

Company Registration No 05777067

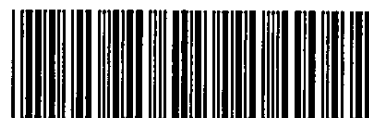
Brenntag UK Holding Limited

STATUTORY FINANCIAL STATEMENTS

for the year ended

31 December 2010

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COMPANIES HOUSE

Brenntag UK Holding Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M Gratton
S E Holland
Y Merolle
D M O'Connell
A H Van Baarlen
C M Waters

SECRETARY

M Gratton

REGISTERED OFFICE

Albion House
Rawdon Park
Green Lane
Yeadon
Leeds
LS19 7XX

BANKERS

Lloyds TSB Bank plc
PO Box 17328
11-15 Monument Street
London
EC3V 9JA

Deutschebank AG London
Winchester House
1 Great Winchester Street
London
EC2N 2DB

AUDITORS

Baker Tilly UK Audit LLP
2 Whitehall Quay
Leeds
LS1 4HG

Brenntag UK Holding Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Brenntag UK Holding Limited for the year ended 31 December 2010

PRINCIPAL ACTIVITIES

The company operates as a holding company

REVIEW OF THE BUSINESS

The trading results are summarised on page 6

RESULTS AND DIVIDENDS

An interim dividend of £5,000,000 was paid on 18 November 2010. The directors do not recommend payment of a final dividend for the year. The profit of £20,909,000 (2009 £6,542,000) has been transferred to reserves.

DIRECTORS

The directors of the company during the year and to the present date were as follows

M Gratton
S E Holland
Y Merolle
D M O'Connell
A H Van Baarlen
C M Waters

FINANCIAL INSTRUMENTS – Risk Management

Interest rate risk

Interest rate risk applying to the company's financial liabilities carrying floating interest rates has been mitigated by entering into an interest rate swap.

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision insurance is in place for the benefit of all the directors of the company.

AUDITORS

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Brenntag UK Holding Limited

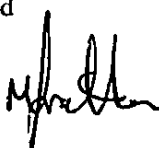
DIRECTORS' REPORT

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the board

M Gratton
Secretary



23 March 2011

Brenntag UK Holding Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 BRENNTAG UK HOLDING LIMITED

We have audited the financial statements on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Baker Tilly UK Audit LLP

Anthony Elston (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
2 Whitehall Quay
Leeds
LS1 4HG

23 March 2011

Brenntag UK Holding Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2010

	<i>Notes</i>	2010 £'000	2009 £ 000
Costs and other operating charges	3	(457)	(12)
OPERATING LOSS		(457)	(12)
Investment income	4	27,000	11,000
Interest receivable and similar income	5	3,086	1,778
Interest payable and similar charges	6	(8,720)	(6,224)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		20,909	6,542
Tax on profit on ordinary activities	7	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15	20,909	6,542

The profit on ordinary activities for the current and prior year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

Brenntag UK Holding Limited

BALANCE SHEET

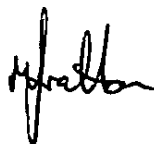
31 December 2010

Company Registration No 05777067

	Notes	2010 £'000	2009 £'000
FIXED ASSETS			
Investments	9	81,703	81,703
CURRENT ASSETS			
Debtors due after more than one year	10	66,908	36,822
Cash at bank and in hand		41	833
		66,949	37,655
CREDITORS Amounts falling due within one year	11	(40)	(33)
NET CURRENT ASSETS		66,909	37,622
TOTAL ASSETS LESS CURRENT LIABILITIES		148,612	119,325
CREDITORS Amounts falling due after more than one year	12	(109,745)	(96,367)
NET ASSETS		38,867	22,958
CAPITAL AND RESERVES			
Called up share capital	14	1	1
Share premium account	15	20,582	20,582
Profit and loss account	15	18,284	2,375
SHAREHOLDERS' FUNDS	16	38,867	22,958

The financial statements on pages 6 to 12 were approved by the board of directors and authorised for issue on 23 March 2011 and are signed on its behalf by

M Gratton
Director



Brenntag UK Holding Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

GOING CONCERN

The company has access to considerable financial resources and has rigorous procedures for identifying, quantifying and mitigating all aspects of risk relevant to the business

In light of these factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

COMPANY ACCOUNTS

The company accounts reflect the financial statements of the company for the year to 31 December 2010. The company was a wholly owned subsidiary of Brenntag AG at the year end and consequently the company is exempt from the obligation to prepare and deliver group accounts

Copies of Brenntag AG group accounts are available from their registered office, at Stinnes-Platz 1, 45472 Mulheim an der Ruhr, Germany

CASH FLOW STATEMENT

The company was a wholly owned subsidiary of Brenntag AG at the year end and the cash flows of the company are included in the consolidated group cash flow statement. Accordingly the company is exempt under the terms of FRS 1 from the requirement to publish a cash flow statement

