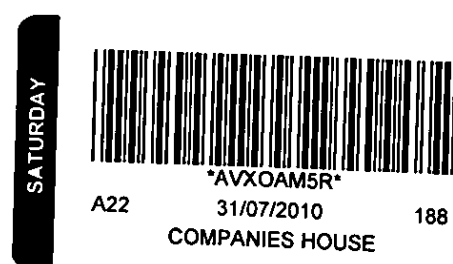


Amtico Holdings Limited

Annual report and financial statements

for the year ended 31 March 2010

Registered number 3124209



Amtico Holdings Limited

Annual report and financial statements for the year ended 31 March 2010

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Amtico Holdings Limited

Directors' report for the year ended 31 March 2010

The directors present their annual report and the audited financial statements of the Company for the year ended 31 March 2010

Principal activities, business review and future developments

The Company principally operates as an intermediate holding company for the Amtico Group Holdings Limited Group. The results of the business for the year are considered satisfactory, as are future prospects

Key performance indicators (KPIs)

As Amtico Holdings Limited is an intermediate holding company within the Amtico Group Holdings Limited Group it does not individually monitor key performance indicators. Analysis of key Group KPI's are given in the consolidated financial statements of Amtico Group Holdings Limited

Principal risks and uncertainties

Financial risk management

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Group's Finance Department. The department has policies that set out specific guidelines to manage credit and exchange risk and circumstances where it would be appropriate to use financial instruments to manage these

Price risk

The Company has no direct exposure to equity securities price risk as it holds no listed or other equity investments

Credit risk

The Company has no direct exposure to credit risk as there are no external customers

Liquidity risk

The Company is supported by a Group short-term working capital facility

Foreign currency risk

The Company has non-Sterling denominated senior loans and inter-company loans which expose it to movements in non-Sterling currencies. The loans were converted from Sterling to hedge the net investment in the Company's German and French subsidiaries

Results and dividends

The Company's loss for the financial year is £794,000 (2009 loss £856,000). Dividends of £nil were received during the year (2009 £nil). The directors do not recommend the payment of a dividend in respect of the year ended 31 March 2010 (2009 £nil)

Amtico Holdings Limited

Directors' report for the year ended 31 March 2010 (continued)

Directors

The directors of the Company during the year and up to the date of signing the financial statements were

J Duck
A Elsby-Smith

Directors Indemnities

The Company maintains liability insurance for its directors and officers. Following shareholder approval the Company has also provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Directors' responsibilities statement

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 prepared 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 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,
- 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.

Amtico Holdings Limited

Directors' report for the year ended 31 March 2010 (continued)

Statement as to disclosure of information to auditors

In the case of each of the persons who are directors at the time when the report is approved, the following applies

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

By order of the board



TW Morrow
Company secretary
22 July 2010

Independent auditors' report to the members of Amtico Holdings Limited

We have audited the financial statements of Amtico Holdings Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet and related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement 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 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 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.

Scope of the audit of the financial statements

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.

Opinion on 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 March 2010 and of its loss 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.

Independent auditors' report to the members of Amtico Holdings Limited (continued)

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



Matthew Mullins (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
23 July 2010

Amtico Holdings Limited

Profit and loss account for the year ended 31 March 2010

		2010	2009
	Note	£'000	£'000
Administrative expenses income/(expenses)		181	(630)
Net operating income/(costs)		181	(630)
Operating profit/(loss) before other operating income		181	(630)
Other operating income	2	413	401
Operating profit/(loss)	3	594	(229)
Interest receivable and similar income	7	3,925	4,109
Amounts written off investments	4	(872)	-
Interest payable and similar charges	6	(4,443)	(4,761)
Loss on ordinary activities before taxation		(796)	(881)
Tax on loss on ordinary activities	10	2	25
Loss for the financial year	16	(794)	(856)

