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**LINDNER SCHMIDLIN FACADES  
LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2007**

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# **LINDNER SCHMIDLIN FACADES LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

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# **LINDNER SCHMIDLIN FACADES LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **The board of directors**

M J Hollis  
D Whillans  
J C Wax  
S Lindner

### **Company secretary**

B J Hare

### **Registered office**

Swan Court  
Swan Street  
Old Isleworth  
Middlesex  
TW7 6RJ

### **Auditors**

Blick Rothenberg  
Chartered Accountants  
12 York Gate  
Regent's Park  
London, NW1 4QS

# **LINDNER SCHMIDLIN FACADES LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2007**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2007

#### **Principal activity**

The principal activity of the company during the period was that of supply and installation of curtain walling and windows

#### **Results and dividends**

The loss for the year amounted to £833,478 The directors have not recommended a dividend

The directors expect continued growth in the foreseeable future

#### **Financial risk management objectives and policies**

Lindner Schmidlin Facades is managed in accordance with the principles of the Lindner Group. The company strives through rigorous management review of its key performance indicators, to increase and improve its capability and competence through constant innovation and continuous improvement

The company focuses on

- Customer satisfaction
- Health and safety
- Environmental improvement
- Sales growth, project and company "profitability"
- Growth and improvement in people capability through continuous education and communication
- Strong financial and commercial management through sound contractual agreement review and working in partnership with our customers and suppliers

The company's principal key performance indicator is contract activity which was in line with expectations. Turnover for the year ended 31 December 2007 was £18,712,399 compared to £15,595,909 for the nine month period to 31 December 2006

The company's results were affected by costs of £429,060 on the closure of the company's operations in Singapore, by foreign exchange losses of £98,436 and goodwill amortisation of £106,576

The directors anticipate improved results in the coming year

#### **Research and development**

The company has incurred significant expenditure on two development projects in the year, the costs of which have been capitalised and will be amortised in line with cash flows expected to be generated, details of the full commitment is given in note 24 to the financial statements

# **LINDNER SCHMIDLIN FACADES LIMITED**

## **THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2007**

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### **Principal risks**

The risks associated with the management of fixed price construction contracts are well known and minimised through professional management. In addition the company has exposure to exchange rate fluctuations. This is managed by matching foreign currency costs to same currency income or through taking out forward contracts with major financial institutions.

### **Directors**

The directors who served the company during the year are as follows

M J Hollis

D Whillans

J C Wax

S Lindner

R Viertelboeck

(Appointed 29 August 2007)

(Retired 29 August 2007)

### **Directors' responsibilities**

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 these 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 that 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 1985. 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.

So far as each person serving as a director of the company at the date this report is approved is aware, there is no relevant audit information of which the company's auditors are unaware and each director hereby confirms that he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

# LINDNER SCHMIDLIN FACADES LIMITED

## THE DIRECTORS' REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2007

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#### Donations

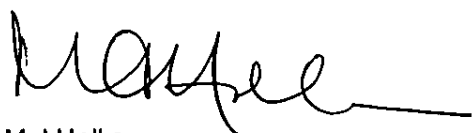
During the year the company made the following contributions

	Year to 31 December 2007 £	Period from 28 March 2006 to 31 December 2006 £
Charitable	<u>790</u>	<u>1,100</u>

#### Auditors

A resolution to re-appoint Blick Rothenberg as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Signed on behalf of the directors



M J Hollis  
Director

Approved by the directors on 14 May 2008

# **LINDNER SCHMIDLIN FACADES LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINDNER SCHMIDLIN FACADES LIMITED**

**YEAR ENDED 31 DECEMBER 2007**

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We have audited the financial statements of Lindner Schmidlin Facades Limited for the year ended 31 December 2007 on pages 7 to 20, which have been prepared on the basis of the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

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 whether in our opinion the information given in the directors' report is consistent with the financial statements

In addition we report to you if, in our opinion, 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 other transactions is not disclosed

