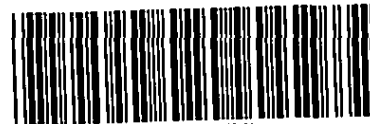


**W & H (UK) Limited**

**FINANCIAL STATEMENTS**

**For the year ended 31st August 2013**

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COMPANIES HOUSE

**GILBERTS**

CHARTERED ACCOUNTANTS  
AND BUSINESS ADVISERS

# **W & H (UK) Limited**

## **FINANCIAL STATEMENTS**

**year ended 31st August 2013**

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<b>CONTENTS</b>	<b>PAGES</b>
Officers and professional advisers	<b>1</b>
Directors' report	<b>2 to 3</b>
Independent auditor's report to the shareholders	<b>4</b>
Profit and loss account	<b>5</b>
Balance sheet	<b>6</b>
Cash flow statement	<b>7 to 8</b>
Notes to the financial statements	<b>9 to 14</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed profit and loss account	<b>15</b>
Notes to the detailed profit and loss account	<b>16</b>



# W & H (UK) Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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<b>The board of directors</b>	P P F Malata Jnr C A Meadows
<b>Company secretary</b>	B E Bletso
<b>Registered office</b>	Pendragon House 65 London Road St Albans Hertfordshire
<b>Auditor</b>	Gilberts Chartered Accountants & Statutory Auditor Pendragon House 65 London Road St Albans Hertfordshire AL1 1UJ
<b>Bankers</b>	Barclays Bank Plc PO Box 87 22/ 24 Upper Marlborough Road St Albans Hertfordshire BX3 2BB
<b>Solicitors</b>	Thomas Eggar LLP 14 New Street London EC2M 4HE
<b>Company registration number</b>	02604010

# **W & H (UK) Limited**

## **DIRECTORS' REPORT**

**year ended 31st August 2013**

---

The directors present their report and the financial statements of the company for the year ended 31st August 2013

### **Principal activities and business review**

The principal activity of the company continued to be that of the sale and distribution of "W & H" dental and medical equipment in the United Kingdom and the Republic of Ireland under licence from the parent undertaking W & H Burmoos GmbH, a company incorporated in Austria

Trading conditions during the year under review have been difficult as a consequence of significant reductions in expenditure by the NHS and general uncertainty in the dental sector. The impact of these factors has been to reduce turnover and result in the loss declared in these financial statements. The directors have undertaken detailed planning for the forthcoming year and are confident that the company will return to profitability.

### **Results and dividends**

The loss for the year amounted to £157,224. Particulars of dividends paid are detailed in note 7 to the financial statements.

### **Directors**

The directors who served the company during the year were as follows:

P. P. F. Malata Jnr  
C. A. Meadows

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

The ultimate parent undertaking, W & H Dentalwerk Burmoos GmbH is 100% owned by the Peter Malata Foundation (PM Privatstiftung).

### **Directors' responsibilities**

The directors are responsible for preparing the 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 year.

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.

# W & H (UK) Limited

## DIRECTORS' REPORT *(continued)*

year ended 31st August 2013

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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.

Each of the persons who is a director at the date of approval of this report confirm that

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

Gilberts are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



P P F Malata Jnr  
Chairman

Approved by the directors on 31st October 2013

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF W & H (UK) LIMITED**

We have audited the financial statements of W & H (UK) Limited for the year ended 31st August 2013. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st August 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the member's report.



**RICHARD HATTRELL (Senior Statutory Auditor)**

For and on behalf of Gilberts Chartered Accountants & Statutory Auditor  
Pendragon House, 65 London Road, St Albans, Hertfordshire, AL1 1UJ  
31st October 2013

# W & H (UK) LIMITED

## PROFIT AND LOSS ACCOUNT

year ended 31st August 2013

	Note	2013 £	2012 £
Turnover	2	5,057,864	6,420,898
Cost of sales		2,840,590	3,599,567
Gross profit		2,217,274	2,821,331
Distribution costs		535,700	610,337
Administrative expenses		1,944,737	1,994,205
Other operating income	3	(53,119)	(87,653)
Operating (loss)/profit	4	(210,044)	304,442
Interest receivable		3,231	2,244
(Loss)/profit on ordinary activities before taxation		(206,813)	306,686
Tax on (loss)/profit on ordinary activities		(49,589)	72,039
(Loss)/profit for the financial year		(157,224)	234,647
Balance brought forward		3,605,125	3,370,478
Equity dividends paid		(230,000)	—
Balance carried forward		3,217,901	3,605,125

The notes on pages 9 to 14 form part of these financial statements.




