

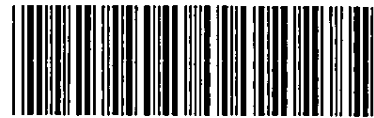
Company Registration No. 01589762 (England and Wales)

**FIBERWEB
GEOSYNTHETICS LIMITED
(FORMERLY
BODDINGTONS
LIMITED)**

Report and Financial Statements

31 December 2011

FRIDAY



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FIBERWEB GEOSYNTHETICS LIMITED

COMPANY INFORMATION

Directors D Dayan (Appointed 20 January 2011)
J Johnson (Appointed 9 August 2011)
J Warner

Company number 01589762

Registered office Forsyth House
211-217 Lower Richmond Road
Richmond on Thames
London
TW9 4LN

Auditors Deloitte LLP
London

Business address Blackwater Trading Estate
The Causeway
Maldon
Essex
CM9 4GG

FIBERWEB GEOSYNTHETICS LIMITED

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FIBERWEB GEOSYNTHETICS LIMITED

DIRECTORS' REPORT

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

The directors present their annual report and the audited financial statements for the 18 month period ended 31 December 2011

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activity of the Company during the period was the manufacture and sale of non woven geotextiles and extruded plastic net and printed film

Turnover was £36,734,000 (year ended June 2010 - £11,883,000) during the period and the loss before tax was £3,079,000 (year ended June 2010 - £798,000 profit before tax)

On 6 January 2011 Fiberweb Geosynthetics Limited (formerly Boddingtons Limited) was purchased by Fiberweb plc

During the period the Company has taken on part of the trade and assets of Terram Limited and Tubex Limited, both also fully owned subsidiaries within the Fiberweb Group Under guidance in FRS 6, Acquisitions and Mergers, these transfers have been shown at net book value with no gain or loss occurring on transfer There have also been restructuring costs to achieve the integration of these businesses which have been incurred by Fiberweb Geosynthetics Limited See notes 3 and 24 for further details

Following this integration, the Company has invested in new machinery during 2012 to strengthen and grow the Geosynthetics arm of the business It is anticipated that this investment will significantly increase capacity, efficiency and quality of product and with the investment made in a new innovation centre in Maldon this will allow for research and development into further Geosynthetic solutions

The Geosynthetics business will be complemented by the Forestry and Horticulture Tubex branded business

DIVIDENDS

The Company did not pay a dividend for the financial period (year ended June 2010 – £nil)

DIRECTORS

The current directors of the Company, with dates of appointment, are as shown on the company information page 1 Barnes resigned as a director on 20 January 2011, S Ewles resigned as a director on 20 January 2011 and M Instone resigned as a director on 20 January 2011 and D Hills resigned as director on 20 July 2011 D Abrams was appointed as a director on 20 January 2011 and resigned as director on 11 April 2012

GOING CONCERN

After making enquiries, the directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's activities expose it to a number of financial risks including price risk, credit risk, cash flow risk and liquidity risk

Price risk

The Company is exposed to commodity price risk, in relation to raw materials in particular The Company manages this risk by purchasing raw materials from multiple suppliers where possible in order to maximise price competition

FIBERWEB GEOSYNTHETICS LIMITED

DIRECTORS' REPORT

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Credit risk

The Company's principal financial assets are its bank balances and cash, and trade debtors. Provisions are made as required for any doubtful debts where there is an identified loss event which could give rise to a reduction in the recoverability of cash flows.

The Company has no significant concentration of credit risk, with exposure spread over a number of customers.

Cash flow risk

A significant proportion of the Company's turnover is to companies in countries outside the UK and, as such, the Company is exposed to movements in exchange rates. To protect cash flows against exchange rate risk, the Company enters into forward exchange contracts to hedge foreign exchange exposures on forecast receipts and payments.

The Company does not have any external loans, and therefore interest rate risk is not considered to be significant to the Company.

Liquidity risk

In order to maintain liquidity to ensure that there are sufficient funds available for ongoing operations and future developments, the Company uses short-term debt finance.

