

Company Number: 1697400

ESPERA SCALES LIMITED

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2001

PKF



ESPERA SCALES LIMITED

COMPANY INFORMATION

Directors	M Korthauer R Egli
Secretary	St John's Square Secretaries Limited
Company Number	1697400
Registered Office	Europa House Dorking Business Park Dorking Surrey RH4 1HJ
Auditors	PKF Pannell House Park Street Guildford Surrey GU1 4HN
Bankers	Fortis Bank Reading The Imperium Worton Grange Imperial Way Reading RG2 0TD

ESPERA SCALES LIMITED

CONTENTS

	Page
DIRECTORS' REPORT	1
STATEMENT OF DIRECTORS' RESPONSIBILITIES	2
AUDITORS' REPORT	3
PROFIT AND LOSS ACCOUNT	4
BALANCE SHEET	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 10

ESPERA SCALES LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2001

The directors submit their report and the financial statements for the year ended 31 December 2001.

Principal activity

The principal activity of the company throughout the year was the sale and maintenance of scales, weighing, labelling and similar machines.

Directors

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year (or date of appointment, if later) were:

	Ordinary Shares of £1 each	
	2001	2000
M Korthauer	1	1
R Egli	-	-

Basis of preparation

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

By order of the board



St John's Square Secretaries Limited
Secretary

2-5-02

ESPERA SCALES LIMITED
STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then 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 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.

The directors are responsible for ensuring that the directors' report and other information included in the annual report is prepared in accordance with company law in the United Kingdom.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
ESPERA SCALES LIMITED**

We have audited the financial statements of Espera Scales Limited for the year ended 31 December 2001 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 judgments 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.

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 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

2 May 2002

Guildford, UK

PKF

PKF
Registered Auditors

ESPERA SCALES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
TURNOVER	2	1,175,507	1,518,460
Cost of sales		(535,017)	(795,068)
GROSS PROFIT		640,490	723,392
Administrative expenses		(625,222)	(613,761)
Other operating income		26,822	19,132
OPERATING PROFIT	3	42,090	128,763
Interest receivable and similar income		6,322	5,975
Interest payable and similar charges		(5,806)	(9,735)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		42,606	125,003
TAXATION	5	(2,963)	(30,300)
PROFIT FOR THE FINANCIAL YEAR		39,643	94,703
DIVIDENDS		-	(47,352)
		39,643	47,351

ESPERA SCALES LIMITED
BALANCE SHEET
31 DECEMBER 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Tangible	6	96,287	69,545
CURRENT ASSETS			
Stocks	7	272,774	363,054
Debtors	8	381,950	369,430
Cash at bank and in hand		201,462	172,794
		<u>856,186</u>	<u>905,278</u>
CREDITORS: amounts falling due within one year	9	<u>(232,194)</u>	<u>(285,325)</u>
NET CURRENT ASSETS		<u>623,992</u>	<u>619,953</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>720,279</u>	<u>689,498</u>
CREDITORS: amounts falling due after more than one year	10	-	(4,041)
PROVISIONS FOR LIABILITIES AND CHARGES	11	<u>(7,179)</u>	<u>(12,000)</u>
NET ASSETS		<u><u>713,100</u></u>	<u><u>673,457</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	50,000	50,000
Profit and loss account	13	663,100	623,457
		<u>713,100</u>	<u>673,457</u>

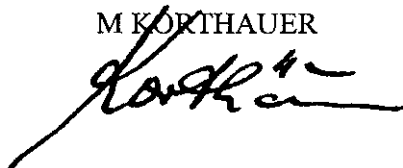
The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 14 April 2002

Signed on behalf of the board of directors

M KORTHAUER

Director



ESPERA SCALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

1 ACCOUNTING POLICIES

(a) 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 March 2000).

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Included within turnover is service contracts income which is deferred at the date of invoicing and released to the profit and loss account over the duration of the contract. The balance of service income not released to the profit and loss account is carried in the balance sheet as deferred income.

(c) Tangible fixed assets

Fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Leasehold improvements	- 3 to 5 years
Fixtures and equipment	- 3 to 5 years
Motor vehicles	- 3 years

(d) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Stock

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate.

(f) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

ESPERA SCALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

1 ACCOUNTING POLICIES (continued)

(g) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

(h) Provisions

Provision is made for first year warrenty cost in respect of machines sold during the year at 4% of selling price.

2 TURNOVER

All turnover arose within the United Kingdom.

