

Registered No 3788221

# **True Manufacturing UK Limited**

## **Report and Abbreviated Financial Statements**

31 December 2008

FRIDAY



A09      \*AH3MCEJP\*      282  
COMPANIES HOUSE

## **Independent auditors' report**

**to True Manufacturing UK Limited pursuant to section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements of True Manufacturing UK Limited for the year ended 31 December 2008 which comprise the Balance Sheet and the related notes 1 to 6, which have been prepared in accordance with applicable United Kingdom law, together with the financial statements of the company for the year ended 31 December 2008 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an 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 audit 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 financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and 246(6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### **Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated financial statements in the United Kingdom" 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 financial statements and that the abbreviated financial statements to be delivered are properly prepared.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and 246(6) of the Act, and the abbreviated financial statements are properly prepared in accordance with those provisions.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Leeds

23 October 2009


## Abbreviated balance sheet

at 31 December 2008

	Notes	2008 \$	2007 \$
<b>Fixed assets</b>			
Tangible assets	3	5,845,694	7,182,291
<b>Current assets</b>			
Stocks		1,626,483	1,591,705
Debtors		827,671	593,147
Cash at bank and in hand		118,464	238,555
		<u>2,572,618</u>	<u>2,423,407</u>
<b>Creditors: amounts falling due within one year</b>		<u>(17,053,107)</u>	<u>(17,336,377)</u>
<b>Net current liabilities</b>		<u>(14,480,489)</u>	<u>(14,912,970)</u>
<b>Total assets less current liabilities</b>		<u>(8,634,795)</u>	<u>(7,730,679)</u>
<b>Government grants</b>	4	(386,467)	(547,813)
		<u>(9,021, 262)</u>	<u>(8,278,492)</u>
<b>Capital and reserves</b>			
Called up share capital	5	3	3
Profit and loss account		<u>(9,021,265)</u>	<u>(8,278,495)</u>
<b>Shareholder's deficit</b>		<u>(9,021, 262)</u>	<u>(8,278,492)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Approved by the Board

  
S L Trulaske  
Director

23 October 2009

## Notes to the abbreviated financial statements

at 31 December 2008

### 1. Fundamental accounting concept

The financial statements have been prepared using the going concern concept as the holding company has agreed to provide sufficient funds for the company to meet its liabilities as they fall due for a period of at least one year from the date of signing of the financial statements.

### 2. Accounting policies

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Long leasehold property	- 50 years
Plant and machinery	- 3 to 15 years
Equipment	- 3 to 10 years

The carrying value of the tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### **Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Consumables and spare parts	- purchase cost on a first-in, first-out basis.
Finished goods	- cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

## Notes to the abbreviated financial statements

at 31 December 2008

### 2. Accounting policies (continued)

#### *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *Foreign currencies*

The company's foreign currency is the US Dollar. Accordingly, the directors believe it is more appropriate to present the financial statements in that currency. The exchange rate as of 31 December 2008 was USD \$1 = £0.6909.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All exchange gains or losses shall be taken to the profit and loss account as part of profit or loss for the year from ordinary activities.

## Notes to the abbreviated financial statements

at 31 December 2008

### 3. Fixed assets

	<i>Tangible assets</i>
	\$
<i>Cost</i>	
At 1 January 2008	8,854,532
Additions	108,781
At 31 December 2008	<u>8,963,313</u>
<i>Depreciation</i>	
At 1 January 2008	1,672,241
Charge for year	197,036
Impairment provision	1,248,342
At 31 December 2008	<u>3,117,619</u>
<i>Net book value</i>	
At 31 December 2008	<u>5,845,694</u>
At 31 December 2007	<u>7,182,291</u>

### 4. Government grants

	2008	2007
	\$	\$
Balance as at 1 January	547,813	551,133
Exchange differences	(149,487)	9,489
Released during the year	(11,859)	(12,809)
Balance as at 31 December	<u>386,467</u>	<u>547,813</u>

### 5. Share capital

	2008	Authorised
	\$	2007
		\$
Ordinary shares of £1 each	<u>1,610,000</u>	<u>1,610,000</u>

	<i>Allotted, called up and fully paid</i>	
	2008	2007
	No.	No.
	\$	\$
Ordinary shares of £1 each	2 <u>3</u>	2 <u>3</u>

### 6. Ultimate parent company

The company's parent company and the ultimate controlling party is True UK LLC, a company registered in the United States of America. Copies of the financial statements of the parent company are not available for public viewing.