DEFERRED TAXATION

The company has adopted FRS 19, Deferred Taxation. Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

INVESTMENTS

Investments in subsidiaries are stated in the balance sheet at cost, less any amount required to reflect any impairment in the value of shares below their cost

BORROWING COSTS

Costs directly incurred in the issue of new debt finance instruments are accounted for as a reduction in net debt and are charged to the profit and loss account as interest over the anticipated life of the instrument in accordance with FRS4, Capital Instruments

Brenntag UK Holding Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

1 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No directors received emoluments as a director of the company during the current or prior year
There were no wages and salary costs incurred during the current or prior year

2 AUDITORS' REMUNERATION

All audit costs for this company are borne by a fellow group company

3 COSTS AND OTHER OPERATING CHARGES

	2010 £'000	2009 £'000
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Other external charges	457	12
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4 INVESTMENT INCOME

	2010 £'000	2009 £'000
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Dividend receivable from subsidiary company	27,000	11,000
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5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2010 £'000	2009 £'000
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Group interest	3,086	1,778
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6 INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £'000	2009 £'000
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Group interest	3,408	1,848
Bank interest	5,312	4,376

	8,720	6,224
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Brenntag UK Holding Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

7	TAX ON PROFIT ON ORDINARY ACTIVITIES	2010 £'000	2009 £'000
	Current tax	-	-
	Deferred tax	-	-
		<u>-</u>	<u>-</u>
	Total tax on profit on ordinary activities	-	-
		<u>-</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	The tax charge in the year is lower than the standard rate of corporation tax in the UK of 28%		
	The differences are explained below		
		2010 £'000	2009 £'000
	Profit on ordinary activities before taxation	20,909	6,542
		<u>5,855</u>	<u>1,832</u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax of 28%	5,855	1,832
	Effects of		
	Investment income not subject to corporation tax	(7,560)	(3,080)
	Group relief surrendered not paid for	1,705	1,248
		<u>-</u>	<u>-</u>
	Current tax for the year	-	-
		<u>-</u>	<u>-</u>
8	DIVIDENDS	2010 £'000	2009 £'000
	Interim dividend paid of £5,000 (2009. £5,000) per ordinary share	5,000	5,000
		<u>5,000</u>	<u>5,000</u>
9	INVESTMENTS	2010 £'000	2009 £'000
	Investment in subsidiary companies	81,703	81,703
		<u>81,703</u>	<u>81,703</u>

The company owned 100% of the issued £1 ordinary share capital of the following company at the year end

	Country of Registration	Principal activities
Brenntag UK Group Limited	England & Wales	Intermediate holding company

Brenntag UK Holding Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

10	DEBTORS	2010 £'000	2009 £'000
	Amounts due after more than one year		
	Amounts due from subsidiary company	66,908	36,822
11	CREDITORS Amounts falling due within one year	2010 £'000	2009 £'000
	Other creditors	40	33
12	CREDITORS Amounts falling due after more than one year	2010 £'000	2009 £'000
	Amounts due to fellow subsidiary company	55,890	37,017
	Bank loans (note 13)	53,855	59,350
		109,745	96,367
13	BANK LOANS	2010 £'000	2009 £'000
	Due within one year	-	-
	More than one year but not more than two years	-	-
	More than two years but not more than five years	54,025	59,840
	More than five years	-	-
		54,025	59,840
	Less unamortised issue costs	(170)	(490)
		53,855	59,350

The bank loan was issued on 23 June 2006, and is repayable in full on 20 January 2014. Interest is payable on the loan at a floating rate based on LIBOR.

The borrowings are secured by a cross guarantee from fellow group companies.

Brenntag UK Holding Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

14	SHARE CAPITAL	2010 £'000	2009 £'000
	Allotted, issued and fully paid 1,000 ordinary shares of £1 each	1	1
15	RESERVES	Share premium account £'000	Profit and loss account £'000
	1 January 2010	20,582	2,375
	Profit for the year	-	20,909
	Dividends paid	-	(5,000)
	31 December 2010	20,582	18,284
16	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2010 £'000	2009 £'000
	Profit for the year	20,909	6,542
	Dividend paid	(5,000)	(5,000)
	Opening shareholders' funds	22,958	21,416
	Closing shareholders' funds	38,867	22,958
17	ULTIMATE PARENT COMPANY		
	The company's immediate parent company is Brenntag Investissements S A S which is registered in France		
	The company's ultimate parent company and controlling entity is Brachem Acquisition S C A which is incorporated in Luxembourg		
18	RELATED PARTY TRANSACTIONS		
	The company has taken advantage of the exemption granted by paragraph 3 of FRS 8 not to disclose related party transactions with other Brenntag AG group companies		
19	CONTINGENT LIABILITIES		
	The company is party to a gross composite borrowing facility for the Brenntag Group of companies of up to €1,673.2m (2009 €2,339.0m) Under this facility the company has given cross guarantees in respect of the borrowings of certain fellow group companies		