

512 3060

Silver Cross Holdings Limited

Report and Financial Statements

31 March 2006



EDX

ESP8H00K

73

COMPANIES HOUSE

310107

AUJOMMP8

A23

01/02/2007

702

COMPANIES HOUSE

THU

Silver Cross Holdings Limited

Registered No: 05123060

Directors

G.W. Halsall	
D. A. Halsall	
W. J. Lockwood	
N. J. Paxton	(appointed 2 November 2006)
P. Ackroyd	(resigned 25 October 2006)
A. F. D Coplestone	(resigned 25 October 2006)
A. J. Hales	(resigned 25 October 2006)
J.R. Hutt	(resigned 25 October 2006)
J.R. Wrenn	(resigned 25 October 2006)

Secretary

W.J. Lockwood

Auditor

Ernst & Young LLP
100 Barbirolli Square
Manchester
M2 3EY

Bankers

National Westminster Bank plc
PO Box 54
Fishergate
Preston
Lancashire
PR1 2BY

Registered Office

Eastham House
Copse Road
Fleetwood
Lancashire
FY7 7NY

Directors' Report

The directors' present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 March 2006.

Incorporation

The holding company of the Group was incorporated on 10 May 2004 as Inhoco 3079 Limited and was renamed as Silver Cross Holdings Limited on 3 June 2004.

Principal activity and business review

The company has not commenced commercial operations during the period. The loss experienced relates solely to the amortization of intangible assets held by the company, over their useful lives.

Results and dividends

The loss for the period amounted to £100,000 (2005: £100,000, as restated). The directors do not recommend the payment of a dividend.

Directors and their interests

The directors who served during the period are shown on page 1. Their interests in the ordinary shares of the company, are as shown below:

	2006	2005
A Ordinary shares of £1 each:		
D. A Halsall	550	550
B Ordinary shares of £1 each:		
G. W Halsall	450	450

Auditor

Ernst & Young LLP will not continue as the company's auditor. A new auditor will be put to the forthcoming Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

By order of the board



W. J. Lockwood
Secretary

Date:

29th January 2007

Statement of Directors' Responsibilities in Respect of the Accounts

The directors are responsible for preparing the financial statements in accordance with applicable 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 the group and of the profit or loss of the group 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 group and 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 Silver Cross Holdings Limited (continued)

We have audited the company's financial statements for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, and the related notes 1 to 12. 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 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.

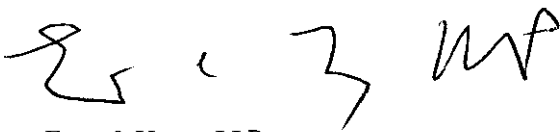
Independent auditors' report

to the members of Silver Cross Holdings 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 loss 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
Registered auditor
Manchester

Date: 31/1/07

Profit and Loss Account

for the year ended 31 March 2006

	<i>Notes</i>	<i>2006</i> <i>£000</i>	<i>2005</i> <i>£000</i> <i>Restated</i> <i>(Note 10)</i>
Turnover	1,	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Other net operating expenses		(100)	(100)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(100)	(100)
Tax on loss on ordinary activities	3	-	-
		<hr/>	<hr/>
Loss for the financial year/period	9	(100)	(100)
		<hr/>	<hr/>

The accompanying notes are an integral part of this consolidated profit and loss account.

Statement of Total Recognised Gains and Losses

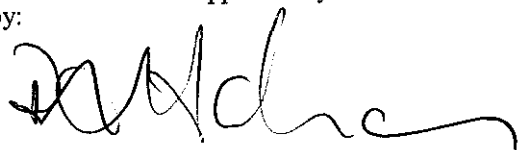
There are no recognised gains and losses for either the year ended the 31 March 2006 or the period ended 31 March 2005 other than the result as shown by the above profit and loss account.

Company Balance Sheet

at 31 March 2006

	Notes	2006 £000	2005 £000 <i>Restated</i> (Note 10)
Fixed assets			
Intangible Assets	4	300	400
Investments	5	53	53
		<u>353</u>	<u>453</u>
Current assets			
Debtors	6	1	1
Creditors: amounts falling due within one year	7	(553)	(553)
Net current (liabilities)		<u>(552)</u>	<u>(552)</u>
Total assets less current liabilities		<u>(199)</u>	<u>(99)</u>
Net liabilities		<u>(199)</u>	<u>(99)</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account		(200)	(100)
Equity shareholders' liabilities	9	<u>(199)</u>	<u>(99)</u>

The accounts were approved by the board of directors on
by:



D.A. Halsall
Director

29th January 2007

and signed on its behalf

Notes to the Financial Statements

at 31 March 2006

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently through the period is set out below.