SUPPLIER PAYMENT POLICY

The Company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade creditors of the Company at 31 December 2011 were equivalent to 67 days' (2010: 71 days') purchases, based on the average daily amount invoiced by suppliers during the year.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to continue in office as the Company's auditor and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

J Johnson
Director

Date

28/09/12

FIBERWEB GEOSYNTHETICS LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

The directors are responsible for preparing the Annual 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 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 have been followed, 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

FIBERWEB GEOSYNTHETICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIBERWEB GEOSYNTHETICS LIMITED FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

We have audited the financial statements of Fiberweb Geosynthetics Limited for the 18 month period ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 25. 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 explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its loss for the 18 month period 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 period for which the financial statements are prepared is consistent with the financial statements.

FIBERWEB GEOSYNTHETICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIBERWEB GEOSYNTHETICS LIMITED FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

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



John Adam (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date *28th September 2012*

FIBERWEB GEOSYNTHETICS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

	Notes	18 months ended 31 December 2011 £'000	12 months ended 30 June 2010 £'000
Turnover	2	36,734	11,883
Cost of sales		(27,004)	(7,208)
Gross profit		9,730	4,675
Administrative expenses		(12,669)	(4,352)
Operating (loss)/profit	3	(2,939)	323
Investment income	7	-	556
Interest payable and similar charges	8	(140)	(81)
(Loss)/profit on ordinary activities before Taxation		(3,079)	798
Tax on (loss)/profit on ordinary activities	9	851	(211)
(Loss)/profit for the period	20	(2,228)	587

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

FIBERWEB GEOSYNTHETICS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	11	4,180	2,334
Intangible assets	12	-	-
Investments	13	21	141
		<u>4,201</u>	<u>2,475</u>
Current assets			
Stocks	14	4,436	1,187
Debtors	15	9,669	2,841
Cash at bank and in hand		1,342	878
		<u>15,447</u>	<u>4,906</u>
Creditors' amounts falling due within one year	16	(7,520)	(4,493)
		<u>7,927</u>	<u>413</u>
Net current assets			
		<u>12,128</u>	<u>2,888</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	17	(12,277)	(393)
Provisions for liabilities	18	-	(341)
		<u>(149)</u>	<u>2,154</u>
Net (liabilities)/assets			
		<u>(149)</u>	<u>2,154</u>
Capital and reserves			
Called up share capital	19	28	28
Share premium account	20	30	30
Profit and loss account	20	(207)	2,096
		<u>(149)</u>	<u>2,154</u>
Shareholders' (deficit)/funds	21		
		<u>(149)</u>	<u>2,154</u>

Approved by the Board and authorised for issue on
They were signed on its behalf by

28/09/12

J Johnson
Director

Company Registration No 01589762

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated) in the current period and prior year

During the period, the trade and assets of Terram Limited and Tubex Limited, two fully owned subsidiaries of the Fiberweb Group have been transferred to Fiberweb Geosynthetics Limited at net book value with no gain/loss arising on transfer. Please see the Directors' Report and note 3 for further details

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review which forms part of the Directors' Report. The Directors' Report also describes the financial position of the Company, its cash flows, liquidity position and borrowing facilities, the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, and its exposure to credit risk and liquidity risk. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company will be profitable in future periods. However, the Company is in a net liability position and made a loss for the current financial year. As a result, Fiberweb plc has confirmed that it will provide such financial support as might be necessary to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements.

After making enquiries, the directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

1.2 Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts

1.3 Research and development

Research expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the Company is expected to benefit.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the period of the lease
Plant and machinery	10% and 25% straight line
Motor vehicles	25% straight line

During the prior period the directors have changed the rate at which plant and machinery and motor vehicles are depreciated. This decision has been made as the directors feel that the new rates represent a fairer reflection of the useful economic lives of the assets. Plant and machinery was previously depreciated on a 5% straight line basis and motor vehicles on a 25% reducing balance basis. The effect of this change in estimation technique is to increase the depreciation charge for the prior period by £201,560.

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

1 Accounting policies (continued)

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. In accordance with Financial Reporting Standard Number 5, consignment stock is recognised as an asset on the balance sheet, together with a corresponding liability to the supplier.

1.8 Pensions

The Company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable. Differences between contributions payable and contributions paid are shown as either accruals or prepayments on the balance sheet.

