

# COMPANIES HOUSE COPY

## **CB Holdings Limited**

Report and Financial Statements

Year Ended

31 December 2008

Company Number 06003418

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COMPANIES HOUSE

# **CB Holdings Limited**

## **Report and financial statements for the year ended 31 December 2008**

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### **Directors**

T J Murch  
J D Evans  
Hamsard 3008 Limited

### **Secretary and registered office**

A J Mason, Whitehall Road, Tipton, West Midlands, DY4 7JU

### **Company number**

06003418

### **Auditors**

BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

# **CB Holdings Limited**

## **Report of the directors for the year ended 31 December 2008**

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

### **Results**

The profit and loss account is set out on page 5 and shows the profit for the year.

The directors do not recommend the payment of a dividend.

### **Principal activities**

The company's principal activity is that of a holding company. The principal activity of the subsidiary companies is that of the manufacture and distribution of plumbing and heating fittings for domestic, commercial and industrial application.

### **Directors**

The directors of the company during the year were:

Dr F Maassen (resigned 28 April 2008)  
T J Murch  
J D Evans  
Hamsard 3008 Limited

### **Directors' responsibilities**

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 year. 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.

# CB Holdings Limited

## Report of the directors for the year ended 31 December 2008 (*continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

This directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

### On behalf of the board

J D Evans

Director



Date: 11 January 2010

# CB Holdings Limited

## Independent auditor's report

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### To the shareholder of CB Holdings Limited

We have audited the financial statements of CB Holdings Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### *Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom 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 have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those 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.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *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 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.

# CB Holdings Limited

## Independent auditor's report (*continued*)

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### *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 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.

*BDO LLS*

**BDO LLP**

*Chartered Accountants  
and Registered Auditors*  
Birmingham  
United Kingdom

Date: *11 January 2010*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# CB Holdings Limited

## Profit and loss account for the year ended 31 December 2008

	Note	Year ended 31 December 2008 £'000	14 months ended 31 December 2007 £'000
Administrative expenses - excluding exceptional item		-	-
Exceptional item	2	(547)	8,725
Administrative expenses		<u>(547)</u>	<u>8,725</u>
<b>Profit/(loss) on ordinary activities before and after taxation for the financial year</b>		<b><u>547</u></b>	<b><u>(8,725)</u></b>

All amounts relate to continuing activities.

All recognised gains and losses in the current year and prior period are included in the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.

# CB Holdings Limited

## Balance sheet at 31 December 2008

Company number 06003418

	Note	31 December 2008 £'000	31 December 2007 £'000
<b>Fixed assets</b>			
Fixed asset investments	6	1,860	1,860
<b>Current assets</b>			
Debtors	7	2,621	1,258
<b>Total assets</b>		<u>4,481</u>	<u>3,118</u>
<b>Creditors: amounts falling due after more than one year</b>	8	12,659	11,843
<b>Capital and reserves</b>			
Profit and loss account	10		
<b>Shareholder's deficit</b>	11	(8,178)	(8,725)
		<u>4,481</u>	<u>3,118</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board of directors and authorised for issue on 11 January 2010.

J D Evans  
Director



The notes on pages 7 to 12 form part of these financial statements.



# CB Holdings Limited

## Notes forming part of the financial statements for the year ended 31 December 2008

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

#### *Consolidated financial statements*

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Conex Banninger Limited and the company is included in consolidated financial statements.

#### *Going concern*

The company made a profit of £547,000 during the year ended 31 December 2008 but the balance sheet indicates net liabilities of £8,178,000. As the company does not trade, it is dependent, in the absence of other funding, on support from its parent company. The directors are of the opinion that this support will continue to be made available to the company. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

#### *Valuation of investments*

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value.

#### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

#### *Related party disclosures*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, 'Related party disclosures', not to disclose transactions with members or investees of the group headed by Conex Banninger Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

# CB Holdings Limited

## Notes forming part of the financial statements for the year ended 31 December 2008 (continued)

### 2 Exceptional item

In the prior year costs of £8,725,000 were incurred when a loan transferred from IBP Conex Limited to IBP Limited was written off when IBP Limited entered administration on 2 March 2007.

	Year ended 31 December 2008 £'000	14 months ended 31 December 2007 £'000
Costs relating to transfer of ownership on 2 March 2007	-	(8,725)
Foreign exchange gain on investment in La Farga (See note 7)	547	-
	<u>547</u>	<u>(8,725)</u>

### 3 Directors' remuneration

No director received any emoluments during the current year (2007 - £Nil).

### 4 Operating result

The audit fee of the company is borne by a fellow group undertaking.

### 5 Taxation on profit/(loss) on ordinary activities

The tax assessed for the year/period is lower than/higher than the standard rate of corporation tax in the UK applied to profit/(loss) before tax.

	Year ended 31 December 2008 £'000	14 months ended 31 December 2007 £'000
Profit/(loss) on ordinary activities before tax	547	(8,725)
Profit/(loss) on ordinary activities at the standard rate of corporation tax in the UK of 28% (2007 - 30%)	153	(2,618)
Effect of:		
Expenses not deductible for tax purposes	-	2,618
Group relief	(153)	-
Current tax charge for the year/period	-	-

There was no recognised or unrecognised deferred tax at either period end.