The results shown above have been derived wholly from continuing operations

The Company has no recognised gains or losses other than the loss above and therefore no separate statement of total recognised gains and losses has been provided

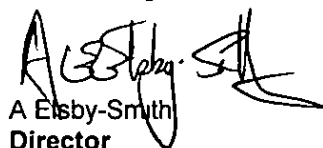
There is no difference between the loss on ordinary activities before taxation and the loss for the financial year stated above, and their historical cost equivalents

Amtico Holdings Limited

Balance sheet as at 31 March 2010

		2010	2009
	Note	£'000	£'000
Fixed assets			
Tangible assets	11	1,988	2,023
Investments	12	45,683	46,939
		47,671	48,962
Current assets			
Debtors	13	32,054	32,005
		32,054	32,005
Creditors: amounts falling due within one year	14	(73,164)	(73,609)
Net current liabilities		(41,110)	(41,604)
Total assets less current liabilities		6,561	7,358
Net assets		6,561	7,358
Capital and reserves			
Called up share capital	15	304	304
Share premium account	16	2,334	2,334
Profit and loss account	16	3,923	4,720
Total shareholders' funds	17	6,561	7,358

The financial statements on pages 7 to 18 were approved by the board of directors on 22 July 2010 and were signed on its behalf by


A Elsby-Smith
Director

Registered number 3124209

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010

1 Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom in accordance with the Companies Act 2006. A summary of the more important accounting policies is set out below.

The financial statements have been prepared on a going concern basis.

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

Group financial statements have not been prepared as permitted by section 400 of the Companies Act 2006 as the Company is a wholly owned subsidiary of Amtico Group Holdings Limited, a Company incorporated in England and Wales, from whose registered office accounts may be obtained. Therefore, these financial statements present information about the Company and not about its Group.

Changes in accounting policy

Accounting policies have been consistently applied and there have been no changes in accounting policy during the year.

Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Amtico Group Holdings Limited and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) 'Cash Flow Statements'. The Company is also exempt under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with entities that are part of the Amtico Group Holdings Limited group.

Investments

Investments are carried at cost less any provision for impairment.

Tangible fixed assets and depreciation

Tangible fixed assets are shown at historic purchase cost less accumulated depreciation, calculated from the date the asset is brought into use. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its estimated useful life as follows:

Freehold buildings 2.5%

Freehold land is not depreciated.

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

1 Principal accounting policies (continued)

Foreign currency

Transactions denominated in foreign currencies are recorded in sterling at actual exchange rates as of the date of the transaction or, where appropriate, at the rate of exchange in a related forward exchange contract. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of exchange prevailing at the year end or, where appropriate, at the rate of exchange in a related forward contract. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account except where the item is part of a hedge transaction.

Taxation

(i) Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous years.

(ii) Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 'Deferred tax'.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using average tax rates enacted or substantively enacted at the balance sheet date. The following temporary differences are not provided for:

- the initial recognition of goodwill not deductible for tax purposes
- the initial recognition of assets or liabilities in a transaction, other than a business combination, that affect neither accounting nor taxable profit, and
- temporary differences arising on investments in subsidiaries where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Operating leases

Rentals under operating leases are credited to the profit and loss account on a straight-line basis.

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

2 Other operating income

Rental income is charged for the use of the buildings. Rental income of £413,000 was charged during the year (2009 £401,000) to The Amtico Company Limited.

3 Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting)

	2010	2009
	£'000	£'000
Depreciation on tangible fixed assets	35	34
Exchange (gains)/losses	(216)	593

4 Impairment of investment in subsidiary undertaking

	2010	2009
	£'000	£'000
Impairment of investment in Amtico International Pty	872	-

During the year, Amtico International Pty, a wholly owned subsidiary, ceased trading. The directors therefore consider that the total investment value of this Company is impaired and have written it down to £nil.

5 Auditors' remuneration

Auditors' remuneration for audit services of £2,000 (2009 £2,000) is borne entirely by a fellow group undertaking.