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.11 Cash flow statement

Under the provisions of Financial Reporting Standard No 1 (revised), "Cash flow statements", the Company has not prepared a cash flow statement because the immediate parent undertaking, which is incorporated in England and Wales, has prepared consolidated financial statements which are publicly available and which include the financial statements of this Company and contain a cash flow statement.

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

2 Turnover

Geographical market

	Turnover	
	(18 months)	(12 months)
	2011	2010
	£'000	£'000
United Kingdom	20,359	8,938
Europe	10,300	1,566
Rest of the World	6,075	1,379
	<hr/>	<hr/>
	36,734	11,883

3 Operating profit

	(18 months)	(12 months)
	2011	2010
	£'000	£'000
Operating profit is stated after charging		
Depreciation of tangible assets	1,186	417
Payments to group companies	6,501	-
Impairment of intercompany loan receivables	153	-
Impairment of goodwill (note 10)	161	-
Impairment of Investments (note 11)	120	575
Research and development	258	36
Operating lease rentals		
- Plant and machinery	67	40
- Other assets	740	332
Fees payable to the Company's auditors for the audit of the Company's annual accounts	37	16
Gain/(loss) on foreign exchange transactions	140	(69)

Payments to group companies relate to recharges due to fellow group companies Terram Limited and Tubex Limited to re-imburse those entities for costs incurred on behalf of the Company, the most significant of which relate to employees and lease costs. In the current year these costs included restructuring and redundancy costs as a result of the integration of the Group and the announced closure of the Pontypool site owned by Terram Limited.

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

4 Directors' remuneration

	(18 months) 2011 £'000	(12 months) 2010 £'000
Remuneration for qualifying services	534	444
Company pension contributions to defined contribution schemes	30	39
	<u>564</u>	<u>483</u>
Remuneration disclosed above include the following amounts paid to the highest paid director		
Remuneration for qualifying services	270	192
Company pension contributions to defined contribution schemes	17	10

5 Employees

Number of employees

The average monthly number of employees (including directors) during the period was

	(18 months) 2011 Number	(12 months) 2010 Number
Production	61	51
Administration	38	28
	<u>99</u>	<u>79</u>

6 Employment costs

	(18 months) 2011 £'000	(12 months) 2010 £'000
Wages and salaries	4,266	2,302
Social security costs	448	228
Other pension costs	111	66
	<u>4,825</u>	<u>2,596</u>

The difference between the contributions payable and contributions paid in the year has been recorded as an accrual of £16k

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

7 Investment income

	(18 months) 2011 £'000	(12 months) 2010 £'000
Income from shares in group undertakings	-	555
Bank interest	-	1
	<u>-</u>	<u>556</u>

8 Interest payable

	(18 months) 2011 £'000	(12 months) 2010 £'000
Hire purchase interest	50	54
Bank interest	17	27
Interest on group loans	73	-
	<u>140</u>	<u>81</u>

9 Taxation

	(18 months) 2011 £'000	(12 months) 2010 £'000
Current taxation		
U K corporation tax at 26.5% (2010 28%)	(280)	205
Adjustment for prior years	57	(26)
Current tax (credit)/charge	<u>(223)</u>	<u>179</u>
Deferred tax		
Deferred tax (credit)/charge current period	<u>(628)</u>	<u>32</u>
	<u>(851)</u>	<u>211</u>

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

9 Taxation (continued)

The difference between the current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss)/profit before tax is as follows

	(18 months) £'000	(12 months) £'000
(Loss)/profit on ordinary activities before tax	(3,079)	798
Tax on (loss)/profit on ordinary activities before tax at 26.5% (2010 – 28%)	(816)	223
Factors affecting charge for the period		
Expenses not deductible for tax purposes	33	4
Capital allowances in excess of depreciation	183	39
Adjustment in respect of prior years	57	(14)
Research and development enhancement	-	(60)
Losses carried forward	320	-
Tax losses utilised	-	9
Other timing differences	-	(22)
Current tax (credit)/charge for the period	(223)	179

10 Dividends

	(18 months) 2011 £'000	(12 months) 2010 £'000
Ordinary interim paid - (£2.64 per share)	75	150

