

Sorba UK Limited

Directors' report and financial statements

31 December 1995

Registered number 01945217



Sorba UK Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1-2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Reconciliation of movements in shareholders' funds	8
Notes	9-12

Sorba UK Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1995.

Principal activities

The principal activity of the company is the trading of sheet metal plating products.

Business review

The company had no contracts during the year however the company has entered into two contracts since the end of the year. The results of the company for the year are set out in detail on page 5.

Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend.

The loss for the year of £7,250 will be carried forward.

Directors and directors' interests

The directors who held office during the year were as follows:

CJW T Van Sorgen
DJ Van der Werff

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

Political and charitable contributions

The company made no political contributions or donations to UK charities during the year.

Sorba UK Limited

Directors' report *(continued)*

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

CJW T Van Sörge
Director



165 Queen Victoria Street
London EC4V 3DD

1 November 1996

Sorba UK 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Auditors' report to the members of Sorba UK Limited

We have audited the financial statements on pages 5 to 12.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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.

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 1995 and of its loss and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

/ November 1996

Sorba UK Limited

Profit and loss account for the year ended 31 December 1995

	<i>Note</i>	1995 £	1994 £
Turnover	2	-	-
Cost of sales		(1,200)	(1,000)
		<hr/>	<hr/>
Gross profit/(loss)		(1,200)	(1,000)
Administrative expenses		(6,050)	(2,514)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	3-5	(7,250)	(3,514)
Tax on loss on ordinary activities	6	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(7,250)	(3,514)
Accumulated losses brought forward		(19,428)	(15,914)
		<hr/>	<hr/>
Accumulated losses carried forward		(26,678)	(19,428)
		<hr/>	<hr/>

There were no recognised gains or losses during the current or preceding year other than the loss for the year. Accordingly, a statement of total recognised gains and losses has not been prepared.

The results stated above are all derived from continuing operations.

Sorba UK Limited

Balance sheet at 31 December 1995

	Note	1995	1994
		£	£
Current assets			
VAT recoverable		-	175
Cash at bank and in hand		1,673	548
		<u>1,673</u>	<u>723</u>
Creditors: amounts falling due within one year	7	<u>(23,751)</u>	<u>(14,051)</u>
Net current liabilities		(22,078)	(13,328)
Creditors: amounts falling due after more than one year	8	<u>(4,500)</u>	<u>(6,000)</u>
Net liabilities		<u>(26,578)</u>	<u>(19,328)</u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		<u>(26,678)</u>	<u>(19,428)</u>
Equity shareholders' funds		<u>(26,578)</u>	<u>(19,328)</u>

These financial statements were approved by the board of directors on 1 November 1996 and were signed on its behalf by:

CJVT Van Sorgen
Director

Sorba UK Limited

Cash flow statement

for the year ended 31 December 1995

	<i>Note</i>	1995 £	1994 £
Net cash inflow/(outflow) from operating activities being net cash inflow/(outflow) before financing	<i>11</i>	<u>1,125</u>	<u>(639)</u>
Increase/(decrease) in cash and cash equivalents	<i>12</i>	<u>1,125</u>	<u>(639)</u>

Sorba UK Limited

Reconciliation of movements in shareholders' funds *for the year ended 31 December 1995*

	1995 £	1994 £
Loss on ordinary activities after taxation being net deduction from shareholders' funds	(7,250)	(3,514)
Opening shareholders' funds	<u>(19,328)</u>	<u>(15,814)</u>
Closing shareholders' funds	<u>(26,578)</u>	<u>(19,328)</u>

Sorba UK Limited

Notes

(forming part of the financial statements)

1 Fundamental accounting concept

The financial statements have been prepared on a going concern basis because the parent company has agreed to provide sufficient funds to enable the company to meet its liabilities as they fall due for at least the period up to 31 December 1997.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Taxation

Taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

3 Loss on ordinary activities before taxation

	1995 £	1994 £
<i>Loss on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditors' remuneration:		
Audit	1,000	1,000
Other services	5,050	1,500
	<hr/>	<hr/>

Sorba UK Limited

Notes (continued)

4 Remuneration of directors

The directors of the company do not receive any remuneration (1994:£nil).

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees
Administration	<u>2</u>

There were no costs for these employees.

6 Tax on loss on ordinary activities

The company has tax losses amounting to approximately £25,000 (1994:£18,000) subject to agreement, available to carry forward.

7 Creditors: amounts falling due within one year

	1995 £	1994 £
Amounts owed to related undertaking	19,401	11,401
Accruals and deferred income	<u>4,350</u>	<u>2,650</u>
	<u>23,751</u>	<u>14,051</u>

Sorba UK Limited

Notes (continued)

8 Creditors: amounts falling due after more than one year

	1995 £	1994 £
Loan from related undertaking	<u>4,500</u>	<u>6,000</u>

	Instalments payable within five years		Instalments payable after five years		Total	
	1995 £	1994 £	1995 £	1994 £	1995 £	1994 £
Amounts payable by instalments to related undertaking	4,500	4,500	-	1,500	4,500	6,000
Already included in creditors amounts falling due within one year	<u>4,500</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>4,500</u>	<u>3,000</u>
	<u>9,000</u>	<u>7,500</u>	<u>-</u>	<u>1,500</u>	<u>9,000</u>	<u>9,000</u>

The loan from the related undertaking, Van Sorgen Beheer BV is repayable in 10 equal instalments, the first instalment being payable in 1990.

The loan bears interest at 7.5%. Considering the financial situation of Sorba UK Limited, interest charges have so far been waived by the related undertaking.

9 Called up share capital

	1995 £	1994 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Sorba UK Limited

Notes (continued)

- 10 **Ultimate parent company and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of IBSOR BV, incorporated in The Netherlands.

The only group in which the results of the company are consolidated is that headed by IBSOR BV, incorporated in The Netherlands. The consolidated accounts of this company are available to the public at the Chamber of Commerce in Apeldoorn, The Netherlands. The full name and address is; Kamer van Koophandel en Fabrieken voor de Noord-Veluwe en-Achterhoek, Stationsstraat 80, 7311 MH Apeldoorn, The Netherlands.

- 11 **Reconciliation of loss on ordinary activities before taxation to net cash inflow/(outflow) from operating activities**

	1995	1994
	£	£
Loss on ordinary activities before taxation	(7,250)	(3,514)
Increase in creditors	8,200	3,050
Decrease/(increase) in debtors	175	(175)
	<u>1,125</u>	<u>(639)</u>

- 12 **Analysis of changes in cash and cash equivalents**

	£
Balance at 1 January 1994	1,187
Net cash outflow	<u>(639)</u>
Balance at 31 December 1994	548
Net cash inflow	<u>1,125</u>
Balance at 31 December 1995	<u>1,673</u>