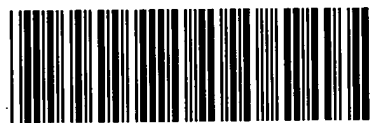


Company Registration No. 01811296 (England and Wales)

**PROFINE UK LIMITED**  
**ABBREVIATED ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

THURSDAY



\*A47EFEGJ\*

A21

14/05/2015

#199

COMPANIES HOUSE

# **PROFINE UK LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Notes to the abbreviated accounts	7 - 13

---

# **PROFINE UK LIMITED**

## **STRATEGIC REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2014***

---

### **Review of the business**

We aim to present a balanced review of the performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

We specialise in the sales and marketing of window and door profiles. Due to the Profine Group being a market leader of window PVC profiles we pride ourselves in the sale of reputable and quality goods.

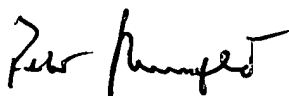
Due to the improved market conditions on property and the exchange rate movement with the Euro improved the trading of the company has seen an upturn in activity and profit.

The main financial risks arising from the company's activities are credit risk, interest rate risk, liquidity risk and currency risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The company's policy in respect of credit risk is to require appropriate credit checks on potential customers before sales are made.

Turnover for the current year increased 17% to £27.5m despite competitive market conditions, due to management focus on increasing sales and market share with new energy efficient window and door systems. Direct cost of sales were maintained at prior year level, this being due to a decrease in the requirement of tooling for customers following significant investment in prior years and the exchange rate. The company maintained administration overheads at a consistent level which the company intends to maintain in the future.

With the risks of future material costs, market demand and exchange rate uncertainties we are aware that any plans for future development of the business may be subject to unforeseen events outside our control. However the company expects to make significant profits in 2015 as we look to grow market share further.



Dr P A Mrosik

**Director**

14 April 2015

# **PROFINE UK LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2014***

---

The directors present their report and financial statements for the year ended 31 December 2014.

### **Principal activities**

The company continues to market PVC profiles and other components for the production of windows, which are sold to third party customers.

The current economic environment has improved from prior year in terms of pricing and the company has reported an operating profit for the year. We consider that the outlook presents improved market conditions.

### **Results and dividends**

The results for the year are set out on page 5.

The company's profit for the year amounted to £968,433 (2013 - loss £377,222). The Directors recommend that no dividend be paid.

### **Market value of land and buildings**

In the opinion of the directors the market value of land and buildings exceeds the current net book value.

### **Future developments**

The directors aim to maintain the management policies, to achieve growth in what is expected to be an increasingly competitive but improving market.

### **Directors**

The following directors have held office since 1 January 2014:

Ms U F Kretzschmar  
Dr P A Mrosik

### **Auditors**

Baldwins (Tamworth) Limited were appointed auditors to the company and in accordance with section 487(2) of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

# PROFINE UK LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2014**

---

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' 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;
- 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.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Dr P A Mrosik

Director

14 April 2015

# **PROFINE UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO PROFINE UK LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

---

We have examined the abbreviated accounts set out on pages 5 to 13, together with the financial statements of Profine UK Limited for the year ended 31 December 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

### **Other information**

On 14 April 2015 we reported, as auditors of Profine UK Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 31 December 2014, and our report included the following paragraph:

### **Senior statutory auditor exemption**



Mr David Baldwin FCCA (Senior) Statutory Auditor  
for and on behalf of Baldwins (Tamworth) Limited

14 April 2015

**Chartered Certified Accountants  
Statutory Auditor**

Ventura House  
Ventura Park Road  
Tamworth  
Staffordshire  
B78 3HL

# PROFINE UK LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
<b>Turnover</b>		27,512,271	23,488,512
Other operating income less cost of sales		(23,552,044)	(21,156,401)
Distribution costs		(751,825)	(610,390)
Administrative expenses		(2,238,400)	(2,055,376)
<b>Operating profit/(loss)</b>	<b>2</b>	970,002	(333,655)
Other interest receivable and similar income		393	353
Interest payable and similar charges	<b>4</b>	(1,962)	(43,920)
<b>Profit/(loss) on ordinary activities before taxation</b>		968,433	(377,222)
Tax on profit/(loss) on ordinary activities	<b>5</b>	2,629,499	-
<b>Profit/(loss) for the year</b>	<b>12</b>	3,597,932	(377,222)

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.