# W & H (UK) LIMITED

## BALANCE SHEET

31st August 2013

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	8	<u>592,726</u>	<u>587,818</u>
<b>Current assets</b>			
Stocks	9	1,128,378	1,409,936
Debtors	10	1,613,669	2,634,509
Cash at bank and in hand		<u>1,279,679</u>	<u>1,308,642</u>
		<u>4,021,726</u>	<u>5,353,087</u>
<b>Creditors Amounts falling due within one year</b>	11	<u>1,361,784</u>	<u>2,296,544</u>
<b>Net current assets</b>		<u>2,659,942</u>	<u>3,056,543</u>
<b>Total assets less current liabilities</b>		<u>3,252,668</u>	<u>3,644,361</u>
<b>Provisions for liabilities</b>			
Deferred taxation	12	<u>9,767</u>	<u>14,236</u>
		<u>3,242,901</u>	<u>3,630,125</u>
<b>Capital and reserves</b>			
Called-up equity share capital	15	25,000	25,000
Profit and loss account		<u>3,217,901</u>	<u>3,605,125</u>
<b>Shareholders' funds</b>		<u>3,242,901</u>	<u>3,630,125</u>

These accounts were approved by the directors and authorised for issue on 31st October 2013, and are signed on their behalf by



P P F Malata Jnr

Company Registration Number 02604010



C A Meadows

The notes on pages 9 to 14 form part of these financial statements.

# W & H (UK) LIMITED

## CASH FLOW STATEMENT

year ended 31st August 2013

	2013 £	2012 £
<b>Net cash inflow/(outflow) from operating activities</b>	<b>317,743</b>	<b>(246,877)</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	3,231	2,244
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>3,231</b>	<b>2,244</b>
<b>Taxation</b>	<b>(55,567)</b>	<b>(69,827)</b>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(64,371)	(53,265)
Receipts from sale of fixed assets	1	3,501
<b>Net cash outflow from capital expenditure</b>	<b>(64,370)</b>	<b>(49,764)</b>
<b>Equity dividends paid</b>	<b>(230,000)</b>	<b>–</b>
<b>Decrease in cash</b>	<b>(28,963)</b>	<b>(364,224)</b>
<b>Reconciliation of operating (loss)/profit to net cash inflow/(outflow) from operating activities</b>		
	2013 £	2012 £
Operating (loss)/profit	(210,044)	304,442
Depreciation	59,462	54,430
Profit on disposal of fixed assets	–	(863)
Decrease/(increase) in stocks	281,558	(490,736)
Decrease/(increase) in debtors	1,065,879	(980,002)
(Decrease)/increase in creditors	(879,112)	865,852
<b>Net cash inflow/(outflow) from operating activities</b>	<b>317,743</b>	<b>(246,877)</b>
<b>Reconciliation of net cash flow to movement in net funds</b>		
	2013 £	2012 £
Decrease in cash in the period	(28,963)	(364,224)
<b>Movement in net funds in the period</b>	<b>(28,963)</b>	<b>(364,224)</b>
<b>Net funds at 1 September 2012</b>	<b>1,308,642</b>	<b>1,672,866</b>
<b>Net funds at 31 August 2013</b>	<b>1,279,679</b>	<b>1,308,642</b>

The notes on pages 9 to 14 form part of these financial statements.

# W & H (UK) LIMITED

## CASH FLOW STATEMENT

year ended 31st August 2013

### Analysis of changes in net funds

	At 1 Sep 2012 £	Cash flows £	At 31 Aug 2013 £
Net cash			
Cash in hand and at bank	<u>1,308,642</u>	<u>(28,963)</u>	<u>1,279,679</u>
Net funds	<u>1,308,642</u>	<u>(28,963)</u>	<u>1,279,679</u>

The notes on pages 9 to 14 form part of these financial statements.