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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

# **LINDNER SCHMIDLIN FACADES LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINDNER SCHMIDLIN FACADES LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2007**

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### **Opinion**

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,

the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the directors' report is consistent with the financial statements

12 York Gate  
Regent's Park  
London, NW1 4QS

15 May 2008

  
**BLICK ROTHENBERG**  
Chartered Accountants and  
Registered Auditors

# LINDNER SCHMIDLIN FACADES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2007

	Note	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Turnover	2	18,712,399	15,595,909
Cost of sales		(16,358,104)	(13,068,143)
Gross profit		2,354,295	2,527,766
Administrative expenses		(3,011,486)	(2,455,113)
Other operating income		82,045	—
Loss on disposal of subsidiary		(429,060)	—
Operating (loss)/profit	3	(1,004,206)	72,653
Interest receivable	6	108,795	28,707
Interest payable and similar charges	7	(51,455)	(52,869)
(Loss)/profit on ordinary activities before taxation		(946,866)	48,491
Tax on (loss)/profit on ordinary activities	8	113,388	(18,388)
(Loss)/profit for the financial year		(833,478)	30,103

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

# LINDNER SCHMIDLIN FACADES LIMITED

## BALANCE SHEET

31 DECEMBER 2007

	Note	£	2007 £	£	2006 £
<b>Fixed assets</b>					
Intangible assets	9		350,046		213,152
Tangible assets	10		341,768		120,365
Investments	11		—		33,104
			<u>691,814</u>		<u>366,621</u>
<b>Current assets</b>					
Stocks	12	168,340		15,864	
Debtors due within one year	13	2,955,555		5,378,523	
Debtors due after one year	13	142,172		—	
Cash at bank and in hand		<u>2,366,315</u>		<u>2,608,009</u>	
		5,632,382		8,002,396	
<b>Creditors: Amounts falling due within one year</b>	14	<u>(4,464,392)</u>		<u>(5,429,947)</u>	
<b>Net current assets</b>			<u>1,167,990</u>		<u>2,572,449</u>
<b>Total assets less current liabilities</b>			<u>1,859,804</u>		<u>2,939,070</u>
<b>Creditors: Amounts falling due after more than one year</b>	15		<u>(663,179)</u>		<u>(908,967)</u>
			<u>1,196,625</u>		<u>2,030,103</u>
<b>Capital and reserves</b>					
Called-up equity share capital	19		2,000,000		2,000,000
Profit and loss account	20		<u>(803,375)</u>		<u>30,103</u>
<b>Shareholders' funds</b>	21		<u>1,196,625</u>		<u>2,030,103</u>

These financial statements were approved by the directors and authorised for issue on 14 May 2008, and are signed on their behalf by



M J Hollis  
Director



D B Whillans  
Director

# **LINDNER SCHMIDLIN FACADES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

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### **1. Accounting policies**

#### **1.1 Basis of accounting**

The financial statements have been prepared on the going concern basis and under the historical cost convention

#### **1.2 Consolidation**

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts

#### **1.3 Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

#### **1.4 Turnover**

Income from long term contracts is calculated by reference to the value of work performed to date as a proportion of the total contract value. Income from those contracts is stated net of trade discounts, VAT and other sales related taxes

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Losses on long term contracts are recognised in full when such losses can be foreseen

#### **1.5 Research and development**

Development expenditure incurred on clearly defined projects whose outcome can be assessed with reasonable certainty is carried forward and amortised over its useful economic life in line with the cash flows generated from those projects

#### **1.6 Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its useful economic life

#### **1.7 Amortisation**

Amortisation 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

Goodwill - Year 1 40%, Year 2 30%, Year 3 20%, Year 4 10%

#### **1.8 Tangible fixed assets**

Tangible fixed assets are recorded at cost less provision for depreciation

#### **1.9 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 improvements	- 10% per annum straight line
Fixtures & fittings	- 20% per annum straight line
Equipment	- 25% per annum straight line

# **LINDNER SCHMIDLIN FACADES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

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

#### **1.10 Stocks, work in progress and long term contracts**

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of direct overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Amounts included with work in progress relating to specific projects are stated at the lower of cost and net realisable value.