3 OPERATING PROFIT

The operating profit is stated after :

	2001	2000
	£	£
Directors' emoluments	63,408	30,443
Depreciation of tangible fixed assets:		
- owned by the company	31,042	7,786
- held under finance lease or hire purchase contracts	12,456	24,109
Audit fees	7,500	7,250
Exchange (gain)/loss	683	(1,544)
	<u>63,408</u>	<u>30,443</u>

4 DIRECTORS' EMOLUMENTS AND BENEFITS

	2001	2000
	£	£
Aggregate of directors' emoluments and other benefits as defined in paragraph 1 of Sch 6 to the Companies Act 1985	63,408	30,443
	<u>63,408</u>	<u>30,443</u>
The number of directors accruing benefits under pension schemes were:		
	No	No
Money purchase schemes	1	-
	<u>1</u>	<u>-</u>

ESPERA SCALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

5 TAXATION

	2001 £	2000 £
Current year taxation		
UK corporation tax	6,055	30,300
Adjustments in respect of prior periods		
Corporation tax	(3,092)	-
	<u>2,963</u>	<u>30,300</u>

6 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2001	8,945	81,419	149,219	239,583
Additions	5,900	43,440	20,900	70,240
Disposals	-	-	(53,561)	(53,561)
At 31 December 2001	<u>14,845</u>	<u>124,859</u>	<u>116,558</u>	<u>256,262</u>
Depreciation				
At 1 January 2001	8,945	54,685	106,408	170,038
Charge for the year	688	14,794	28,016	43,498
On disposals	-	-	(53,561)	(53,561)
At 31 December 2001	<u>9,633</u>	<u>69,479</u>	<u>80,863</u>	<u>159,975</u>
Net book amount				
At 31 December 2001	<u>5,212</u>	<u>55,380</u>	<u>35,695</u>	<u>96,287</u>
At 31 December 2000	<u>-</u>	<u>26,734</u>	<u>42,811</u>	<u>69,545</u>

The net book amounts of motor vehicles above include **£5,861** (2000 - £18,317) in respect of assets held under finance leases or hire purchase contracts.

7 STOCKS

	2001 £	2000 £
Finished goods	<u>272,774</u>	<u>363,054</u>

ESPERA SCALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

8 DEBTORS

	2001	2000
	£	£
Trade debtors	347,436	349,444
Other debtors	34,514	19,986
	<u>381,950</u>	<u>369,430</u>

9 CREDITORS:

Amounts falling due within one year

	2001	2000
	£	£
Trade creditors	47,802	95,495
Corporation tax	6,055	32,361
Other taxation and social security	58,217	71,829
Net obligations under finance lease and hire purchase contracts	2,902	12,325
Other creditors	117,218	73,315
	<u>232,194</u>	<u>285,325</u>

Included in trade creditors is £5,299 (2000 - £1,941) relating to amounts owed to group undertakings.

10 CREDITORS:

Amounts falling due after more than one year

	2001	2000
	£	£
Net obligations under finance lease and hire purchase contracts	-	4,041
	<u>-</u>	<u>4,041</u>

11 PROVISIONS FOR LIABILITIES AND CHARGES

	Warranty provisions £
At 1 January 2001	12,000
Released to profit and loss	(4,821)
At 31 December 2001	<u>7,179</u>

Provision is made for first year warranty cost in respect of machines sold during the year at 4% of selling price.

ESPERA SCALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

12 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No	£
At 1 January 2001 and 31 December 2001 Ordinary shares of £1 each	50,000	50,000	50,000

13 RESERVES

	2001 £	2001 £
Profit and loss account		
At 1 January 2001	623,457	576,106
Profit for the year	39,643	47,351
At 31 December 2001	663,100	623,457

14 LEASE COMMITMENTS

At 31 December 2001 the company had annual commitments under operating leases as follows:

	2001 £	2000 £
Expiry date:		
After more than five years	63,000	51,000

15 TRANSACTIONS WITH RELATED PARTIES

The directors have taken advantage of the exemption available to subsidiary undertakings where 90 per cent or more of voting rights are controlled within the group from the requirement to disclose transactions with group companies.

The company reimbursed R Egli £8,000 in the year relating to relocation expenses.

16 PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The company is controlled by Espera Werke GmbH.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Espera Werke GmbH, a company incorporated in Germany. Consolidated accounts are available from Postfach 10 04 55, 47004 Duisberg, Germany.

In the opinion of the directors this is the company's ultimate parent company.

Espera Werke GmbH is ultimately controlled by the Korthauer family.