

**BLADEPLACE LIMITED**  
**(formerly Ideal Stelrad Group Limited)**  
**(Registered Number 5419451)**

**REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2008**

TUESDAY



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COMPANIES HOUSE

# BLADEPLACE LIMITED

## **DIRECTORS**

R A Connell  
T T Harvey  
G J Letham

## **SECRETARY**

A D Briggs

## **AUDITORS**

Ernst & Young LLP  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JD

## **BANKERS**

HSBC Plc  
110 Grey Street  
Newcastle upon Tyne  
NE1 6JG

## **SOLICITORS**

Dickinson Dees  
St. Ann's Wharf  
112 Quayside  
Newcastle upon Tyne  
NE99 1SB

## **REGISTERED OFFICE**

69-75 Side  
Newcastle upon Tyne  
NE1 3JE

# BLADEPLACE LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their annual report together with the audited financial statements for the year ended 31 December 2008.

### RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £70,139,000 (2007 restated: loss £9,730,000). No interim dividend has been paid and the directors do not recommend the payment of a final dividend (2007: £nil).

### PRINCIPAL ACTIVITY

The company changed its name to Bladeplace Limited on 23 October 2009.

The company was a management and services supplier to other fellow group undertakings.

Up until August 2009, Bladeplace Limited was part of the Ideal Stelrad group of companies.

On 7 August 2009, the Ideal Stelrad Group renegotiated its bank facilities significantly reducing the debt and interest costs of the Group.

As part of this process, the Group's ultimate holding company, ISG Holdings Ltd (now renamed Bangleflame Ltd) and three subsidiary undertakings (including Bladeplace Ltd) disposed of their investments in Ideal Stelrad Group operating companies and left the Group. It is the Directors' intention, with this company serving no further purpose and having been forgiven all inter-company indebtedness, for the company to be put into solvent liquidation to complete the restructuring of the Group. For this reason alone, the financial statements have not been prepared on the going concern basis.

The new ultimate holding company of the Ideal Stelrad Group is ISG Holdings 1 Ltd.

### DIRECTORS

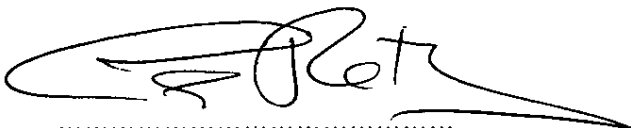
The composition of the Board of Directors during the year, and to the date of this report, was as follows:

T T Harvey  
R A Connell  
G J Letham

### DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving the reports is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

By order of the Board



G J Letham  
Director

Date 23 October 2009

# BLADEPLACE LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 that 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Independent auditors' report to the members of Bladeplace Limited (formerly Ideal Stelrad Group Limited)**

We have audited the company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein. As explained in note 1, the accounts have not been prepared on a going concern basis.

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 financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we 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.

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.

**Independent auditors' report to the members of Bladeplace Limited (formerly Ideal  
Stelrad Group Limited)**

**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 December 2008 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  
Newcastle upon Tyne

Date

23 October 2009.

# BLADEPLACE LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £'000	2007 <i>restated</i> £'000
Exceptional operating cost	3	(76,875)	-
<b>Operating loss</b>		<u>(76,875)</u>	<u>-</u>
Interest receivable	4	-	254
Exceptional interest credit	4	17,936	-
Interest payable	5	(11,304)	(9,712)
<b>Loss on ordinary activities before taxation</b>		<u>(70,243)</u>	<u>(9,458)</u>
Tax credit/(charge) on loss on ordinary activities	6	104	(272)
<b>Loss for the year</b>	11	<u>(70,139)</u>	<u>(9,730)</u>

There are no recognised gains or losses in the year other than those included above, accordingly a statement of total recognised gains and losses has not been prepared.

# BLADEPLACE LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	2008 £'000	2007 restated £'000
<b>Fixed assets</b>			
Investments	7	-	76,875
		<hr/>	<hr/>
		-	76,875
<b>Current assets</b>		<hr/>	<hr/>
<b>Debtors:</b> amounts falling due after one year	8	3,005	1,057
		<hr/>	<hr/>
		3,005	1,057
<b>Creditors:</b> amounts falling due within one year	9	(91,106)	(260)
		<hr/>	<hr/>
<b>Net current (liabilities) / assets</b>		(88,101)	797
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		(88,101)	77,672
<b>Creditors:</b> amounts falling due after more than one year	9	-	(95,634)
		<hr/>	<hr/>
<b>Net liabilities</b>		(88,101)	(17,962)
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	40	40
Share premium account	11	3,934	3,934
Profit and Loss account	11	(92,075)	(21,936)
		<hr/>	<hr/>
<b>Equity shareholders' deficit</b>		(88,101)	(17,962)
		<hr/>	<hr/>



G J Letham  
Director

Date 23 October 2009



# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. 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

As explained in the Directors' Report, the accounts have not been prepared on a going concern basis. The net assets of the Company are reported at their net realisable value.