Basis of accounting

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

Going Concern

The accounts are prepared on a going concern basis, as in the opinion of the directors the company will continue trading for a period of not less than one year from the balance sheet date.

Intangible fixed assets

Intellectual property is stated at cost and is written off over its expected useful economic lives or over the period of five years, whichever is the shorter. The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investments in subsidiary companies

Investments in subsidiary companies are recorded at cost, which includes incidental costs of acquisition, less any provisions for permanent diminution in value.

Consolidation

The company has prepared accounts under the small company provisions of Part VII of the Companies' Act 1985. The company is therefore exempt from the requirement to produce consolidated accounts. As such, the accounts presented herein relate to the performance of the company and not of the group.

Cash flow statement

The company has prepared accounts under the small company provisions of Part VII of the Companies' Act 1985. The company is therefore exempt from the requirement to produce a cash flow statement.

Notes to the Financial Statements

at 31 March 2006

1. Accounting policies (continued)

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation of fixed assets and gains on disposals of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency

Transactions denominated in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward exchange contract. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rate of exchange prevailing at the year end (or, where appropriate, at the forward contract rate). Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the year and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets are dealt with through reserves. All other exchange differences are included in the profit and loss account.

1. Accounting policies (continued)

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are spread on a straight line basis over the lease term, or, if shorter than the full lease term, over the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate.

Turnover

Turnover comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services in the normal course of business.

2. Staff costs

Directors' remuneration

The total amounts of directors' remuneration and other benefits were £nil.

3. Tax on loss on ordinary activities

a) Factors affecting the tax charge

The tax assessed on the loss on ordinary activities for the period is different to the standard rate of UK corporation tax (30%). The differences are explained below:

	2006 £000	2005 £000
Loss on ordinary activities before tax	(100)	(100)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005: 30%)	(33)	(33)
Effect of:		
Disallowed expenses	33	33
	-	-

4. Intangible Assets (as restated)

	<i>Intellectual Property</i>
Cost:	
At 1 April 2005	500
Additions	-
At 31 March 2006	500
Amortisation:	
At 1 April 2005	100
Provided during the period	100
	200
Net book value at 31 March 2006	300
Net book value at 31 March 2005	400

5. Fixed asset investments

	<i>£000</i>
Investments	53

Subsidiary undertakings

The parent company and the group has an investment in the following significant subsidiary undertaking. The principal activity of Silver Cross (UK) Limited is the manufacture of prams and related nursery products.

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Proportion of ordinary share capital held by the company</i>
Silver Cross Limited	Great Britain	100%

The aggregate share capital and reserves and profit after taxation of the significant subsidiary are:

	<i>(Loss) after taxation 2006</i>	<i>Share capital and reserves 2006</i>	<i>Restated (Loss) after taxation 2005</i>	<i>Restated Share capital and reserves 2005</i>
Silver Cross Limited	(48)	(235)	(240)	(187)

6. Debtors

	2005 £000	2005 £000
Amounts falling due within one year:		
Amount owed for Share Capital	1	1
	<u>1</u>	<u>1</u>

7. Creditors: amounts falling due within one year (as restated)

	2006 £000	2005 £000
Other creditors - related party	500	500
Other creditors:		
- For investments	53	53
	<u>553</u>	<u>553</u>

8. Called up share capital

	2006	2005
<i>Authorised</i>		
A ordinary shares of £1 each	550	550
B ordinary shares of £1 each	450	450
	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
A ordinary shares of £1 each	550	550
B ordinary shares of £1 each	450	450
	<u>1,000</u>	<u>1,000</u>

9. Reconciliation of Shareholders Funds and Movement on Reserves (as restated)

	Share Capital £000	Profit and loss account £000	Total £000
At 1 April 2005	1	(100)	(99)
(Loss) for the year		(100)	(100)
At 31 March 2006	<u>1</u>	<u>(200)</u>	<u>(199)</u>

10. Prior Period Adjustment

In the prior period the intellectual property purchased from David Halsall Hong Kong Limited relating to Silver Cross (UK) Limited was shown in the accounts to be owned by Silver Cross (UK) Limited . In accordance with the terms of the sale and purchase agreement, these assets were to be held by Silver Cross Holdings Limited. The prior period figures have been restated in order to reflect the true ownership of the intellectual property. In addition, the charge in the Profit and Loss Account in the prior period has been adjusted to reflect the amortisation charge.

11. Related party transactions

The company has not entered into any related party transactions in the year.

12. Ultimate controlling party

In the opinion of the directors the ultimate controlling party is D A Halsall, a director.

30 JAN 2007		TIME
NOVE		AMT
30 JAN 2007		
30 JAN 2007		
30 JAN 2007		