# CB Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 December 2008 (continued)

## 6 Fixed asset investments

	Shares in group undertakings and participating interests £'000
<i>Cost or valuation</i>	
At 1 January 2008 and 31 December 2008	<b>1,860</b>

*Subsidiary undertakings, associated undertakings and other investments*

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Class of share capital held	Proportion of share capital held	Nature of business
IBP Conex Limited*	Ordinary	100%	Plumbing fittings
Isartor Holding Dreissigste GmbH*	Ordinary	100%	Holding company
IBP GmbH**	Ordinary	100%	Plumbing fittings
IBP Atcosa SL*	Ordinary	100%	Plumbing fittings
IBP Italia SRL*	Ordinary	100%	Plumbing fittings
IBP Instal fittings SP zoo*	Ordinary	100%	Plumbing fittings

\* Direct subsidiary.

\*\* Indirect subsidiary.

## 7 Debtors

	31 December 2008 £'000	31 December 2007 £'000
Amounts owed by group undertakings	<b>816</b>	-
La Farga Tub S.L.	<b>1,805</b>	1,258
	<b>2,621</b>	1,258

All amounts shown under debtors fall due for payment within one year.

On 1st February 2007, CB Holdings Limited purchased from IBP Limited a put option representing 14% of the ordinary share capital of La Farga Tub S.L., whereby the option holder has the option to purchase the investment held by CB Holdings Limited within three years and six months of the agreement date at an agreed price and, if this option is not exercised, CB Holdings Limited has the right to force this purchase after that period has expired.

# CB Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 December 2008 (continued)

## 8 Creditors: amounts falling due after more than one year

	31 December 2008 £'000	31 December 2007 £'000
Amounts owed to group undertakings	12,659	11,843

Certain of the company's parent and fellow subsidiary undertakings have committed not to demand repayment of the balances due to them by the company until the company's resources permit. Thus, these balances have been classified as due after one year.

Loans owed to group undertakings are unsecured and have no fixed repayment terms.

## 9 Share capital

	31 December 2008 £'000	Authorised 31 December 2007 £'000	Allotted, called up and fully paid 31 December 2008 £'000	31 December 2007 £'000
1 Ordinary share of £1 each	1	1	-	-

## 10 Reserves

	Profit and loss account £'000
At 1 January 2008	(8,725)
Profit for the year	547
At 31 December 2008	(8,178)

## 11 Reconciliation of movements in shareholder's deficit

	31 December 2008 £'000	31 December 2007 £'000
Profit/(loss) for the year/period	547	(8,725)
Opening shareholder's deficit	(8,725)	-
Closing shareholder's deficit	(8,178)	(8,725)

# CB Holdings Limited

## Notes forming part of the financial statements for the year ended 31 December 2008 (continued)

### 12 Contingent liabilities

At 31 December 2008 the company was party to a debt facility with Landsbanki Commercial Finance, ("the facility") whereby each group company within the facility guarantees the debt of other group companies within the facility. The guarantee is supported by charges on property, assets and undertakings. At 31 December 2008 the company was indebted to Landsbanki Commercial Finance for £nil (2007 - £nil), and all group companies within the facility had a total debt due of £36,921,000 (2007 - £24,502,000).

At 31 December 2008 the company was also party to loan note agreements whereby it guaranteed the combined debts of Europower Group Limited, EP Holdco Limited and Copper II IPR Limited owing to Endless and Hamsard 3008 Limited ("Hamsard"). Europower Group Limited, EP Holdco Limited, Copper II IPR Limited and Hamsard are all owned by Pearl Fittings Holdings S.a.r.l. ("Pearl") an intermediate parent undertaking of CB Holdings Limited. Pearl also owns all of the share capital of Copper Topco Limited - which owns the company through its ownership of the Conex Banninger Group. Pearl is in turn owned by Sun Capital Partners IV, LP ("Sun").

At 31 December 2008 the following balances were due;

	Amount owed to Hamsard 3008 Limited 2008 £'000	Amount owed to Hamsard 3008 Limited 2007 £'000	Amount owed to Endless LLP 2008 £'000	Amount owed to Endless LLP 2007 £'000
EP Holdco Limited	1,187	1,085	294	267
Europower Group Limited	7,369	6,739	1,823	1,658
Copper II IPR Limited	1,361	1,244	337	306
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

At 31 December 2008 Hamsard had a liability to Pearl which is equivalent to the total amount shown above.

As at the date of approval of these accounts, Europower Group Limited and EP Holdco Limited have gone into administration. The director's therefore consider that the companies noted above will not be able to make the required loan repayments to Hamsard and Endless. On this basis the guarantee offered by the Conex Banninger group is likely to be called at some time in the future to cover the amounts payable to Pearl (and then to Sun). These amounts have now been included in the liabilities of Conex Banninger Limited as at 31 December 2008.

In accordance with the terms of the guarantee the directors consider that the directors of Endless and Hamsard will be unable to request any payment of the amounts due to them until the group has financial headroom within its Landsbanki facility of at least £5m. This is not expected to occur within twelve months of the date of approval of these accounts.

### 13 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with members of the group headed by Conex Banninger Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

# **CB Holdings Limited**

**Notes forming part of the financial statements  
for the year ended 31 December 2008 (*continued*)**

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## **14 Ultimate parent company and parent undertaking of larger group**

The company is a wholly owned subsidiary of Conex Banninger Limited, a company incorporated in Great Britain. The ultimate parent undertaking is Sun Capital Partners IV, LP.

The largest and smallest group in which the results of the company are consolidated is that headed by Conex Banninger Limited, incorporated in Great Britain. The consolidated accounts of this company are available to the public and may be obtained from Whitehall Road, Tipton, West Midlands, DY4 7JU. No other group accounts include the results of the company.