

VINK HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



VINK HOLDINGS LIMITED

STRATEGIC REPORT

The Directors present the Strategic Report and the Directors' Report together with the audited financial statements of the Company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company during the year was that of a holding company. The results for the year ended 31 December 2015 and the financial position at the end of that period were satisfactory. Future objectives continue to be the growth and development of the business.

KEY PERFORMANCE INDICATORS

The Company considers many performance indicators, both financial and non-financial. Financial performance is considered in many ways including overall margins, working capital efficiency and return on capital.

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to some financial risks. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company.

Investment Performance Risk

The Company monitors the financial performance of its investments on an ongoing basis and has regular dialogue with the management team responsible for the operations within those investments.

Foreign Exchange Risk

The Company is exposed to foreign exchange risk, primarily with respect of European currencies, arising from recognised financial assets and liabilities and investments in foreign businesses.

TRANSITION TO FRS 102

These financial statements for the year ended 31 December 2015 are the Company's first financial statements that comply with the new financial reporting standard in the UK, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102"). The transition date is 1 January 2014. An explanation of how the transition to FRS 102 has affected the financial position is given in note 17.

By order of the Board



P G ELSEGOOD
Company Secretary

28 September 2016

VINK HOLDINGS LIMITED

DIRECTORS' REPORT

RESULTS AND DIVIDENDS

The results for the year ended 31 December 2015 are shown in the attached financial statements. The Directors do not propose the payment of a dividend (2014 - £Nil) and recommend that the profit for the financial year of £1,322,000 (2014 - £3,499,000) be transferred to reserves.

DIRECTORS

The Directors of the Company during the year and to the date of this report were as follows:

R D Goddard
D T McNair
W S Woof

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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 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.

VINK HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS AND FUTURE DEVELOPMENT

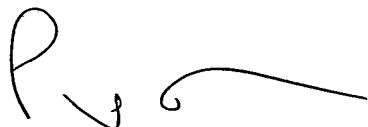
The Directors are responsible for the Company's risk management programme. The Directors identify and manage day to day risks in accordance with defined policies and procedures. Details of the financial risk management programme and the development of the business are set out in the Strategic Report.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

By order of the Board

A handwritten signature in black ink, appearing to be 'P G Elsegood', with a long horizontal flourish extending to the right.

P G ELSEGOOD
Company Secretary

28 September 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VINK HOLDINGS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, Vink Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 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.

WHAT WE HAVE AUDITED

The financial statements, included within the Annual report and financial statements (the "Annual Report") comprise:

- the balance sheet as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

ADEQUACY OF ACCOUNTING RECORDS AND INFORMATION AND EXPLANATIONS RECEIVED

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

DIRECTORS' REMUNERATION

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VINK HOLDINGS LIMITED (CONTINUED)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

OUR RESPONSIBILITIES AND THOSE OF THE DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

WHAT AN AUDIT OF FINANCIAL STATEMENTS INVOLVES

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



NICHOLAS BODEN (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

28 September 2016

VINK HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Notes</u>	<u>2015</u> £000	<u>2014</u> £000
Administrative expenses		<u>(3,083)</u>	<u>(383)</u>
OPERATING LOSS		(3,083)	(383)
Income from shares in group undertakings		4,000	3,500
Interest receivable and similar income	5	3,357	3,409
Interest payable and similar charges	6	<u>(3,291)</u>	<u>(3,422)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	983	3,104
Tax on profit on ordinary activities	7	<u>339</u>	<u>395</u>
PROFIT FOR THE FINANCIAL YEAR		1,322	3,499
Other comprehensive income		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		<u>1,322</u>	<u>3,499</u>

VINK HOLDINGS LIMITED

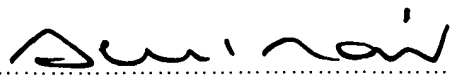
BALANCE SHEET AS AT 31 DECEMBER 2015

	<u>Notes</u>	<u>2015</u> £000	<u>2014</u> £000
FIXED ASSETS			
Investments	8	<u>68,705</u>	<u>68,482</u>
		68,705	68,482
CURRENT ASSETS			
Debtors	9	18,950	17,261
Cash at bank and in hand		<u>183</u>	<u>1,928</u>
		19,133	19,189
CREDITORS - Amounts falling due within one year	10	<u>(37)</u>	<u>(45)</u>
NET CURRENT ASSETS		19,096	19,144
TOTAL ASSETS LESS CURRENT LIABILITIES		87,801	87,626
CREDITORS - Amounts falling due after more than one year	11	<u>(77,728)</u>	<u>(78,875)</u>
NET ASSETS		<u>10,073</u>	<u>8,751</u>
CAPITAL AND RESERVES			
Called up share capital	12	3,000	3,000
Capital contribution	17	3,155	3,155
Profit and loss account		<u>3,918</u>	<u>2,596</u>
SHAREHOLDERS' FUNDS		<u>10,073</u>	<u>8,751</u>

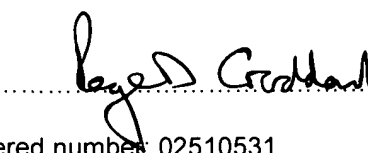
The notes on pages 9 to 20 form part of these financial statements.