6 Interest payable and similar charges

	2010	2009
	£'000	£'000
Interest on inter-company loans	4,443	4,761

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

7 Interest receivable and similar income

	2010	2009
	£'000	£'000
Interest on inter-company loans	3,925	4,096
Bank interest	-	13
	3,925	4,109

8 Directors' emoluments

No remuneration has been paid to any of the directors for services rendered to the Company (2009 £nil)

9 Employee information

The Company does not have any employees other than the directors for the year (2009 none)

10 Tax on loss on ordinary activities

(a) Analysis of the tax credit in the year

	2010	2009
	£'000	£'000
Current tax:		
UK Corporation tax on losses of the period	9	(333)
Adjustment in respect of previous periods	(11)	(261)
Total current tax (note 10(b))	(2)	(594)
Deferred tax:		
Origination and reversal of timing differences	-	83
Adjustments in respect of previous periods	-	486
Total deferred tax	-	569
Tax on loss on ordinary activities	(2)	(25)

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

10 Tax on loss on ordinary activities

(b) Factors affecting the tax credit for the year

The tax assessed for the year is higher (2009 lower) than the standard rate of corporation tax in the UK (28%) (2009 28%) The differences are explained below

	2010	2009
	£'000	£'000
Loss on ordinary activities before taxation	(796)	(881)
Loss on ordinary activities multiplied by the standard rate of UK corporation tax at 28% (2009 28%)	(223)	(246)
Effects of		
Expenses not deductible for tax purposes	232	(4)
Losses	-	(83)
Adjustment in respect of prior periods	(11)	(261)
Current tax credit for the year (note 10 (a))	(2)	(594)

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement. The Finance (No2) Act 2010 is expected to include legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24 % by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

11 Tangible assets

	Freehold land and buildings
	£'000
Cost	
At 1 April 2009	2,485
At 31 March 2010	2,485
Accumulated depreciation	
At 1 April 2009	462
Charge for the year	35
At 31 March 2010	497
Net book value	
At 31 March 2010	1,988
At 31 March 2009	2,023

£1,363,000 of the cost is freehold land. In the opinion of the directors, there is no material difference between the market value and the balance sheet value of the land.

12 Investments

	2010	2009
	£'000	£'000
Investment in subsidiary undertakings		
Cost and net book value at 1 April	46,939	44,994
Impairment	(872)	-
Exchange on re-translation	(384)	1,945
At 31 March	45,683	46,939

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

12 Investments (continued)

At 31 March 2010, the Company had an interest in the following subsidiary undertakings

Name of undertaking	Parent company	Country of incorporation	Description of shares held	% of nominal value of issued shares held and voting rights
The Amtico Company Limited*	Amtico Holdings Limited	Great Britain	£1 ordinary	100
Amtico International Pty*	Amtico Holdings Limited	Australia	AUS \$1 ordinary	100
Amtico International Limited*	Amtico Holdings Limited	Great Britain	£1 ordinary	100
Amtico International GmbH	Amtico International Limited	Germany	1 Euro	100
Amtico International Inc	Amtico Holdings USA Limited	USA	US \$1 ordinary	100
Amtico International SA	Amtico International Limited	France	1 Euro ordinary	100
Amtico International AB	Amtico International Limited	Sweden	10 SEK ordinary	100
Amtico Holdings (USA) Inc *	Amtico Holdings Limited	USA	US \$0.01 ordinary	100
Amtico Holdings USA Limited	Amtico Holdings (USA) Inc	Great Britain	US \$1 ordinary	100
The Amtico Company Pension Trustee Limited	The Amtico Company Limited	Great Britain	£1 ordinary	100

*Indicates investments held directly by the company

The principal business activities of these subsidiary undertakings is the sale and distribution of laminated flooring tiles, with the exception of Amtico International Limited, Amtico Holdings (USA) Inc and Amtico Holdings USA Limited whose principal activities are as intermediate holding companies for the Amtico Group Holdings Limited Group. The directors believe that the carrying value of the investments is supported by their underlying net assets. During the year, the investment in Amtico International Pty was written down to £nil, see Note 4.

