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# **FKI Penistone Road Limited**

## **Report and Financial Statements**

31 March 2006

TUESDAY



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COMPANIES HOUSE

**FKI Penistone Road Limited**

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Registered No. 238801

**Directors**

N Bamford

**Secretary**

A Ventrella

**Auditors**

Ernst & Young LLP  
Toll House Hill  
Nottingham  
NG1 5FY

**Registered Office**

Falcon Works  
P O Box 7713  
Meadow Lane  
Loughborough  
Leicestershire  
LE11 1ZF

## **Directors' report**

The director presents his report and the audited financial statements for the year ended 31 March 2006.

### **Results and dividends**

The audited financial statements for the year ended 31 March 2006 are set out on pages 7 to 11. The profit for the year after taxation amounted to £3,566,000 (2005: £nil) and has been transferred to the profit and loss account reserve.

The director does not recommend the payment of a dividend for the year.

### **Principal activities**

The company does not trade. The company was previously dormant but the settlement of an intercompany transaction in the period requires financial statements to be prepared. The company is not expected to trade in the immediate future.

### **Directors and their interests**

The director who served during the year is listed on page 1.

No director had any interests in the shares of the company at 31 March 2006.

N Bamford is also a director of the ultimate parent undertaking, and his interests in the shares of that company are disclosed in that company's financial statements.

### **Political and charitable contributions**

There were no political or charitable donations during the year (2005: nil).

### **Employment policies**

The company has no employees.

### **Suppliers' payment policy**

The company has no suppliers outside of the group.

### **Auditors**

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

## Directors' report

### Directors' liabilities

FKI plc, the ultimate parent undertaking, has indemnified the director of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in Companies Act 1985. Such qualifying third party indemnity provision was in force during the year.

### Directors' statement as to disclosure of information to auditors

The director who served at the time of approving the directors' report is listed on page 1. The director confirms that:

- to the best of his knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- he has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



N Bamford  
Director

Date: 16<sup>th</sup> January 2007

## **Statement of directors' responsibilities in respect of the financial statements**

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 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; 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.

# **Independent auditors' report**

## **to the members of FKI Penistone Road Limited**

We have audited the company's financial statements for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 11. 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 that 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 FKI Penistone Road 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 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.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Nottingham

Date: *18 January 2007*

## Profit and loss account

for the year ended 31 March 2006

|  | <i>Notes</i> | <i>2006</i><br><i>£000</i> | <i>2005</i><br><i>£000</i> |
|--|--------------|----------------------------|----------------------------|
| Other income – waiver of inter-company debt            |              | 3,566                      | –                          |
| <b>Operating profit</b>                                | 3            | 3,566                      | –                          |
| <b>Profit on ordinary activities before taxation</b>   |              | 3,566                      | –                          |
| Tax on profit on ordinary activities                   | 5            | –                          | –                          |
| <b>Profit after taxation and retained for the year</b> | 8            | 3,566                      | –                          |

All amounts relate to continuing activities.

There are no recognised gains or losses other than the profit for the financial year and consequently no Statement of Total Recognised Gains and Losses has been prepared.



**Balance sheet**

at 31 March 2006

|   | <i>Notes</i> | <i>2006</i><br><i>£000</i> | <i>2005</i><br><i>£000</i> |
|---|--------------|----------------------------|----------------------------|
| <b>Creditors: amounts falling due within one year</b> | 6            | –                          | (3,566)                    |
| <b>Net current liabilities</b>                        |              | –                          | (3,566)                    |
| <b>Net liabilities</b>                                |              | –                          | (3,566)                    |
| <b>Capital and reserves</b>                           |              |                            |                            |
| Called up share capital                               | 7            | 50                         | 50                         |
| Profit and loss account                               | 8            | (50)                       | (3,616)                    |
| <b>Equity shareholders' funds</b>                     | 9            | –                          | (3,566)                    |

Approved by the Board on and signed on its behalf by:


N Bamford  
DirectorDate: 16<sup>th</sup> January 2007

## Notes to the financial statements

at 31 March 2006

### 1. Accounting policies

#### Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards using the historical cost convention.

