

Company Number: 3096821

Woehner (U.K.) Limited

Financial Statements

for the year ended 31st December 2002

Blythens
Chartered Accountants
Nottingham



Woehner (U.K.) Limited

Company Information for the year ended 31st December 2002

Directors

P. Kooke
F. Woehner

Secretary

P. Kooke

Registered office

Haydn House
309-329 Haydn Road
Sherwood
Nottingham
NG5 1HG

Index to the Financial Statements

Page Number

1	Directors' Report
2	Auditors' Report
3	Profit and Loss Account
4	Balance Sheet
5 - 7	Notes to the Financial Statements

The following does not form part of the statutory financial statements:

8	Trading and Profit and Loss Account
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Woehner (U.K.) Limited

Directors' Report for the year ended 31st December 2002

The directors present their annual report and audited financial statements for the year ended 31st December 2002.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company during the year has been that of the selling and distribution of electrical installation materials.

Directors and their interests

The directors who served during the year and their interests in the shares of the company were as follows:

	Ordinary shares	
	31/12/02	01/01/02
P. Kooke	-	-
F. Woehner	-	-

Auditors

The auditors, Blythens, Chartered Accountants, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board:

P. Kooke
Director

9th April 2003

Independent Auditors' Report to the Shareholders of Woehner (U.K.) Limited

We have audited the financial statements of Woehner (U.K.) Limited for the year ended 31st December 2002 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

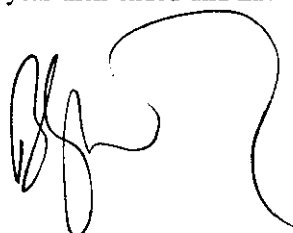
In forming our opinion we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company's ability to continue trading. The financial statements have been prepared on the going concern basis, the validity of which depends upon the future financing support of Woehner Holdings GmbH and the continuation of the company's overdraft facility. Our opinion is not qualified in respect of this matter.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Blythens

**Chartered Accountants
Registered Auditors**



**Haydn House
309-329 Haydn Road
Sherwood
Nottingham
NG5 1HG**

9th April 2003

Woehner (U.K.) Limited

Profit and Loss Account
for the year ended 31st December 2002

	Notes	2002 £	2001 £
Turnover	2	409,390	298,917
Cost of sales		310,554	196,198
Gross profit		98,836	102,719
Administrative expenses		179,618	90,147
Operating (loss) profit	3	(80,782)	12,572
Interest payable and similar charges		70,534	80,533
(Loss) for the year		(151,316)	(67,961)
(Accumulated loss) brought forward		(1,351,118)	(1,283,157)
(Accumulated loss) carried forward		(1,502,434)	(1,351,118)

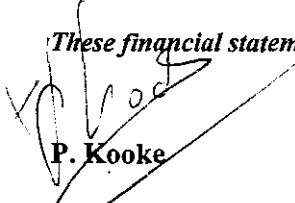
Woehner (U.K.) Limited

Balance Sheet as at 31st December 2002

	Notes	£	2002 £	2001 £
Fixed assets				
Tangible assets	4		3,907	3,165
Current assets				
Stocks		50,863		32,775
Debtors	5	124,419		89,250
Cash at bank and in hand		13,235		13,101
		188,517		135,126
Creditors:				
Amounts falling due within one year	6	922,429		916,617
Net current (liabilities)			(733,912)	(781,491)
Total assets less current liabilities			(730,005)	(778,326)
Creditors:				
Amounts falling due after more than one year	7		772,379	572,742
Net (liabilities)			(1,502,384)	(1,351,068)
Capital and reserves				
Called up share capital	8		50	50
Profit and loss account			(1,502,434)	(1,351,118)
Shareholders' funds			(1,502,384)	(1,351,068)

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the Board on 9th April 2003 and signed on its behalf by


P. Kooke

Director

Woehner (U.K.) Limited

Notes to the financial statements for the year ended 31st December 2002

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same financial statements.

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue to trade. The validity of this assumption is dependent upon the continued support of the parent company in postponing the repayment of their loans and also the continued support of the company's bankers in providing overdraft facilities. If the company were unable to continue to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise, and to reclassify fixed assets as current assets.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Plant and machinery	20% per annum of cost
Fixtures and fittings	15% per annum of cost

Stocks

Stocks are valued at the lower of cost and net realisable value.

Leasing

Tangible fixed assets acquired under hire purchase contracts or finance leases are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The company operates a pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions to the scheme are charged against revenue in the year in which they are payable.

Foreign currencies

Transactions in foreign currencies are translated into sterling and recorded at the rates of exchange ruling at the date of the transaction. Balances at the period end denominated in a foreign currency are translated into sterling at the exchange rate ruling at the balance sheet date. Resulting gains and losses are taken to the profit and loss account.

Woehner (U.K.) Limited

Notes to the financial statements for the year ended 31st December 2002

2 Turnover

Turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year.

Exports represented 21% of turnover (2001:14%)

3 Operating (loss) profit

2002	2001
£	£

Operating (loss) profit is stated after charging:

Depreciation of owned assets	1,095	3,018
Auditors' remuneration	2,000	2,000
Loss (Gain) on foreign exchange	57,588	(52,347)

and after crediting:

Profit on disposal of tangible fixed assets	-	3,507
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4 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1st January 2002	18,332	14,391	32,723
Additions	-	1,837	1,837
At 31st December 2002	18,332	16,228	34,560
Depreciation			
At 1st January 2002	18,077	11,481	29,558
Charge for the year	160	935	1,095
At 31st December 2002	18,237	12,416	30,653
Net book value			
At 31st December 2002	95	3,812	3,907
At 31st December 2001	255	2,910	3,165

5 Debtors

2002	2001
£	£

Trade debtors	122,407	83,884
Other debtors	-	3,900
Prepayments and accrued income	2,012	1,466
	124,419	89,250

All amounts are due within one year.

Woehner (U.K.) Limited

Notes to the financial statements for the year ended 31st December 2002

6	Creditors: Amounts falling due within one year	2002	2001
		£	£
	Bank overdraft (secured)	598,126	591,076
	Trade creditors	3,265	18,254
	Amounts owed to group undertakings	305,537	278,022
	Other taxes and social security costs	1,999	5,288
	Other creditors	534	1,799
	Accruals and deferred income	12,968	22,178
		<u>922,429</u>	<u>916,617</u>

The bank overdraft is guaranteed by the parent company, Woehner Holdings GmbH.

7	Creditors: Amounts falling due after more than one year	2002	2001
		£	£
	Amounts owed to group undertakings (secured)	<u>772,379</u>	<u>572,742</u>

8	Share capital	2002	2001
		£	£
	Authorised		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	50 Ordinary shares of £1 each	<u>50</u>	<u>50</u>

There was no change in share capital during the year.

9	Leasing commitments		
	At 31st December 2002 the company had annual commitments under non-cancellable operating leases as follows:		
		2002	2001
		£	£
	Expiry date:		
	Within one year	4,155	5,026
	Between two and five years	1,364	5,541
		<u>5,519</u>	<u>10,567</u>

10	Ultimate parent undertaking	
	The ultimate parent undertaking is Woehner Holdings GmbH, a company incorporated in Austria.	