Consolidated financial statements have not been prepared as the company is exempt because its financial statements are included in the group financial statements of Bangleflame Limited (formerly ISG Holdings Limited), incorporated in England and Wales. These financial statements therefore present information about the individual company and not about its group.

#### Prior year adjustment

The Group multi-employer pension scheme contains a defined benefit element. In prior years, management have considered it impractical to allocate assets and liabilities relating to the defined benefit element of the scheme to individual group companies. In the current year, the scheme actuaries have proposed a basis for allocating the assets and liabilities of the scheme to the individual member companies which management consider to be reasonable and which can be applied consistently. Applying this basis, the company has now recognised its share of assets and liabilities in the scheme and have restated the prior year comparatives to reflect this change.

The impact of this change is to increase net assets in the prior year by £705,000 and to decrease profit after taxation by £65,000. In the current year profit after taxation has been decreased by £174,000.

#### Investments

Investments are carried at cost less provision for impairment.

#### Deferred taxation

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 that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods. Deferred taxation is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date. No discounting is applied to reflect the time value of money.

# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. DIRECTORS' EMOLUMENTS

The company has no employees other than the directors. The directors are paid by a fellow subsidiary in respect of services to the group and are not recharged. These emoluments are disclosed in the financial statements of the ultimate parent undertaking, Bangleflame Limited (formerly ISG Holdings Limited).

### 3. OPERATING LOSS AFTER EXCEPTIONAL ITEMS

	2008 £'000	2007 £'000
Provision for impairment in value of investment in subsidiary companies (note 7)	76,875	-
	<hr/>	<hr/>

### 4. INTEREST RECEIVABLE

	2008 £'000	2007 restated £'000
Other interest	-	254
Exceptional interest credit (note 9)	17,936	-
	<hr/>	<hr/>
	17,936	254
	<hr/>	<hr/>

### 5. INTEREST PAYABLE

	2008 £'000	2007 restated £'000
Debt component of preference shares	(10,839)	(9,712)
Other interest	(465)	-
	<hr/>	<hr/>
	(11,304)	(9,712)
	<hr/>	<hr/>

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2008 £'000	2007 £'000
<b>A. Analysis of (credit)/charge in the year</b>		
Current Tax		
Current year group relief	(104)	84
Adjustment in respect of previous periods	-	188
	<hr/>	<hr/>
Tax (credit)/charge on loss on ordinary activities	(104)	272
	<hr/>	<hr/>

# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

#### B. Factors affecting tax (charge)/credit for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 28.5% (2008: 30%). The differences are explained below:

	2008 £'000	2007 <i>restated</i> £'000
Loss on ordinary activities before tax	(70,243)	(9,458)
Loss on ordinary activities at standard rate of corporation tax in the UK of 28.5% (2007: 30%)	(20,019)	(2,837)
Effects of:		
Distributions to holders of equity instruments	3,089	2,914
Adjustment in respect of previous year	-	188
Effect of prior year restatements	29	-
Losses arising in year not recoverable against current tax	16,797	-
Short term timing differences	-	7
Current tax (credit)/charge for the year	(104)	272

### 7. INVESTMENTS

	2008 £'000
Investment in subsidiary companies:	
Cost as at 1 January 2008 and 31 December 2008	76,875
Impairment in value of investment	(76,875)
Net Book Value as at 31 December 2008	-

As part of the post year-end financial restructuring of the group as detailed in the Directors Report, ownership of the operating subsidiaries was transferred to a new holding company for a notional consideration. An impairment of the carrying value of these investments has been required to record them at the post year-end net realised value.

# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. INVESTMENTS (Continued)

Details of the investments in which the group or the company holds 20% or more of the nominal value of any class of share capital as at 31 December 2008, excluding dormant companies, are as follows:

#### Subsidiary undertakings

<i>Name of company * held by subsidiary companies</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion of voting rights held</i>	<i>Nature of business</i>
Bladepark Limited	United Kingdom	Ordinary	100%	Holding Company
*Corkgrove Limited	United Kingdom	Ordinary	100%	Holding Company
*Bandwood Limited	United Kingdom	Ordinary	100%	Holding Company
*Caradon Radiators Holdings Limited	United Kingdom	Ordinary	100%	Holding Company
*Caradon Boilers Holdings Limited	United Kingdom	Ordinary	100%	Holding Company
*Caradon Radiators Bidco 2 Limited	United Kingdom	Ordinary	100%	Holding Company
*Caradon Boilers Bidco 3 Limited	United Kingdom	Ordinary	100%	Holding Company
*Ideal Stelrad Limited	United Kingdom	Ordinary	100%	Management and Services Supplier
*Ideal Boilers Limited	United Kingdom	Ordinary	100%	Boilers
*Stelrad Limited	United Kingdom	Ordinary	100%	Radiators
*Caradon Rymax Polska sp zoo	Poland	Ordinary	100%	Radiators
*Caradon Stelrad B.V.	Holland	Ordinary	100%	Radiators
*Hendrickx Radiatoren NV	Belgium	Ordinary	100%	Radiators
*Termo Teknik Ticaret ve Sanayi A.S.	Turkey	Ordinary	100%	Radiators
*Caradon Stelrad GmbH	Germany	Ordinary	100%	Radiators
*Henrad GmbH	Germany	Ordinary	100%	Radiators
*Caradon Stelrad Radiatoren Vertriebs GmbH	Austria	Ordinary	100%	Radiators
*Caradon Heating CZ sro	Czech Republic	Ordinary	100%	Radiators
*Keston Holdings Limited	United Kingdom	Ordinary	100%	Holding Company
*Keston Boilers Limited	UK	Ordinary	100%	Boilers
*Keston Boilers Sales Limited	UK	Ordinary	100%	Agency Company
*Celsius 2000 SRL	Romania	Ordinary	100%	Boilers
<b>Joint Ventures</b>				
Warmsure Limited	UK	Ordinary	50%	Boilers Servicing

# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 8. DEBTORS

	2008	2007 <i>restated</i>
	£'000	£'000
Amounts falling due after more than one year:		
Amounts owed by fellow subsidiary company	3,005	1,057
	<u>          </u>	<u>          </u>

### 9. CREDITORS

	2008	2007
	£'000	£'000
Amounts falling due within one year:		
Accruals and deferred income	2,569	-
Corporation tax	-	260
Preference shares	88,537	-
	<u>91,106</u>	<u>260</u>
Amounts falling due after more than one year:		
Preference shares	-	95,634
	<u>          </u>	<u>          </u>

The preference shareholders have the right to receive a fixed cumulative dividend at a yearly rate of 11%, compounded every six months. The preference shares do not confer any further right of participation in the profits or assets of the company.

The preference shares were redeemable at par by the holder in the event of either a sale, or change in ownership of the company, if the preference dividend is not paid in full or in the event of the winding up of the company. The preference shares were redeemable by the company at any time.

The cumulative dividend due to the holder of the preference shares, Bangleflame Limited (formerly ISG Holdings Limited) that has accrued since Bangleflame Limited became the immediate parent of the company, was forgiven as at the year end date. The cumulative interest previously accrued has been credited to the Profit and Loss account.

These preference shares will be cancelled for no consideration following the Group restructuring and therefore have been reclassified as current liabilities.

# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. SHARE CAPITAL

	2008 No.	2008 £'000	2007 No.	2007 £'000
Authorised:				
Ordinary 'A' shares of £0.01 each	1,000,000	10,000	1,000,000	10,000
Ordinary 'B' shares of £0.01 each	4,500,000	45,000	4,500,000	45,000
		<u>55,000</u>		<u>55,000</u>
	2008 No.	2008 £'000	2007 No.	2007 £'000
Allotted, issued and fully paid:				
Ordinary 'A' shares of £0.01 each	894,188	9	894,188	9
Ordinary 'B' shares of £0.01 each	3,079,880	31	3,079,880	31
		<u>40</u>		<u>40</u>

There is no difference between the 'A' and 'B' shares in relation to dividends and voting rights. The shares are treated as a single class in the event of a winding up.

### 11. RECONCILIATION OF SHAREHOLDERS' DEFICIT AND MOVEMENTS ON RESERVES

	Share capital £'000	Share premium account £'000	Profit & loss account £'000	Total shareholders' deficit £'000
At 1 January 2007	40	3,934	(14,690)	(10,716)
Prior year adjustment	-	-	2,484	2,484
At 1 January 2007 restated	<u>40</u>	<u>3,934</u>	<u>(12,206)</u>	<u>(8,232)</u>
Loss for the year	-	-	(9,730)	(9,730)
At 1 January 2008	<u>40</u>	<u>3,934</u>	<u>(21,936)</u>	<u>(17,962)</u>
Loss for the year	-	-	(70,139)	(70,139)
At 31 December 2008	<u>40</u>	<u>3,934</u>	<u>(92,075)</u>	<u>(88,101)</u>

# BLADEPLACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 12. CONTINGENT LIABILITIES

Under an unlimited multilateral guarantee, the company as at 31 December 2008, in common with certain fellow subsidiary undertakings, has jointly and severally guaranteed the obligations falling due under one of the group's net overdraft facilities and the senior and mezzanine debt. Following the post year end renegotiation of the group's banking facilities as detailed in the Directors Report the company is no longer part of this guarantee arrangement.

### 13. CASH FLOW STATEMENT

A consolidated cash flow statement has been included in the financial statements of the parent company which include the financial statements of Bladeplace Limited. Accordingly, as permitted by FRS1, no cash flow statement is presented with these financial statements.

### 14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS8 Related Party Disclosures, not to disclose related party transactions with other group undertakings.

### 15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking and ultimate parent undertaking of the group of undertakings for which group financial statements have drawn up as at 31 December 2008 which include the financial statements of the company is Bangleflame Limited (formerly ISG Holdings Limited), a company registered in England and Wales.

Copies of Bangleflame Limited's financial statements can be obtained from Companies House, Cardiff.