Company Number: 3096821

Woehner (U.K.) Limited

Financial Statements

for the year ended 31st December 2003



Woehner (U.K.) Limited

Company Information for the year ended 31st December 2003

Directors

P. Kooke
F. Woehner

Secretary

P. Kooke

Registered office

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

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

8	Trading and Profit and Loss Account

Woehner (U.K.) Limited

Directors' Report
for the year ended 31st December 2003

The directors present their annual report and audited financial statements for the year ended 31st December 2003.

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	
	31/12/03	01/01/03
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

26th February 2004

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 2003 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. Our opinion is not qualified in respect of this matter.

Opinion

With the exception of the above, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2003 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

26th February 2004

Woehner (U.K.) Limited

Profit and Loss Account
for the year ended 31st December 2003

	Notes	2003 £	2002 £
Turnover	2	440,843	409,390
Cost of sales		332,210	310,554
Gross profit		108,633	98,836
Administrative expenses		231,479	179,618
Operating (loss)	3	(122,846)	(80,782)
Interest payable and similar charges		69,176	70,534
(Loss) for the year		(192,022)	(151,316)
(Accumulated loss) brought forward		(1,502,434)	(1,351,118)
(Accumulated loss) carried forward		(1,694,456)	(1,502,434)

Woehner (U.K.) Limited

Balance Sheet as at 31st December 2003

	Notes	£	2003 £	2002 £
Fixed assets				
Tangible assets	4		3,393	3,907
Current assets				
Stocks		62,799		50,863
Debtors	5	112,337		124,419
Cash at bank and in hand		2,014		13,235
		177,150		188,517
Creditors:				
Amounts falling due within one year	6	372,046		922,429
Net current (liabilities)			(194,896)	(733,912)
Total assets less current liabilities			(191,503)	(730,005)
Creditors:				
Amounts falling due after more than one year	7		1,502,903	772,379
Net (liabilities)			(1,694,406)	(1,502,384)
Capital and reserves				
Called up share capital	8		50	50
Profit and loss account			(1,694,456)	(1,502,434)
Shareholders' funds			(1,694,406)	(1,502,384)

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 26th February 2004 and signed on its behalf by

P. Kooke

Director

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.

Pensions

The company operates a pension sheme 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.

2 Turnover

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

Exports represented 61% of turnover (2002:21%)

3	Operating (loss)	2003	2002
		£	£
	Operating (loss) is stated after charging:		
	Depreciation of owned assets	922	1,095
	Loss on foreign exchange	108,398	57,588
	Auditors' remuneration	2,000	2,000

4	Tangible fixed assets	Plant and machinery	Fixtures, fittings and equipment	Total
		£	£	£
	Cost			
	At 1st January 2003	18,332	16,228	34,560
	Additions	68	340	408
	At 31st December 2003	18,400	16,568	34,968
	Depreciation			
	At 1st January 2003	18,237	12,416	30,653
	Charge for the year	104	818	922
	At 31st December 2003	18,341	13,234	31,575
	Net book value			
	At 31st December 2003	59	3,334	3,393
	At 31st December 2002	95	3,812	3,907

5	Debtors	2003	2002
		£	£
	Trade debtors	110,138	122,407
	Prepayments and accrued income	2,199	2,012
		112,337	124,419

All amounts are due within one year.

6	Creditors: Amounts falling due within one year	2003	2002
		£	£
	Bank overdraft (secured)	-	598,126
	Trade creditors	3,473	3,265
	Amounts owed to group undertakings	353,567	305,537
	Other taxes and social security costs	2,453	1,999
	Other creditors	590	534
	Accruals and deferred income	11,963	12,968
		372,046	922,429

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

7 Creditors: Amounts falling due after more than one year	2003 £	2002 £
Amounts owed to group undertakings (secured)	1,502,903	772,379

8 Share capital	2003 £	2002 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
50 Ordinary shares of £1 each	50	50

There was no change in share capital during the year.

9 Leasing commitments

At 31st December 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003 £	2002 £
Expiry date:		
Within one year	-	4,155
Between two and five years	-	1,364
	-	5,519

10 Ultimate parent undertaking

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