# PROFINE UK LIMITED

## ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	6		372,884		592,615
<b>Current assets</b>					
Stocks	7	2,048,595		1,863,284	
Debtors	8	6,453,007		3,428,855	
Cash at bank and in hand		1,002,541		654,609	
		9,504,143		5,946,748	
<b>Creditors: amounts falling due within one year</b>	9	(3,590,961)		(3,851,229)	
<b>Net current assets</b>		5,913,182		2,095,519	
<b>Total assets less current liabilities</b>		6,286,066		2,688,134	
<b>Capital and reserves</b>					
Called up share capital	11	17,920,002		17,920,002	
Profit and loss account	12	(11,633,936)		(15,231,868)	
<b>Shareholders' funds</b>	13	6,286,066		2,688,134	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 14 April 2015



Ms U F Kretzschmar  
Director

Company Registration No. 01811296



# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### 1.2 Compliance with accounting standards

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).

#### 1.3 Turnover

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

#### 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	equal instalments over the period of the lease
Plant and machinery	20 - 33% straight line
Fixtures, Fittings and	20% per annum straight line

#### 1.5 Leasing

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

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 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 year they are payable.

#### 1.8 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.

#### 1.9 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.

# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 1 Accounting policies

(Continued)

#### 1.10 Going concern

The directors have prepared the financial statements on a going concern basis. The related group undertaking, Profine GmbH., has provided a letter of support confirming that it will continue to support the operations of the company in the United Kingdom for a minimum period of 12 months from date of the approval of the financial statements, at which time the letter of support will expire.

The directors of Profine GmbH. have indicated that the letter of support will be renewed 12 months after the signing of the financial statements for a further period of 12 months. Accordingly, the directors consider it appropriate to prepare the financial statements on a going concern basis.

#### 1.11 Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90% or more of the voting rights are controlled within the group.

2	Operating profit/(loss)	2014 £	2013 £
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	233,481	268,297
	Loss on foreign exchange transactions	35,921	4,566
	Operating lease rentals		
	- Plant and machinery	555,960	508,211
	- Other assets	448,997	444,781
	Auditors' remuneration (including expenses and benefits in kind)	16,750	16,750
		<u>2,290,110</u>	<u>2,281,612</u>
3	Investment income	2014 £	2013 £
	Bank interest	393	353
		<u>393</u>	<u>353</u>
4	Interest payable	2014 £	2013 £
	On bank loans and overdrafts	1,962	43,920
		<u>1,962</u>	<u>43,920</u>

# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

5	Taxation	2014 £	2013 £
	<b>Total current tax</b>	-	-
	<b>Deferred tax</b>		
	Deferred tax adjustments arising in previous periods	(2,629,499)	-
	<b>Factors affecting the tax charge for the year</b>		
	Profit/(loss) on ordinary activities before taxation	968,433	(377,222)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2013 - 26.00%)	203,371	(98,078)
	Effects of:		
	Non deductible expenses	2,231	3,189
	Depreciation add back	49,031	69,757
	Capital allowances	(23,580)	(32,497)
	Tax losses utilised	(231,053)	-
	Tax losses not yet utilised	-	57,629
		(203,371)	98,078
	<b>Current tax charge for the year</b>	-	-

The company has estimated losses of £ 12,521,425 (2013 - £ 13,621,678) available for carry forward against future trading profits.

# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 6 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, Fittings and	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2014	340,186	1,360,229	278,043	1,978,458
Additions	-	13,750	-	13,750
At 31 December 2014	340,186	1,373,979	278,043	1,992,208
<b>Depreciation</b>				
At 1 January 2014	166,565	941,235	278,043	1,385,843
Charge for the year	22,647	210,834	-	233,481
At 31 December 2014	189,212	1,152,069	278,043	1,619,324
<b>Net book value</b>				
At 31 December 2014	150,974	221,910	-	372,884
At 31 December 2013	173,621	418,994	-	592,615

### 7 Stocks

	2014 £	2013 £
Finished goods and goods for resale	2,048,595	1,863,284

### 8 Debtors

	2014 £	2013 £
Trade debtors	3,683,698	3,320,625
Deferred tax	2,629,499	-
Other debtors	3,349	3,349
Prepayments and accrued income	136,461	104,881
	6,453,007	3,428,855

# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

<b>9</b>	<b>Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Trade creditors	785,974	644,149
	Amounts owed to parent and fellow subsidiary undertakings	1,921,794	2,354,343
	Taxes and social security costs	623,784	707,499
	Other creditors	407	5,959
	Accruals and deferred income	259,002	139,279
		<u>3,590,961</u>	<u>3,851,229</u>
<b>10</b>	<b>Pension and other post-retirement benefit commitments</b>		
	<b>Defined contribution</b>		
		<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Contributions payable by the company for the year	61,778	29,280
		<u>61,778</u>	<u>29,280</u>
<b>11</b>	<b>Share capital</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Allotted, called up and fully paid</b>		
	9,600,002 Ordinary of £1 each	9,600,002	9,600,002
	8,320,000 Preference shares of £1 each	8,320,000	8,320,000
		<u>17,920,002</u>	<u>17,920,002</u>
<b>12</b>	<b>Statement of movements on profit and loss account</b>		<b>Profit and loss account</b>
			<b>£</b>
	Balance at 1 January 2014		(15,231,868)
	Profit for the year		3,597,932
	Balance at 31 December 2014		<u>(11,633,936)</u>

# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

<b>13 Reconciliation of movements in shareholders' funds</b>	<b>2014 £</b>	<b>2013 £</b>
Profit/(Loss) for the financial year	3,597,932	(377,222)
Opening shareholders' funds	2,688,134	3,065,356
Closing shareholders' funds	<u>6,286,066</u>	<u>2,688,134</u>

### 14 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2014 £</b>	<b>2013 £</b>	<b>2014 £</b>	<b>2013 £</b>
Operating leases which expire:				
Within one year	293,280	293,280	81,105	66,736
Between two and five years	1,173,120	1,173,120	62,830	73,838
In over five years	464,360	757,640	-	-
	<u>1,930,760</u>	<u>2,224,040</u>	<u>143,935</u>	<u>140,574</u>

<b>15 Directors' remuneration</b>	<b>2014 £</b>	<b>2013 £</b>
Pensions to former directors	<u>6,481</u>	<u>3,399</u>

# PROFINE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 16 Employees

#### Number of employees

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

	2014 Number	2013 Number
Selling and distribution	6	6
Administration	7	7
Warehouse	8	7
Management	2	1
	<u>23</u>	<u>21</u>

#### Employment costs

	2014 £	2013 £
Wages and salaries	1,021,208	911,340
Other pension costs	68,259	32,679
	<u>1,089,467</u>	<u>944,019</u>

### 17 Ultimate parent company

The immediate parent company is profine GmbH, a company registered in Germany, which owns 100% of the company's ordinary share capital. The ultimate parent company is HTT Holding GmbH a company registered in Germany.

### 18 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the Profine group headed by profine GmbH, a company registered in Germany on the grounds that 100% of the voting rights in the company are controlled within profine GmbH and the company is included in consolidated financial statements.

### 19 Related party relationships and transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the Profine group headed by profine GmbH, a company registered in Germany on the grounds that 100% of the voting rights in the company are controlled within profine GmbH and the company is included in consolidated financial statements.