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

13 Debtors

	2010	2009
	£'000	£'000
Amounts falling due within one year		
Amounts owed by group undertakings	31,557	31,169
Employee benefit trust – loan notes	154	147
Amounts receivable for group relief	343	689
	32,054	32,005

Interest is charged on amounts owed by group undertakings at a rate of interest based on the Group's external debt

14 Creditors: amounts falling due within one year

	2010	2009
	£'000	£'000
Amounts owed to group undertakings	73,164	73,609
	73,164	73,609

There is no security provided for Amounts owed to group undertakings and interest is charged at a rate based on the Group's external debt

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

15 Called up share capital

	2010	2009
	£'000	£'000
Authorised		
3,038,976 ordinary shares of 10p each	304	304
Allotted and fully paid		
3,038,976 ordinary shares of 10p each	304	304

16 Reserves

	Share premium account	Profit and loss account	Total
	£'000	£'000	£'000
At 1 April 2009	2,334	4,720	7,054
Shares held in EBT	-	(3)	(3)
Loss for the financial year	-	(794)	(794)
At 31 March 2010	2,334	3,923	6,257

17 Reconciliation of movement in shareholders' funds

	2010	2009
	£'000	£'000
Opening shareholders' funds	7,358	8,214
Shares held in EBT	(3)	-
Loss for the financial year	(794)	(856)
Closing shareholders' funds	6,561	7,358

Amtico Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

17 Reconciliation of movement in shareholders' funds (continued)

Employee benefit trust (EBT)

The EBT holds assets, shares and loan notes (note 13), which under the terms of the Deed of Trust, may be applied at the Trustee's discretion only for the benefit of employees of the Amtico Group Holdings Limited Group. During the year ended 31 March 2008, 60,572 ordinary shares and 2,761 'B' cumulative participating ordinary shares of the issued share capital of Amtico Group Holdings Limited were purchased by the Employee Benefit Trust at a cost of £63,333. During the year 2,528 ordinary shares and 138 'B' cumulative participating ordinary shares of the issued share capital of Amtico Group Holdings Limited were purchased by the Employee Benefit Trust at a cost of £2,666. The shares were acquired by the trust using funds provided by Amtico Holdings Limited. The costs of funding and administering the scheme are charged to the profit and loss account of the Company in the period to which they relate.

At 31 March 2010 £65,999 (2009 £63,333) is deducted from reserves.

18 Contingent liability

The assets of the Company have been pledged as security for the borrowings of its immediate parent company. Net indebtedness under this arrangement at 31 March 2010 was £2,142,000 (2009 £2,170,000). There are no other contingent liabilities.

19 Ultimate parent undertaking and controlling party

The Company's immediate parent company is Amtico Mezzanine Limited. Amtico Mezzanine Limited owns 100% of the issued share capital of the company. The intermediate parent company is Amtico Group Holdings Limited which is the only group to consolidate these financial statements.

The ultimate parent undertaking is the ABN AMRO Capital UK Buy Out Fund which is a limited partnership fund registered in England. The majority investor in this fund is AAC Capital NEBO Fund I LP which is a limited partnership registered in Scotland. AAC Capital Partners (Guernsey) Limited (the general partner of the ABN AMRO Capital UK Buy Out Fund) is regarded as the direct controlling party of the company and AAC Capital Partners Holding BV (incorporated in the Netherlands) is regarded as the ultimate controlling party of the Company.

The financial statements of Amtico Group Holdings Limited are not consolidated into the financial statements of any other entity.

Copies of the Amtico Group Holdings Limited financial statements may be obtained by writing to

TW Morrow
Company secretary
Amtico Group Holdings Limited
Kingfield Road, Coventry
CV6 5AA