The financial statements on pages 6 to 20 were approved by the Board of Directors on 28 September 2016 and were signed on its behalf by:

DIRECTORS



D T McNAIR



R D GODDARD

Company registered number: 02510531

VINK HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Called up share capital</u>	<u>Capital contribution</u>	<u>Profit and loss account</u>	<u>Total shareholders' funds</u>
	£000	£000	£000	£000
At 1 January 2014	3,000	3,155	(903)	5,252
Profit for the financial year and total comprehensive income	-	-	3,499	3,499
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	3,000	3,155	2,596	8,751
Profit for the financial year and total comprehensive income	-	-	1,322	1,322
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	<u>3,000</u>	<u>3,155</u>	<u>3,918</u>	<u>10,073</u>

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 COMPANY INFORMATION

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Edmundson House, Tatton Street, Knutsford, Cheshire WA16 6AY.

2 COMPLIANCE WITH ACCOUNTING STANDARDS

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements. An explanation of how the transition to FRS 102 has affected the Company's financial position is given in note 17.

Basis of presentation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value through the profit and loss account.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies.

Going concern

The Company meets its working capital requirements through its financial reserves and bank facilities. The Company's forecasts show that the Company will be able to operate within the level of its current resources for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Exemptions for qualifying entities under FRS 102

FRS 102 para 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

i. Statement of cash flow

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102, para 4.12(a) (iv) on the grounds that a consolidated cash flow statement is included in the financial statements of Marlowe Holdings Limited.

ii. Exemption from preparing consolidated financial statements

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of Marlowe Holdings Limited.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Exemptions for qualifying entities under FRS 102 (continued)

iii. Financial Instrument disclosures

The Company has taken advantage of the exemption from the financial instruments disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 and 12.29, as the information is provided in the consolidated financial statement disclosures of Marlowe Holdings Limited.

iv. Key management personnel compensation

The Company has taken advantage of the exemption from disclosing the Company key management personnel compensation pursuant to FRS 102 paragraph 33.7.

Investments

Investments are stated in the financial statements at cost less any provision required to reflect a diminution in value.

Taxation

Taxation for the period comprises current and deferred. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of corporation tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax

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.

Unrelieved tax losses and other deferred tax assets are only recognised when it is more likely than not they can be recovered against the reversal of deferred tax liabilities or future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and that are expected to apply to the reversal of the timing difference.

Functional and presentation currency

The Company's functional and presentation currency is the pound sterling and is rounded to thousands.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the date of transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Financial instruments

i. Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At each balance sheet date financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The extent of the reversal is such that the current carrying amount does not exceed the level the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss account.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit and loss account, except for investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably which are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt are initially recognised at transaction price unless the arrangement constitutes a financing transaction in which case the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Critical accounting estimates

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will not always equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities during the next financial year are addressed below:

i. Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debts and historical experience.

ii. Impairment of investments

The Company reviews the carrying value of its investments. When assessing the impairment of investments, management considers factors such as the profitability of the business, future revenue growth and discounted cash flow analysis.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging the following amounts:

	<u>2015</u> £000	<u>2014</u> £000
Auditors' remuneration for the statutory audit of the Company	11	11
Other fees payable to the auditors - taxation compliance services	9	14
Foreign exchange differences	251	358
Impairment against investment in subsidiary undertakings (note 8)	100	-
Impairment against amounts owed by group undertakings	2,712	-
	<u> </u>	<u> </u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2015</u> £000	<u>2014</u> £000
Bank interest receivable	44	63
Interest receivable from group undertakings	<u>3,313</u>	<u>3,346</u>
	<u>3,357</u>	<u>3,409</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2015</u> £000	<u>2014</u> £000
Bank interest payable	132	175
Interest payable to group undertaking	<u>3,159</u>	<u>3,247</u>
	<u>3,291</u>	<u>3,422</u>

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

7 (a) TAXATION - ANALYSIS OF CREDIT IN THE YEAR

	<u>2015</u> £000	<u>2014</u> £000
Current tax:		
UK corporation tax on the profit for the year	<u>(339)</u>	<u>(395)</u>
Tax on profit on ordinary activities	<u>(339)</u>	<u>(395)</u>

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

7 (b) TAXATION - FACTORS AFFECTING CREDIT FOR THE YEAR

The tax assessed for the year is lower (2014 - lower) than the standard rate of corporation tax in the UK. The differences are explained below.