#### Statement of cash flows

Under the provisions of FRS 1 "Cash flow statements (Revised 1996)", the company has not prepared a cash flow statement because its ultimate parent company, FKI plc, has prepared consolidated financial statements which include the financial statements of the company and which contain a cash flow statement.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid or recovered, using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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 the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued asset and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average 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 enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 2. Segmental information

The company has not traded in the period and no segmental information is presented.

### 3. Operating profit

The operating profit is stated after charging:

|                        | 2006              | 2005              |
|------------------------|-------------------|-------------------|
|                        | £000              | £000              |
| Auditors' remuneration | —                 | —                 |
|                        | <u>          </u> | <u>          </u> |

The audit fee for the company is borne by another group company.

### 4. Directors' remuneration

The director received no remuneration for his services to the company during the year (2005: £nil).

## Notes to the financial statements

at 31 March 2006

### 5. Tax on profit on ordinary activities

|                    | 2006<br>£000 | 2005<br>£000 |
|--------------------|--------------|--------------|
| UK corporation tax | —            | —            |
|                    | <u>—</u>     | <u>—</u>     |
|                    | <u>—</u>     | <u>—</u>     |

The tax assessed for the year is lower than (2005: the same as) the standard rate of corporation tax in the UK as explained below.

|   | 2006<br>£000 | 2005<br>£000 |
|---|--------------|--------------|
| Profit on ordinary activities before tax  | 3,566        | —            |
| Taxation on ordinary activities multiplied by the<br>standard rate of corporation tax in the UK 30% (2005: 30%) | (1,070)      | —            |
| <i>Effects of:</i>  |              |              |
| Non taxable income  | 1,070        | —            |
| Current tax charge for the year   | <u>—</u>     | <u>—</u>     |

### 6. Creditors: amounts falling due within one year

|  | 2006<br>£000 | 2005<br>£000 |
|--|--------------|--------------|
| Amounts owed to fellow subsidiary undertakings | —            | 3,566        |
|  | <u>—</u>     | <u>3,566</u> |
|  | <u>—</u>     | <u>3,566</u> |

### 7. Share capital

|  | 2006<br>£000 | 2005<br>£000 |
|--|--------------|--------------|
| <i>Authorised</i>                                |              |              |
| 50,000 (2005: 50,000) Ordinary shares of £1 each | 50           | 50           |
|  | <u>50</u>    | <u>50</u>    |
|  | <u>50</u>    | <u>50</u>    |
| <i>Allotted, called up and fully paid</i>        |              |              |
| 50,000 (2005: 50,000) Ordinary shares of £1 each | 50           | 50           |
|  | <u>50</u>    | <u>50</u>    |
|  | <u>50</u>    | <u>50</u>    |

## Notes to the financial statements

at 31 March 2006

### 8. Profit and loss account

|                              | £000    |
|------------------------------|---------|
| At 31 March 2005             | (3,616) |
| Retained profit for the year | 3,566   |
|                              | <hr/>   |
| At 31 March 2006             | (50)    |
|                              | <hr/>   |

### 9. Reconciliation of movement in shareholders' funds

|                              | 2006<br>£000 | 2005<br>£000 |
|------------------------------|--------------|--------------|
| Opening shareholders' funds  | (3,566)      | (3,566)      |
| Retained profit for the year | 3,566        | —            |
|                              | <hr/>        | <hr/>        |
| Closing shareholders' funds  | —            | (3,566)      |
|                              | <hr/>        | <hr/>        |

### 10. Related party transactions

The company is exempt from the requirement of FRS 8 "Related Party Disclosures" to include details of transactions with related parties who are fellow group undertakings.

### 11. Ultimate parent undertaking

The director regards FKI plc, a company incorporated in Great Britain and registered in England and Wales, as the company's ultimate parent undertaking and controlling party.

The only group into which the results of the company are consolidated is that headed by FKI plc. Copies of these financial statements are available from the Company Secretary, Falcon Works, P O Box 7713, Meadow Lane, Loughborough, Leicestershire, LE11 1ZF.