

KOLLMORGEN (UK) LIMITED

ABBREVIATED ACCOUNTS

**for the year ended
31st December 2004**

Company Registration Number 4088199



MITCHELL CHARLESWORTH

Chartered Accountants

KOLLMORGEN (UK) LIMITED

Abbreviated Accounts

Year ended 31st December 2004

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Mitchell Charlesworth

Chartered Accountants
24 Nicholas Street Chester

KOLLMORGEN (UK) LIMITED

Independent Auditors' Report to the Company

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the accounts of the company for the year ended 31st December 2004 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 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 audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



MITCHELL CHARLESWORTH
Chartered Accountants
Registered Auditor

24 Nicholas Street
Chester
CH1 2AU

8th August 2005

KOLLMORGEN (UK) LIMITED

Abbreviated Balance Sheet

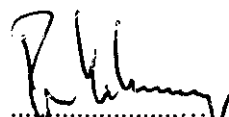
31st December 2004

	Note	2004 £	£	2003 £	£
Fixed assets	2				
Tangible assets			2,000		2,498
Current assets					
Stocks		21,429		21,823	
Debtors		842,275		515,986	
Cash at bank and in hand		62,226		142,096	
		<u>925,930</u>		<u>679,905</u>	
Creditors: Amounts falling due within one year		<u>918,671</u>		<u>628,008</u>	
Net current assets			<u>7,259</u>		<u>51,897</u>
Total assets less current liabilities			<u>9,259</u>		<u>54,395</u>
Capital and reserves					
Called-up equity share capital	3		20,000		20,000
Profit and loss account			(10,741)		34,395
Shareholders' funds			<u>9,259</u>		<u>54,395</u>

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

These abbreviated accounts were approved by the directors on 5/8/05 and are signed on their behalf by:


L Kollmorgen


B Kollmorgen

The notes on pages 3 to 5 form part of these abbreviated accounts.

KOLLMORGEN (UK) LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2004

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Fixtures & Fittings	- 25% straight line
Equipment	- 33% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

KOLLMORGEN (UK) LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2004

1. 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:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

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

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.

KOLLMORGEN (UK) LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2004

2. Fixed assets

	Tangible Assets £
Cost	
At 1st January 2004	10,040
Additions	1,819
At 31st December 2004	<u>11,859</u>
Depreciation	
At 1st January 2004	7,542
Charge for year	2,317
At 31st December 2004	<u>9,859</u>
Net book value	
At 31st December 2004	<u>2,000</u>
At 31st December 2003	<u>2,498</u>

3. Share capital

Authorised share capital:

	2004	2003
	£	£
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

Allotted, called up and fully paid:

	2004		2003
	No	£	No
	20,000	20,000	20,000
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

4. Ultimate parent company

Kollmorgen Steuerungstechnik GmbH, a company registered in Germany, owns 100% (88% 2003) of the share capital of Kollmorgen (UK) Limited.