	<u>2015</u> £000	<u>2014</u> £000
Profit on ordinary activities before taxation	983	3,104
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax at 20.25% (2014 - 21.49%)	199	667
Effects of:		
Expenses not deductible for tax purposes	579	-
Income not chargeable for tax purposes	(810)	(731)
Imputed interest expense deductible for tax purposes	(307)	(331)
	(339)	(395)

7 (c) TAXATION – OTHER COMPREHENSIVE INCOME

There is no tax recognised in other comprehensive income (2014 - £Nil).

7 (d) TAXATION - FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The Finance Act 2012 introduced a reduction in the main rate of UK corporation tax with effect from April 2015 from 21% to 20% resulting in a blended rate of 20.25% being used to calculate the tax liability for the year ended 31 December 2015.

The Finance (No. 2) Act 2015 introduced a reduction in the main rate of corporation tax from 20% to 19% with effect from April 2017 and from 19% to 18% with effect from April 2020. These reductions were substantially enacted on 26 October 2015 and therefore the deferred tax asset at the balance sheet date has been calculated using a rate of 18%.

On 16 March 2016 further changes to the UK corporation tax rate were announced including a further reduction in the UK corporation tax rate to 17% from 2020, which supersedes the change enacted on 26 October 2015. However, this further change was not substantively enacted as at 31 December 2015 and has not therefore been reflected in these financial statements.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 INVESTMENTS

<u>Shares in subsidiary undertakings</u>	<u>£000</u>
<u>Cost</u>	
At 1 January 2015	75,782
Additions	<u>323</u>
At 31 December 2015	76,105
<u>Impairment provision</u>	
At 1 January 2015	7,300
Provided in the year	<u>100</u>
At 31 December 2015	7,400
<u>Net book value</u>	
At 31 December 2015	68,705
At 31 December 2014	68,482

The additional consideration relates to the Vink plastics businesses which were acquired in 2009.

The Company owns directly or indirectly the entire issued share capital of the companies listed below:

<u>Subsidiary</u>	<u>Country of Incorporation</u>	<u>Activity</u>
A.I. International Laminates Limited *	England	Dormant
Amari Plastics Pension Trustees Limited *	England	Pension Trustee Company
Amari Plastics Plc	England	Distribution of semi-finished plastic products
DD Plast APS *	Denmark	Production of plastic products
Graphic Printing Technologies Limited *	England	Dormant
HSW Holdings SRO *	Czech Republic	Holding company
HSW Signall SRO *	Czech Republic	Distribution of digital printing hardware & media
HSW Signall SRO *	Slovakia	Distribution of digital printing hardware and media
Kalle Repromedia Handels GmbH *	Austria	Distribution of digital printing hardware & media
Konig GmbH Kunststoffprodukte *	Germany	Distribution of semi-finished plastic products
Marco Industries Limited *	England	Dormant
Nyomdaker Kft *	Hungary	Distribution of digital printing hardware & media
Plastestrip (Profiles) Limited *	England	Dormant

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 INVESTMENTS (CONTINUED)

<u>Subsidiary</u>	<u>Country of Incorporation</u>	<u>Activity</u>
Quantum Europoint Limited	England	Distribution of semi-finished plastic products
Recycled Plastics Limited *	England	Dormant
Self-Adhesive Supplies Limited	England	Dormant
Stephen Webster Plastics Limited *	England	Dormant
UKAP Limited *	England	Dormant
Vink AB *	Sweden	Holding company
Vink BVBA *	Belgium	Distribution and production of plastic products
Vink Essåplast Group AB *	Sweden	Distribution and production of plastic products
Vink Finland OY *	Finland	Distribution and production of plastic products
Vink France SAS *	France	Distribution and production of plastic products
Vink Holding B.V.	Netherlands	Holding company
Vink Kunststoffe GmbH	Germany	Distribution of semi-finished plastic products
Vink Kunststoffen BV *	Netherlands	Distribution and production of plastic products
Vink Nordic Holding APS	Denmark	Holding company
Vink Norway AS *	Norway	Distribution of semi-finished plastic products
Vink Plast APS *	Denmark	Distribution and production of plastic products
Vink Plast Kft *	Hungary	Distribution of semi-finished plastic products
Vink Plastic (Xuzhou) Co., Limited *	China	Distribution and production of plastic products
Vink Plastics Spain S.L. *	Spain	Distribution of semi-finished plastic products
Vink Plasty SRO *	Czech Republic	Distribution of semi-finished plastic products
Vink Schweiz GmbH *	Switzerland	Distribution of semi-finished plastic products
VT Plastics BV *	Netherlands	Distribution of semi-finished plastic products

* Shares held by subsidiary company.