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

11 Tangible fixed assets

	Land and buildings Leasehold £'000	Plant and machinery £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 July 2010	132	3,715	30	3,877
Additions	10	2,130	-	2,140
Transferred from group companies	-	895	-	895
Disposals	-	(1)	(5)	(6)
At 31 December 2011	<u>142</u>	<u>6,739</u>	<u>25</u>	<u>6,906</u>
Depreciation				
At 1 July 2010	63	1,467	13	1,543
Disposals	-	(1)	(2)	(3)
Charge for the period	8	1,168	10	1,186
At 31 December 2011	<u>71</u>	<u>2,634</u>	<u>21</u>	<u>2,726</u>
Net book value				
At 31 December 2011	<u>71</u>	<u>4,105</u>	<u>4</u>	<u>4,180</u>
At 30 June 2010	<u>69</u>	<u>2,248</u>	<u>17</u>	<u>2,334</u>

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £'000	Motor vehicles £'000	Total £'000
Net book values			
At 31 December 2011	<u>587</u>	<u>3</u>	<u>590</u>
At 30 June 2010	<u>693</u>	<u>11</u>	<u>704</u>
Depreciation charge for the period			
At 31 December 2011	<u>106</u>	<u>8</u>	<u>114</u>
At 30 June 2010	<u>115</u>	<u>6</u>	<u>121</u>

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

12 Intangible fixed assets

	Patents, Trademarks & Patents £'000	Goodwill £'000	Total £'000
Cost or valuation			
At 1 July 2010	-	-	-
Additions	-	-	-
Transferred from group companies	4	161	165
At 31 December 2011	<u>4</u>	<u>161</u>	<u>165</u>
Amortisation/impairment			
At 1 July 2010	-	-	-
Impairment for the period	4	161	165
At 31 December 2011	<u>4</u>	<u>161</u>	<u>165</u>
Net book value			
At 31 December 2011	<u>-</u>	<u>-</u>	<u>-</u>
At 30 June 2010	<u>-</u>	<u>-</u>	<u>-</u>

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

13 Fixed asset investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 July 2010	716
Additions	-
At 31 December 2011	<u>716</u>
Provisions for diminution in value	
At 1 July 2010	575
Charge for the period	120
At 31 December 2011	<u>695</u>
Net book value	
At 31 December 2011	<u>21</u>
At 30 June 2010	<u>141</u>

The charge for the period represents the impairment of the investment in Acorn Planting Products Limited to its recoverable amount

Fiberweb Geosynthetics Limited holds shares in the following entities

Entity	Country of Incorporation	Percentage held
Acorn Planting Products Limited	United Kingdom	100%
Boddingtons Inc	United States	100%
Boddingtons GmbH	Germany	100%

14 Stocks and work in progress

	2011 £'000	2010 £'000
Raw materials and consumables	1,109	453
Work in progress	109	80
Finished goods and goods for resale	3,218	654
	<u>4,436</u>	<u>1,187</u>

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

15 Debtors

	2011 £'000	2010 £'000
Trade debtors	6,547	2,151
Amounts owed by group companies	897	463
Other debtors	801	12
Prepayments and accrued income	641	215
Deferred tax asset (See note 18)	783	-
	<u>9,669</u>	<u>2,841</u>

The amounts owed by group undertakings are repayable on demand and subject to no interest

16 Creditors' amounts falling due within one year

	2011 £'000	2010 £'000
Bank loans and overdrafts	1,124	1,489
Net obligations under hire purchase contracts	249	223
Trade creditors	5,224	2,136
Corporation tax	-	206
Other taxes and social security costs	245	86
Other creditors	15	3
Accruals and deferred income	663	350
	<u>7,520</u>	<u>4,493</u>

Hire purchase and finance creditors are secured against the assets to which they relate

17 Creditors' amounts falling due after more than one year

	2011 £'000	2010 £'000
Amounts owed to group undertakings	12,247	-
Net obligations under hire purchase contracts	30	393
	<u>12,277</u>	<u>393</u>