# W & H (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

year ended 31st August 2013

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### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### Turnover

Turnover is the total amount receivable by the company for goods and services provided, excluding value added tax and trade discounts

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold property	- over the term of the lease
Plant and machinery	- 15% on cost per annum
Office equipment and fittings	- 15%/33% on cost per annum
Motor vehicles	- 25% on cost per annum

#### Stocks

Stocks have been valued by the directors at the lower of cost and net realisable value on a basis which is consistent with previous year

Net realisable value is the estimated selling price less any further expenditure to be incurred before completion or disposal

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

#### Pension costs

Retirement benefits to eligible employees are funded by payments to pension trusts and insurance companies which are financially separate from the Company. These payments are charged against the profits in the year in which they are payable

#### Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those which are included in the company's accounts. Deferred tax is provided on all material timing differences which result in an obligation to pay more or less tax at a future date

A deferred tax asset has been recognised in respect of excess depreciation charged over taxation allowances received on fixed assets because there is sufficient history of trading profits to provide reliable evidence that the allowances will be fully utilised. The deferred tax asset provided is disclosed in note 13 to the accounts

# W & H (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

year ended 31st August 2013

### 1. Accounting policies *(continued)*

#### 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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2013 £	2012 £
United Kingdom	4,911,561	6,359,378
European Union	146,303	61,520
	<u>5,057,864</u>	<u>6,420,898</u>

### 3. Other operating income

	2013 £	2012 £
Other operating income	<u>53,119</u>	<u>87,653</u>

### 4. Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting)

	2013 £	2012 £
Depreciation of owned fixed assets	59,462	54,430
Profit on disposal of fixed assets	–	(863)
Auditor's remuneration		
- as auditor	17,600	17,600
- for other services	17,476	17,979
Net (profit)/loss on foreign currency translation	<u>(1,150)</u>	<u>2,342</u>

# W & H (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

year ended 31st August 2013

### 6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2013 £	2012 £
Remuneration receivable	119,000	124,900
Value of company pension contributions to money purchase schemes	22,320	26,600
	<u>141,320</u>	<u>151,500</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2013 No	2012 No
Money purchase schemes	<u>1</u>	<u>1</u>

### 7. Dividends

#### Equity dividends

	2013 £	2012 £
Paid		
Ordinary shares of £1 each	<u>230,000</u>	<u>—</u>

### 8 Tangible fixed assets

	Leasehold Property £	Plant and machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2012	497,994	57,738	221,505	34,720	811,957
Additions	—	1,470	3,557	59,344	64,371
Disposals	—	—	—	(19,996)	(19,996)
<b>At 31 August 2013</b>	<u>497,994</u>	<u>59,208</u>	<u>225,062</u>	<u>74,068</u>	<u>856,332</u>
<b>Depreciation</b>					
At 1 September 2012	46,008	32,522	115,666	29,943	224,139
Charge for the year	15,184	5,875	28,789	9,614	59,462
On disposals	—	—	—	(19,995)	(19,995)
<b>At 31 August 2013</b>	<u>61,192</u>	<u>38,397</u>	<u>144,455</u>	<u>19,562</u>	<u>263,606</u>
<b>Net book value</b>					
<b>At 31 August 2013</b>	<u>436,802</u>	<u>20,811</u>	<u>80,607</u>	<u>54,506</u>	<u>592,726</u>
At 31 August 2012	<u>451,986</u>	<u>25,216</u>	<u>105,839</u>	<u>4,777</u>	<u>587,818</u>

Included within the net book value of leasehold property are amounts relating to long leaseholds of £383,649 (2012 - £392,247) and short leaseholds of £53,153 (2012 - £59,739)





# W & H (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

year ended 31st August 2013

### 9. Stocks

	2013 £	2012 £
Finished goods	<u>1,128,378</u>	<u>1,409,936</u>

### 10 Debtors

	2013 £	2012 £
Trade debtors	1,488,526	2,492,471
Amounts owed by group undertakings	3,330	24,438
Corporation tax repayable	45,039	–
Prepayments and accrued income	76,774	117,600
	<u>1,613,669</u>	<u>2,634,509</u>

### 11. Creditors Amounts falling due within one year

	2013 £	2012 £
Trade creditors	81,411	170,351
Amounts owed to group undertakings	132,109	799,393
Corporation tax	–	55,648
Other taxation and social security	208,647	353,014
Accruals and deferred income	939,617	918,138
	<u>1,361,784</u>	<u>2,296,544</u>

### 12 Deferred taxation

The movement in the deferred taxation provision during the year was

	2013 £	2012 £
Provision brought forward	14,236	18,578
Profit and loss account movement arising during the year	(4,469)	(4,342)
Provision carried forward	<u>9,767</u>	<u>14,236</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2013 £	2012 £
Excess of taxation allowances over depreciation on fixed assets	9,767	14,236
	<u>9,767</u>	<u>14,236</u>

# W & H (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

year ended 31st August 2013

### 13 Commitments under operating leases

At 31st August 2013 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2013 £	2012 £
Operating leases which expire		
Within 2 to 5 years	132,218	93,524
After more than 5 years	-	88,720
	<u>132,218</u>	<u>182,244</u>

### 14 Related party transactions

At 31st August 2013 W & H (UK) Limited had a balance of £127,387 (2012 £738,673) outstanding to and a balance of £3,330 (2012 £19,251) outstanding from W & H Dentalwerk Burmoos GmbH, the ultimate parent undertaking. The company also had a balance of £4,722 (2012 £60,720) outstanding to and a balance of £Nil (2012 £Nil) outstanding from W & H Sterilisation Srl. A balance of £Nil (2012 £5,187) outstanding from W & H Wehadent Iberica.