In the opinion of the Directors the value of the investments in the subsidiaries is not less than the aggregate amount shown in the balance sheet.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 DEBTORS

	<u>2015</u> £000	<u>2014</u> £000
Amounts owed by group undertakings	18,216	16,520
Corporation tax	<u>734</u>	<u>741</u>
	<u>18,950</u>	<u>17,261</u>

Amounts owed by group undertakings comprises a loan of £11,998,000 (2014 - £16,250,000) which is unsecured and bears interest at a rate of 1.45% over the 3 month euribor rate and also a loan of £6,218,000 (2014 - £Nil) which is unsecured and bears interest at a rate of 1.5% over the Bank of England base rate. There is no schedule of repayment relating to the loans.

10 CREDITORS - Amounts falling due within one year

	<u>2015</u> £000	<u>2014</u> £000
Amounts owed to group undertakings	9	8
Accruals and deferred income	<u>28</u>	<u>37</u>
	<u>37</u>	<u>45</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11 CREDITORS - Amounts falling due after more than one year

	<u>2015</u> £000	<u>2014</u> £000
Amounts owed to group undertakings	<u>77,728</u>	<u>78,875</u>

Amounts owed to group undertakings includes a loan of £77,728,000 (2014 - £70,672,000) which is unsecured and bears interest at a rate of 4.0% per annum. There is no schedule of repayment relating to the loan.

12 CALLED UP SHARE CAPITAL

	<u>2015</u> £000	<u>2014</u> £000
<u>Allotted and fully paid</u>		
Equity:		
3,000,000 (2014 - 3,000,000) ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 DIRECTORS' EMOLUMENTS

No Directors received any emoluments in respect of services to the Company during the year (2014 - £Nil).

14 EMPLOYEES

The Company has no employees. The affairs of the Company are managed by employees on secondment from a fellow subsidiary for which no charge is made.

15 PARENT UNDERTAKINGS

The ultimate parent undertaking is Blackfriars Corporation, an American company incorporated in the State of Delaware.

The Company is an 80.1% owned subsidiary of Marlowe Holdings Investments Limited, which is wholly owned subsidiary of Marlowe Holdings Limited, a company registered in England. Marlowe Holdings Limited is the only company to consolidate the financial statements of Vink Holdings Limited and copies of the financial statements of Marlowe Holdings Limited may be obtained from the Registrar of Companies, Companies House, Cardiff, CF4 3UZ.

16 RELATED PARTY TRANSACTIONS

Transactions with Vink Holdings Limited and its subsidiary undertakings are not disclosed as the Company has taken advantage of the exemption available under FRS 102.

Transactions with other Marlowe Holdings Limited companies are disclosed below as they are not covered under the FRS 102 exemption as Vink Holdings Limited is only 80.1% owned by Marlowe Holdings Limited.

Transactions with the Marlowe Holdings Limited companies during the year ended 31 December 2015:

	Profit and loss account £000	Balance Sheet £000
Loan and current account payable	-	77,728
Loan interest income	3,012	-
Loan interest expense	3,159	-
Property rental expense	190	-
Directors' and employees' services provided	98	-

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 TRANSITION TO FRS 102

This is the first year that the Vink Holdings Limited has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

Reconciliation of profit and loss for the year ended 31 December 2014

	£000
Profit for the financial year under previous UK GAAP	3,598
Interest expense	(3,155)
Interest income	<u>3,056</u>
	<u>(99)</u>
Restated profit for the financial year under FRS 102	<u>3,499</u>

Reconciliation of Shareholders' funds at 31 December 2014

	£000
Shareholders' funds under previous UK GAAP	5,695
Conversion of loan capital to a capital contribution	3,155
Interest expense	(3,155)
Interest income	<u>3,056</u>
	<u>3,056</u>
Shareholders' funds under FRS 102	<u>8,751</u>

VINK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 TRANSITION TO FRS 102 (CONTINUED)

Reconciliation of Shareholders' funds at 1 January 2014

	£000
Shareholders' funds under previous UK GAAP	2,097
Conversion of loan capital to a capital contribution	<u>3,155</u>
Shareholders' funds under FRS 102	<u>5,252</u>

Changes for FRS 102 adoption

Financial Instruments

Under FRS 102, an amount owed to group undertakings (note 11) is considered a below market rate financing transaction and therefore the gross amount of the loan has been discounted at a market rate of interest which has resulted in a decrease to the value of the loan of £3,155,000 and an equity capital contribution of £3,155,000. The associated market rate loan interest is treated as an expense in the profit and loss. Interest income of £3,056,000 relating to a 12 month extension to the repayment terms of the loan has been credited to the profit and loss account.