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account. Any cumulative costs that have been incurred which have not been transferred to cost of sales, are included as long-term contract balances in stock.

#### **1.11 Leases**

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term. The benefit of any lease incentives is taken to the profit and loss account in equal instalments over the lease term.

#### **1.12 Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **1.13 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 exception:

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.

#### **1.14 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.

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 2. Turnover

Turnover is attributable to the principal activity of the company and the loss is stated after charging exceptional costs in relation to the loss on disposal of the company's subsidiary

An analysis of turnover is given below

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
United Kingdom	<u>18,712,399</u>	<u>15,595,909</u>

### 3. Operating (loss)/profit

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

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Amortisation	114,106	142,101
Depreciation of owned fixed assets	44,048	26,265
Auditors' remuneration		
- as auditor	14,339	18,000
- for other services	12,850	-
Operating lease costs		
- land and buildings	74,226	-
Foreign currency losses/(gains)	98,436	(66,989)
Exceptional item		
Loss on disposal of subsidiary	<u>429,060</u>	<u>-</u>

### 4. Particulars of employees

The average number of persons employed by the company during the financial year, including the directors, amounted to 162 (2006 202)

The aggregate payroll costs of the above were

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Wages and salaries	6,874,198	5,854,819
Social security costs	702,055	574,960
	<u>7,576,253</u>	<u>6,429,779</u>

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Emoluments receivable	218,933	158,960
Value of company pension contributions to money purchase schemes	16,800	11,438
	<u>235,733</u>	<u>170,398</u>

#### Emoluments of highest paid director:

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Total emoluments (excluding pension contributions)	115,552	82,425
Value of company pension contributions to money purchase schemes	8,800	6,375
	<u>124,352</u>	<u>88,800</u>

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

	Year to 31 Dec 07 No	Period from 28 Mar 06 to 31 Dec 06 No
Money purchase schemes	<u>2</u>	<u>2</u>

### 6. Interest receivable

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Bank interest receivable	<u>108,795</u>	<u>28,707</u>

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 7. Interest payable and similar charges

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Interest payable on group loans	<u>51,455</u>	<u>52,869</u>

### 8. Taxation on ordinary activities

#### (a) Analysis of charge in the year

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Current tax		
UK Corporation tax based on the results for the year at 30% (2006 30%)	(18,388)	18,388
Group relief recoverable	<u>(95,000)</u>	-
Total current tax	<u>(113,388)</u>	<u>18,388</u>

#### (b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2006 30%)

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
(Loss)/profit on ordinary activities before taxation	<u>(946,866)</u>	<u>48,491</u>
(Loss)/profit on ordinary activities by rate of tax	(284,060)	14,547
Disallowed expenses	64,310	13,557
Fixed asset timing differences	11,773	(9,716)
Charges on income	237	-
Losses carried forward	91,583	-
Other adjustments	<u>2,769</u>	-
Total current tax (note 8(a))	<u>(113,388)</u>	<u>18,388</u>

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2007

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#### 8. Taxation on ordinary activities *(continued)*

##### (c) Factors that may affect future tax charges

The company has trading losses of £272,173 (2006 £nil) to set against future profits of the same trade, subject to agreement by HM Revenue & Customs. At 31 December 2007 there is a potential deferred tax asset of £77,300 representing trading losses and unclaimed capital allowances. The deferred tax asset has not been recognised as there is uncertainty as to the timescale of its recovery.

The standard rate of corporation tax has been reduced to 28% for accounting periods after 1 April 2008. The effect of this reduction in corporation tax rates is to reduce the potential deferred tax asset by £5,300.