These companies are fellow subsidiaries of W & H (UK) Limited.

During the year the company made purchases of £1,333,280 (2012 £2,704,330) from, and made charges of £73,117 (2012 £104,966) to W & H Dentalwerk Burmoos GmbH. The company was also charged management and information technology fees of £52,719 (2012 £60,616).

The company further made purchases of £252,296 (2012 £540,299) from W & H Sterilisation Srl, purchases of £Nil (2012 £88) and sales of £39 (2012 £Nil) from W&H Austria GmbH and sales of £5,949 (2012 £10,237) to W & H Wehadent Iberica.

The company also paid rent of £88,720 to the Peter Malata Foundation (PM Privatstiftung), the sole owner of W & H Dentalwerk Burmoos GmbH, the ultimate parent undertaking.

The company had a balance outstanding of £Nil (2012 £421) from Sendoline D2D, a UK branch of Swedish company Sendoline AB which is a wholly owned subsidiary of W&H Nordic. During the year the company made sales of £6,612 (2012 £38,856) to Sendoline D2D.

### 15 Share capital

#### Authorised share capital:

	2013 £	2012 £
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

#### Allotted, called up and fully paid

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

# **W & H (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**year ended 31st August 2013**

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### **16. Ultimate parent company**

The ultimate parent undertaking is W & H Dentalwerk Burmoos GmbH, a company registered in Austria

### **17 Ultimate control**

Ultimate control of the company is vested in the ultimate parent undertaking W & H Dentalwerk Burmoos GmbH

# W & H (UK) LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT

year ended 31st August 2013

	2013 £	2012 £
Turnover	5,057,864	6,420,898
Purchases	2,840,590	3,599,567
Gross profit	2,217,274	2,821,331
Overheads		
Distribution costs	535,700	610,337
Administrative expenses	1,944,737	1,994,205
	2,480,437	2,604,542
	(263,163)	216,789
Other operating income	53,119	87,653
Operating (loss)/profit	(210,044)	304,442
Bank interest receivable	3,231	2,244
(Loss)/profit on ordinary activities	(206,813)	306,686



# W & H (UK) LIMITED

## NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

year ended 31st August 2013

	2013 £	2012 £
<b>Distribution costs</b>		
Freight and carriage	67,116	75,409
Advertising	94,965	136,244
Sales promotion	36,019	31,807
Exhibitions	78,059	94,964
Entertaining	4,810	6,252
Travel and subsistence	254,731	265,661
	<u>535,700</u>	<u>610,337</u>
<b>Administrative expenses</b>		
Wages	330,222	335,910
Salaries	794,514	816,316
Employers NIC	123,958	139,091
Pension contributions	112,924	107,803
Staff welfare	51,381	46,950
Rent	88,720	88,720
Rates and service charge	13,496	34,365
Light and heat	9,696	9,308
Insurance	26,770	26,068
Repairs and maintenance	29,384	28,482
Running costs and cleaning	24,646	22,289
Service department tools	2,870	5,497
Service department consumables	7,330	1,882
Communication costs	60,312	70,637
Printing and stationery	8,972	11,552
Other administrative expenses	29,263	31,596
Subscriptions	13,283	12,470
Legal and professional fees	30,030	56,353
Group Management & IT fees	52,719	60,616
Research and Development	25,379	–
Accountancy fees	17,476	17,979
Auditors remuneration	17,600	17,600
Depreciation	59,462	54,430
Profit on disposal of fixed assets	–	(863)
Provision for bad and doubtful debts	8,000	(10,093)
Bank charges	7,480	6,905
Foreign currency gains/losses	(1,150)	2,342
	<u>1,944,737</u>	<u>1,994,205</u>
<b>Other operating income</b>		
Management recharges	29,002	50,000
Warranty credit allowance	10,417	23,253
Rent receivable	13,700	14,400
	<u>53,119</u>	<u>87,653</u>
<b>Interest receivable</b>		
Bank interest receivable	<u>3,231</u>	<u>2,244</u>