	2005
	US\$000	US\$000
Profit on ordinary activities before taxation	1,687	421
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 : 30%)	506	126
Effects of: Group relief from parent for nil consideration	(506)	(126)
Current tax charge for the year	-	-

5. Fixed asset investments

Investment in subsidiary undertakings

	2006
	US\$000
Cost and net book value: At 1 April 2005 and 31 March 2006	822,999

Details of the subsidiaries, both of which are directly held at 31 March 2006 are as follows:

<i>Name of company</i>	<i>Class of shares</i>	<i>Country of registration</i>	<i>Proportion of voting rights and share held</i>	<i>Nature of business</i>
Hamsard 2364 Limited	Ordinary	England and Wales	100%	Non-trading
Hamsard 2386 Limited	Ordinary	England and Wales	100%	Non-trading

Notes to the financial statements

at 31 March 2006

6. Debtors

	2006 US\$000	2005 US\$000
Amounts owed by fellow group undertakings	51,515	49,828

7. Share capital

	2006 US\$000	2005 US\$000
<i>Authorised</i>		
1,500,000,000 Ordinary shares of US\$1 each	1,500,000	1,500,000
	2006 US\$000	2005 US\$000
<i>Allotted, called up and fully paid</i>		
863,998,585 Ordinary shares of US\$1 each	863,999	863,999

8. Reconciliation of shareholders' funds and movement on reserves

	<i>Share Capital</i> US\$000	<i>Profit and loss account</i> US\$000	<i>Total</i> US\$000
At 1 April 2005	863,999	8,828	872,827
Retained profit for the financial year	-	1,687	1,687
At 31 March 2006	863,999	10,515	874,514

9. Contingent liabilities

As part of a group debt arrangement the company has entered into a multilateral cross guarantee in respect of group borrowings.

10. Related party transactions

The company is a wholly owned subsidiary of FKI plc, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the FKI group.

11. Ultimate parent undertaking

The directors regard FKI plc, a company incorporated in Great Britain and registered in England and Wales, as the company's ultimate parent undertaking and controlling party.

The only group into which the results of the company are consolidated is that headed by FKI plc. Copies of the financial statements of FKI plc are available from the Company Secretary, FKI plc, Falcon Works, PO Box 7713, Meadow Lane, Loughborough, Leicestershire, LE11 1ZF.