#### 9. Intangible fixed assets

	Goodwill £	Research & develop- ment £	Total £
<b>Cost</b>			
At 1 January 2007	355,253	–	355,253
Additions	–	251,000	251,000
<b>At 31 December 2007</b>	<u>355,253</u>	<u>251,000</u>	<u>606,253</u>
<b>Amortisation</b>			
At 1 January 2007	142,101	–	142,101
Charge for the year	106,576	7,530	114,106
<b>At 31 December 2007</b>	<u>248,677</u>	<u>7,530</u>	<u>256,207</u>
<b>Net book value</b>			
<b>At 31 December 2007</b>	<u>106,576</u>	<u>243,470</u>	<u>350,046</u>
At 31 December 2006	<u>213,152</u>	<u>–</u>	<u>213,152</u>

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 10. Tangible fixed assets

	Leasehold property £	Fixtures & fittings £	Total £
<b>Cost</b>			
At 1 January 2007	–	146,630	146,630
Additions	226,375	121,121	347,496
Disposals	–	(82,045)	(82,045)
<b>At 31 December 2007</b>	<u>226,375</u>	<u>185,707</u>	<u>412,082</u>
<b>Depreciation</b>			
At 1 January 2007	–	26,265	26,265
Charge for the year	7,546	36,502	44,048
<b>At 31 December 2007</b>	<u>7,546</u>	<u>62,768</u>	<u>70,314</u>
<b>Net book value</b>			
<b>At 31 December 2007</b>	<u>218,829</u>	<u>122,939</u>	<u>341,768</u>
At 31 December 2006	–	120,365	120,365

### 11. Fixed asset investments

	Shares in group companies £
<b>Cost</b>	
At 1 January 2007 and 31 December 2007	<u>33,104</u>
<b>Amounts written off</b>	
Written off in year	<u>33,104</u>
At 31 December 2007	<u>33,104</u>
<b>Net book value</b>	
<b>At 31 December 2007</b>	<u>-</u>
At 31 December 2006	<u>33,104</u>

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 11. Fixed asset investments *(continued)*

Details of the principal subsidiary undertakings are as follows

Entity name	Principal activity	Country of incorporation	Class of share	% holding
Schmidlin (Singapore) Facade Technology Pte Limited	Supply and installation of curtain walling and windows	Singapore	Ordinary	100
Lindner Facades Asia Pte Limited	Supply and installation of curtain walling and windows	Singapore	Ordinary	100

The results and aggregate share capital and reserves for the last available accounts being those to 31 December 2006 were as follows

	2007 £	2006 £
<b>Aggregate capital and reserves</b>		
Schmidlin (Singapore) Facade Technology Pte Limited	(294,179)	(294,179)
Lindner Facades Asia Pte Limited	32,471	32,471

#### Loss for the year

Schmidlin (Singapore) Facade Technology Pte Limited	(328,787)	(328,787)
Lindner Facades Asia Pte Limited	(791)	(791)

Schmidlin (Singapore) Facade Technology Pte Limited has been advised that a claim of £1,500,000 may be lodged against them. The result of this claim will have no negative effect on the results of Lindner Schmidlin Facades Limited

### 12. Stocks

	2007 £	2006 £
Raw materials	9,220	15,864
Work in progress	159,120	—
	<u>168,340</u>	<u>15,864</u>

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 13. Debtors

	2007 £	2006 £
Trade debtors	1,121,151	2,333,120
Amounts owed by group undertakings	95,000	10,930
Corporation tax repayable	30,088	—
Amounts recoverable on long term contracts	1,481,189	2,995,056
Other debtors	285,144	16,722
Prepayments and accrued income	85,155	22,695
	<u>3,097,727</u>	<u>5,378,523</u>

The debtors above include the following amounts falling due after more than one year

