

Sorba UK Limited

Directors' report and financial statements

31 December 2001

01945217 (England and Wales)



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Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

Principal activities

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

Business review

The results for the company for the year are set out in detail on page 4. Turnover for the year was £510,874 compared with £627,275 for 2000. The profit before tax was £59,524 compared with £83,032 for 2000.

Dividends

The directors do not recommend the payment of a dividend.

Directors and directors' interests

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

DJ van der Werff
Sorba Products BV

The directors who held office at the end of the financial year had the following interests in the shares of the company according to the register of interests:

	Interest at 31 December 2001	Interest at 31 December 2000
Sorba Products BV	99	99

Auditors

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

By order of the board

DJ van der Werff

Director

165 Queen Victoria
Street
London
EC4V 4DD

28 January 2003

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 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.



KPMG LLP

8 Salisbury Square
London
EC4Y 8BB

Report of the independent auditors to the members of Sorba UK Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

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

KPMG LLP

KPMG LLP

Chartered Accountants

Registered Auditor

4 February

2003

Profit and loss account
for the year ended 31 December 2001

	<i>Notes</i>	2001 £	2000 £
Turnover	2	510,874	627,275
Cost of sales		(436,135)	(533,186)
Gross profit		74,739	94,089
Administrative expenses		(15,474)	(11,196)
Operating profit		59,265	82,893
Other interest receivable and similar income	5	259	139
Profit on ordinary activities before taxation	3	59,524	83,032
Tax on profit/(loss) on ordinary activities	6	(17,002)	(11,130)
Profit for the financial year	11	42,522	71,902

A statement of recognised gains and losses has not been included as part of these financial statements as the company made no gains in the period other than disclosed in the profit and loss account.

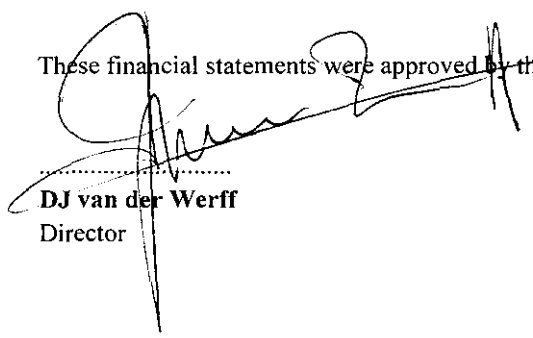
A note on historical gains and losses has not been included as part of these financial statements as the results as disclosed in the profit and loss account are prepared on an unmodified historical cost basis.

The results stated above are all derived from continuing operations.

Balance sheet
at 31 December 2001

	Notes	2001 £	£	2000 £	£
Current assets					
Stocks	7	40,127		-	
Debtors	8	409,957		553,533	
Cash at bank and in hand		66,745		4,402	
		<u>516,829</u>		<u>557,935</u>	
Creditors: amounts falling due within one year	9	(407,134)		(490,764)	
Total assets less current liabilities		109,695		67,171	
Capital and reserves					
Called up share capital	10	100		100	
Profit and loss account	11	109,595		67,071	
Shareholders' funds - equity interests	12	109,695		67,171	

These financial statements were approved by the board of directors on 28/1/03 and were signed on its behalf by:


.....
DJ van der Werff
Director

Notes

1 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. The company has adopted FRS 18 'Accounting Policies' in the year and this has not caused any significant changes.

Accounting convention

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent company includes the company in its own published consolidated financial statements.

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Sorba Products BV, the company's immediate parent company. Sorba Products BV has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting all its liabilities as they fall due for payment. As with any company placing reliance on other groups entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

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 (1.638) and the gains or losses on translation are included in the profit and loss account.

Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Taxation

The charge for 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 the groups sheet metal products and related services to customers. Turnover is recognised on completion of short term contracts.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

Notes

3 Profit on ordinary activities before taxation

	2001	2000
	£	£

Profit on ordinary activities before taxation is stated

after charging

Auditors' remuneration:

Audit	3,000	2,250
Other services - fees paid to the auditor and its associates	975	611
Directors' remuneration	-	-

4 Staff numbers and costs

There were no employees during the year apart from the directors. None of the directors received remuneration from the company.

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

	Number of employees	
	2001	2000
Administration	2	2

5 Other interest receivable and similar income

	2001	2000
	£	£
Bank interest	259	139

6 Taxation

	2001	2000
	£	£
UK corporation tax at 20% (2000 - 20%)	17,002	12,176
Adjustment relating to an earlier year	-	(1,046)
	17,002	11,130

7 Work in progress

	2001	2000
	£	£
Work in progress	40,127	-

Notes

8 Debtors

	2001	2000
	£	£
Trade debtors	256,782	348,486
Other debtors	131,620	62,854
Prepayments and accrued income	21,555	142,193
	<u>409,957</u>	<u>553,533</u>

9 Creditors: amounts falling due within one year

	2001	2000
	£	£
Trade creditors	262,663	320,484
Amounts owed to group undertakings	108,897	144,041
Corporation tax	29,178	12,176
Accruals and deferred income	6,396	14,063
	<u>407,134</u>	<u>490,764</u>

10 Share capital

	2001	2000
	£	£
<i>Authorised</i>		
Equity: 100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
Equity: 100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2001	67,073
Retained profit for the year	42,522
Balance at 31 December 2001	<u>109,595</u>

Notes

12 Reconciliation of movements in shareholders' funds

	2001	2000
	£	£
Profit for the financial year	42,522	71,902
Opening shareholders' funds	67,171	(4,731)
	<hr/>	<hr/>
Closing shareholders' funds	109,695	67,171
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13 Related party disclosures

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties.

14 Ultimate parent company

The company is a subsidiary undertaking of Sorba Products BV incorporated in The Netherlands

The largest group in which the results of the company are consolidated is that headed by SORBA Houdstermaatschappij BV, incorporated in The Netherlands. The consolidated accounts of this company are available to the public and may be obtained from The Chamber of Commerce for Oost-Brabant, PO box 735, 5600 AS at Eindhoven, The Netherlands.

The ultimate controlling party is considered to be Vado Beheer BV, a company incorporated in the Netherlands.