The amounts owed to group undertakings are not subject to interest

Net obligations under hire purchase contracts

Repayable within one year	<u>249</u>	<u>223</u>
Repayable between one and five years	<u>30</u>	<u>393</u>
	279	616
Included in liabilities falling due within one year	<u>(249)</u>	<u>(223)</u>
	<u>30</u>	<u>393</u>

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

18 Provisions for liabilities

	Deferred tax liability £'000
Balance at 1 July 2010	341
Charged to profit and loss account	(308)
Balance at 31 December 2011 (Disclosed in note 15)	<u>33</u>

A deferred tax asset of £783k has been recognised in the current year made up of £320k of current year losses carried forward and £496k asset transferred from Terram Limited along with the trade and assets to which it related. This has been offset by a deferred tax liability of £33k described above. The asset is considered recoverable on the grounds that sufficient profits are forecast to use the tax losses within the foreseeable future.

The net deferred tax asset is made up as follows:

	2011 £'000	2010 £'000
Losses carried forward	320	-
Accelerated capital allowances	463	-
	<u>783</u>	<u>-</u>

19 Share capital

	2011 £'000	2010 £'000
Allotted, called up and fully paid		
28,461 Ordinary shares of £1 of each	<u>28</u>	<u>28</u>

20 Statement of movements on reserves

	Share premium account £'000	Profit and loss account £'000
Balance at 1 July 2010	30	2,096
Dividends		(75)
Loss for the 18 month period	-	(2,228)
Balance at 31 December 2011	<u>30</u>	<u>(207)</u>

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

21 Reconciliation of movements in shareholders' funds

	2011 £'000	2010 £'000
(Loss) / profit for the financial period	(2,228)	587
Dividends	(75)	(150)
Net (reduction in)/addition to shareholders' funds	(2,303)	437
Opening shareholders' funds	2,154	1,717
Closing shareholders' funds	(149)	2,154

22 Financial commitments

At 31 December 2011 the Company was committed to making the following payments under non-cancellable operating leases in the period to 31 December 2011

	Land and buildings		Other	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Operating leases which expire				
Within one year	38	-	91	8
Between two and five years	37	-	69	52
In over five years	451	401	-	-
	526	401	160	60

23 Capital commitments

	2011 £'000	2010 £'000
At 31 December 2011 the Company had capital commitments as follows		
Contracted for but not provided in the financial statements	4,663	15

FIBERWEB GEOSYNTHETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2011

24 Acquisition of trade and assets

The Company took transfer of part of the trade and assets of Terram Limited with a book value of £3.7 million with effect from 1 March 2011. The fair value of the trade and assets transferred also totals £3.7 million. The Company also took transfer of part of the trade and assets of Tubex Limited with a book value of £1.2 million with effect from 1 November 2011. The fair value of the trade and assets transferred totals £5.4m.

Under FRS6, Acquisitions and Mergers, because these transfers are part of a Group restructuring of companies that are all fully owned by the same ultimate parent company, merger accounting has been used and transfers have been deemed to happen at net book value with no gain or loss occurring on transfer and with no recognition of any differences between market value and net book value. The following assets and liabilities were acquired by the Company as a result of the business transfers:

Book Value	Terram Limited £'000	Tubex Limited £'000
Tangible assets	431	-
Intangible assets	-	4
Stocks	1,433	424
Debtors	3,960	1,490
Creditors amounts falling due within one year	(2,143)	(663)
Provisions for liabilities	-	(21)
Net assets transferred	<u>3,681</u>	<u>1,234</u>

25 Ultimate parent company

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 as it is a wholly-owned subsidiary of Fiberweb plc, which prepares consolidated financial statements which are publicly available.

At the period end, the ultimate holding company and ultimate controlling party was Fiberweb plc, a company registered in England and Wales. The financial statements of Fiberweb plc are available to the public and may be obtained from Forsyth House, 211-217 Lower Richmond Road, Richmond on Thames, London TW9 4LN.

26 Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Related party transactions for the period 1 July 2010 to 31 December 2010 are not covered by the above exemption and are therefore reported below.

During the 6 months to 31 December 2010 a license fee was paid to Mr R M Boddington, a shareholder of the Company of £9,084 (year to 30 June 2010: £18,168).