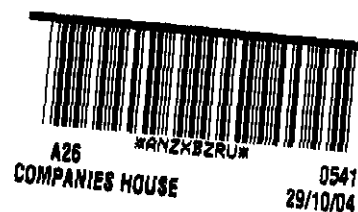


Company Registration No. 1786809 (England and Wales)

KURT KELLERMANN (UK) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003



Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

Rayner Essex
Chartered Accountants

KURT KELLERMANN (UK) LIMITED

COMPANY INFORMATION

Director	D Kellermann
Secretary	Ashcroft Cameron Secretaries
Company number	1786809
Registered office	Faulkner House Victoria Street St Albans Herts AL1 3SE
Auditors	Rayner Essex Faulkner House Victoria Street St Albans Herts AL1 3SE

KURT KELLERMANN (UK) LIMITED

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DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

- 1 -

KURT KELLERMANN (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KURT KELLERMANN (UK) LIMITED

We have audited the financial statements of Kurt Kellermann (UK) Limited on pages 3 to 6 for the year ended 31 December 2003. 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 the director and auditors

As described in the statement of director's responsibilities on page 1 the company's director is 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 director's 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 director's remuneration and transactions with the company is not disclosed.

We read the director's 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 director 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Rayner Essex
Chartered Accountants
Registered Auditor

.....28.10.04.....

Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

KURT KELLERMANN (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Administrative expenses		(1,571)	(717)
Other operating income		2,388	-
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		817	(717)
Tax on profit/(loss) on ordinary activities	2	-	-
		<hr/>	<hr/>
Profit/(loss) on ordinary activities after taxation	7	<u>817</u>	<u>(717)</u>

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.

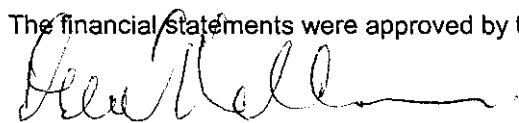
KURT KELLERMANN (UK) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003 £	£	2002 £	£
Current assets					
Debtors	3	95,543		95,543	
Cash at bank and in hand		819		2	
		<u>96,362</u>		<u>95,545</u>	
Creditors: amounts falling due within one year	4	<u>(48,475)</u>		<u>(48,475)</u>	
Total assets less current liabilities			47,887		47,070
Creditors: amounts falling due after more than one year	5		(225)		(225)
			<u>47,662</u>		<u>46,845</u>
Capital and reserves					
Called up share capital	6		5,000		5,000
Profit and loss account	7		42,662		41,845
Shareholders' funds - equity interests	8		<u>47,662</u>		<u>46,845</u>

These 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 ...28.10.04.....



.....
D Kellermann
Director

KURT KELLERMANN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

2 Taxation

The company has estimated losses of £ nil (2002: £ 717) available for carry forward against future trading profits.

3 Debtors	2003 £	2002 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>95,543</u>	<u>95,543</u>
4 Creditors: amounts falling due within one year	2003 £	2002 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	40,682	40,682
Other creditors	<u>7,793</u>	<u>7,793</u>
	<u>48,475</u>	<u>48,475</u>
5 Creditors: amounts falling due after more than one year	2003 £	2002 £
Amounts owed to associated undertakings	<u>225</u>	<u>225</u>
6 Share capital	2003 £	2002 £
Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

KURT KELLERMANN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

7 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2003	41,845
Retained profit for the year	817
	<hr/>
Balance at 31 December 2003	42,662
	<hr/>

8 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit/(Loss) for the financial year	817	(717)
Opening shareholders' funds	46,845	47,562
	<hr/>	<hr/>
Closing shareholders' funds	47,662	46,845
	<hr/>	<hr/>

9 Control

The company's immediate parent undertaking is Scandinavian Manufactrust APS, a Company registered in Sweden.

10 Related party transactions

The following balances were due to related parties as at the year end:
IGM Manufactrust - £40,682 (2002: £40,682).

The following balances were due from related parties as at the year end:
Scandinavian Manufactrust APS - £91,543 (2002: £91,543)
IGM Manufactrust - £4,000 (2002: £4,000).

The following balances were amounts falling due to related parties after more than one year as at the year end:
IGM Manufactrust - £225 (2002: £225).

KURT KELLERMANN (UK) LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003**

		2003		2002
	£	£	£	£
Administrative expenses			717	
Accountancy	1,517			
Bank charges	54			
Sundry expenses - allowable	-			
		(1,571)		(717)
		(1,571)		(717)
Other operating income				
Sundry income		2,388		-
Operating profit/(loss)		817		(717)

KURT KELLERMANN (UK) LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2003

	2003	2002
	£	£
Administrative expenses		
Accountancy	1,517	650
Bank charges	54	52
Sundry expenses - allowable	-	15
	<u>1,571</u>	<u>717</u>