

Icon Polymer Holdings Limited

**Directors' report and financial
statements**

Registered number 04589136

30 September 2005



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Company information

Directors	R Gogerty M Harris
Secretary	M Harris
Auditors	KPMG LLP St Nicholas House Park Row Nottingham NG1 6FQ
Bankers	Lloyds TSB Bank plc Colmore Row Birmingham West Midlands B3 3SD
Registered office	Victoria Works Thrumpton Lane Retford Nottinghamshire DN22 6HH
Registered number	04589136

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 September 2005.

Principal activity

The company's principal activity during the year was that of an intermediary holding company. There were no dividends receivable for the year (2004: £6,237,000) and the directors do not propose the payment of a dividend (2004: £6,237,000).

Directors and directors' interests

The directors who held office during the year and their interests in the share capital of the company were as follows:

A Sunter – resigned 12 March 2005

R Gogerty

M Harris – appointed 12 March 2005

None of the directors who held office at the end of the financial year had any disclosable interests in the shares of the company. The directors' interests in the shares of the ultimate parent undertaking, Icon Polymer Group Limited, are shown in the directors' report of that company.

Auditors

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



M Harris
Secretary

Registered office:

Victoria Works
Thrumpton Lane
Retford
Nottinghamshire
DN22 6HH

Dated: 25 April 2006

Statement of directors' responsibilities

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.



KPMG LLP

St Nicholas House
Park Row
Nottingham
NG1 6FQ
United Kingdom

Independent auditors' report to the members of Icon Polymer Holdings Limited

We have audited the financial statements on pages 5 to 8.

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 preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of audit opinion

We conducted our audit in accordance with 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 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 of the state of the company's affairs as at 30 September 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

*Chartered Accountants
Registered Auditor*

Dated: *25 April, 2006*

Profit and loss account
for the year ended 30 September 2005

	<i>Note</i>	2005 £000	2004 £000
Income from shares in group undertakings		-	6,237
Profit on ordinary activities before and after taxation		-	6,237
Dividends	2	-	(6,237)
Retained profit for the year		-	-

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account.

In both the current and preceding year, the company had no discontinued operations.

Balance sheet
as at 30 September 2005

	Note	2005 £000	2004 £000
Fixed assets			
Investments	3	6,777	6,777
Current assets			
Debtors	4	-	6,237
Creditors: amounts falling due within one year	5	(6,777)	(13,014)
Net current liabilities		(6,777)	(6,777)
Net assets		-	-
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account		-	-
Equity shareholders' funds		-	-

These financial statements were approved by the board of directors on . . . 25 April 2006 . . . and were signed on its behalf by:



R Gogerty
Director



M Harris
Director

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 company's financial statements.

Basis of preparation

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

Consolidated financial statements

In accordance with section 228(1) of the Companies Act 1985, the company has not prepared consolidated financial statements as it is a wholly owned subsidiary undertaking of a larger group for which consolidated financial statements are prepared.

Cash flow statement

Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

Investments

Investments are stated at cost less amounts provided for impairment.

2 Dividends

	2005 £000	2004 £000
Ordinary dividends proposed	-	6,237

3 Investments

Cost:

At 30 September 2005 and 30 September 2004

£000

6,777

Details of investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding and type of shares	Proportion of voting rights and shares held	Nature of business
<i>Subsidiary undertakings</i>			
Icon Polymer (UK) Limited	Ordinary	100% direct	Holding company
	Preferred	100% direct	
Icon Warne Holdings Limited	Ordinary	100% indirect	Holding company
Icon Polymer Limited	Ordinary	100% indirect	Property holding and fixed asset hire
Icon Northern Rubber Limited	Ordinary	100% indirect	Rubber products manufacturer
NRC Pension Company Limited	Ordinary	100% indirect	Trustee for Northern Rubber Pension Scheme
Icon Warne Limited	Ordinary	100% indirect	Rubber products manufacturer
	Preference	100% indirect	

Notes *(continued)*

4 Debtors

	2005 £000	2004 £000
Amounts due from group undertakings	-	6,237

5 Creditors: amounts falling due within one year

	2005 £000	2004 £000
Amounts due to group undertakings	6,777	13,014

6 Called up share capital

	2005 £000	2004 £000
<i>Authorised, allotted, called up and fully paid</i> 1 ordinary share of £1	-	-

7 Related party transactions

The company has taken advantage of the exemption in FRS 8 and has not disclosed transactions or balances with entities that are part of the group.

8 Contingent liabilities

The company has given a cross guarantee to HM Customs & Excise in relation to the group VAT registration, with the potential liability at 30 September 2005 being £40,000 (2004: £130,000).

There is a fixed and floating charge over various of the company's assets in respect of loans taken out by its ultimate parent undertaking, with the potential liability at 30 September 2005 being £19,345,000 (2004: £12,731,000).

9 Ultimate parent company

The company's ultimate parent undertaking and controlling party is Icon Polymer Group Limited, and copies of its financial statements can be obtained from Icon Polymer Limited, Retford, Nottinghamshire, England, DN22 6HH.