	2007 £	2006 £
Other debtors	<u>142,172</u>	<u>—</u>

### 14. Creditors: Amounts falling due within one year

	2007 £	2006 £
Payments received on account	900,136	684,788
Trade creditors	1,186,232	1,433,757
Amounts owed to group undertakings	1,012,142	1,657,931
Corporation tax	—	18,388
Other taxation and social security	802,286	1,204,140
Other creditors	6,181	8,507
Accruals and deferred income	557,415	422,436
	<u>4,464,392</u>	<u>5,429,947</u>

Included within amounts owed to group undertakings is an amount of £331,589 (2006 £962,781) relating to an intercompany loan which is unsecured and carries interest at the rate of 4% p a See Note 16 for an analysis of the maturity of this loan

### 15. Creditors: Amounts falling due after more than one year

	2007 £	2006 £
Amounts owed to group undertakings	<u>663,179</u>	<u>908,967</u>

The amount due to group undertakings is unsecured and carries interest at the rate of 4% pa

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 16. Loan maturity analysis

Creditors include finance capital which is due for repayment as follows

	2007 £	2006 £
Amounts repayable		
In one year or less or on demand	331,589	962,781
In more than one year but not more than two years	331,589	302,989
In more than two years but not more than five years	331,590	605,978
	<u>994,768</u>	<u>1,871,748</u>

This amount relates to an intercompany loan which is unsecured and carries interest at the rate of 4% p a

### 17. Commitments under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006	
	Land & buildings £	Other items £	Land & buildings £	Other items £
Operating leases which expire				
Within one year	-	15,951	-	3,419
Within two to five years	-	14,778	-	34,628
After five years	68,014	-	-	-
	<u>68,014</u>	<u>30,729</u>	<u>-</u>	<u>38,047</u>

### 18. Related party transactions and controlling party

The company has taken advantage of the exemption contained in FRS 8 "Related Party Disclosures" from disclosing transactions with entities which are part of the group, since 90% or more of the voting rights in the company are controlled within the group and the company is included within the group accounts which are publicly available

In the opinion of the directors the immediate controlling party is Lindner Fassaden GmbH, a company incorporated in Germany

In the opinion of the directors the ultimate controlling party is Lindner Holding KGaA, a company incorporated in Germany

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

### 19. Share capital

	2007		2006	
	No	£	No	£
<b>Authorised share capital:</b>				
Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
<b>Called up, allotted and fully paid:</b>				
Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
<b>Equity shares:</b>				
Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>

### 20. Profit and loss account

	Year to 31 Dec 07 £	Period from 28 Mar 06 to 31 Dec 06 £
Balance brought forward	30,103	—
(Loss)/profit for the financial year	(833,478)	30,103
Balance carried forward	<u>(803,375)</u>	<u>30,103</u>

### 21. Reconciliation of movements in shareholders' funds

	2007 £	2006 £
(Loss)/profit for the financial year	(833,478)	30,103
New ordinary share capital subscribed	—	2,000,000
Net (reduction)/addition to shareholders' funds	(833,478)	2,030,103
Opening shareholders' funds	<u>2,030,103</u>	—
Closing shareholders' funds	<u>1,196,625</u>	<u>2,030,103</u>

### 22. Ultimate parent company

The parent company of the smallest group of undertakings for which group financial statements are drawn up and of which the company is a member is Lindner AG, a company incorporated in Germany. Copies of these group financial statements are available from Bahnhofstrasse 29, 94424 Arnstorf, Germany.

The ultimate parent company of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is Lindner Holding KGaA, a company incorporated in Germany. Copies of these group financial statements are available from Bahnhofstrasse 29, 94424 Arnstorf, Germany.

### 23. Contingent liabilities

In the ordinary course of business the company has given counter indemnities in respect of performance bonds and guarantees totalling £3,183,528 (2006 £320,930).

# LINDNER SCHMIDLIN FACADES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

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### 24. Capital commitments

	2007 £	2006 £
Contracted but not provided for in the financial statements	<u>512,551</u>	<u>-</u>

The capital commitment is for a system development program to be undertaken by the company and is expected to take two years to complete