



**Novenco UK Limited**

**Directors' report and financial  
statements**

**Registered number 05866019**

**31 December 2011**



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## Directors' report

The directors present their Directors' report and financial statements for the year ended 31 December 2011

### Principal activity

The principal activity of the company in the year under review was that of the installation of commercial air conditioning units

### Business review

The Company's results for the period are shown in the profit and loss account on page 5. The directors consider that the Company is well placed to take advantage of future opportunities as they arise

### Directors

The directors who held office during the year were as follows

RAG Van Beek  
S Rasmussen  
L Knaack

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board

RAG Van Beek  
*Director*



Avonbridge House  
Bath Road  
Chippenham  
Wiltshire  
SN15 2BB

6 - 7-2012

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 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 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

**Independent auditor's report to the members of Novenco UK Limited**

We have audited the financial statements of Novenco UK Limited for the year ended 31 December 2011, set out on pages 5 to 10. 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) (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, 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 members 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 members, 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 page 2, 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 (APB's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**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 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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**

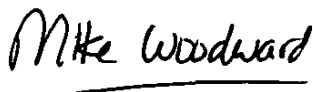
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of Novenco UK Limited *(continued)***

### **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 prepare the financial statements and the directors' report in accordance with the small companies regime



**Mike Woodward (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*

8 Salisbury Square  
London  
EC4Y8BB  
United Kingdom

**13 JULY** 2012

**Profit and loss account**  
*for the year ended 31 December 2011*

	<i>Note</i>	<b>2011</b> £	<b>2010</b> £
<b>Turnover</b>		<b>294,738</b>	<b>449,976</b>
Cost of sales		<b>(199,314)</b>	<b>(343,318)</b>
<b>Gross profit</b>		<b>95,424</b>	<b>106,658</b>
Administrative expenses		<b>(187,919)</b>	<b>(214,676)</b>
<b>Operating loss</b>	<b>2</b>	<b>(92,495)</b>	<b>(108,018)</b>
Interest receivable and similar income		<b>1,963</b>	<b>15,332</b>
Interest payable and similar charges		<b>(3,545)</b>	<b>(2,187)</b>
<b>Loss on ordinary activities before taxation</b>		<b>(94,077)</b>	<b>(94,873)</b>
Tax on loss on ordinary activities	<b>3</b>	<b>-</b>	<b>-</b>
<b>Loss for the financial year</b>		<b>(94,077)</b>	<b>(94,873)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains or losses other than those passing through the profit and loss account

The financial statements have been prepared on an unmodified historical cost basis


## Balance Sheet

at 31 December 2011

	Note	2011	2010
		£	£
<b>Fixed assets</b>			
Tangible assets	4	-	570
<b>Current assets</b>			
Stocks	5	4,933	4,561
Debtors	6	150,520	136,488
Cash at bank and in hand		13,660	10,115
		<u>169,113</u>	<u>151,164</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(683,916)</u>	<u>(572,460)</u>
<b>Net current liabilities</b>		<u>(514,803)</u>	<u>(421,296)</u>
<b>Total assets less current liabilities</b>		<u>(514,803)</u>	<u>(420,726)</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	(514,804)	(420,727)
<b>Shareholders' deficit</b>		<u>(514,803)</u>	<u>(420,726)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 6-7-2012 and were signed on its behalf by



**RAG Van Beek**  
Director



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation*

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)

The financial statements are prepared in accordance with the applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) applicable to smaller entities

As the Company is a wholly owned subsidiary of Novenco A/S, a company incorporated in Denmark, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements, within which this company is included, can be obtained from Novenco A/S, Industrivej 22, 4700 Naestved, Denmark

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

#### *Going concern*

The financial statements have been prepared on the going concern basis, notwithstanding a loss for the year of £94,077 (2010 loss £94,873), net current liabilities of £514,803 (2010 £421,296) and net liabilities of £514,803 (2010 £420,726) which the directors believe to be appropriate for the following reasons. The company is reliant for its working capital on funds provided to it by the company's ultimate parent undertaking, Novenco A/S which has provided the company with an undertaking that it will, for at least 12 months from the date of the approval of these financial statements, continue to make funds available as needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group 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.

#### *Turnover*

Turnover from the sale of goods for resale and finished goods is recognised in the income statement if delivery took place and the risk has passed to the buyer before the balance sheet date provided that the income can be stated reliably.

Contract work in progress concerning customised production of systems is recognised as turnover when the production is completed and the revenue is stated using the percentage of completion method.

#### *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment -- 33% straight line basis

#### *Work in progress*

Work in progress is valued at the lower of cost and net realisable value, after making due allowance for irrecoverable costs.

#### *Taxation*

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, with discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

## Notes (continued)

### 1 Accounting policies (continued)

#### 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 contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

### 2 Notes to the profit and loss account

	2011 £	2010 £
<i>Loss on ordinary activities before taxation is stated after charging:</i>		
Depreciation	570	1,472
Net exchange loss	(1,963)	(15,332)
Auditor's remuneration	10,000	9,000
Operating lease charges		
- Land and building	12,388	8,500
- Other	13,960	7,133
	<u>12,388</u>	<u>8,500</u>
	<u>13,960</u>	<u>7,133</u>

The directors' emoluments are borne entirely by other group undertakings.

### 3 Taxation

#### Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year.

Taxable losses at the year end amount to £514,804 (2010 £420,727).

No deferred tax asset has been provided on the losses carried forward as it is uncertain as to when there will be sufficient profits to utilise the loss. The deferred tax asset not provided amounts to £128,701 (2010 £113,596).

## Notes (continued)

### 4 Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At beginning and end of the year	4,415
<b>Depreciation</b>	
At beginning of year	3,845
Charge for the year	570
At end of year	4,415
<b>Net book value</b>	
At 31 December 2011	-
At 31 December 2010	570

### 5 Stock

	2011 £	2010 £
Work in progress	4,933	4,561

### 6 Debtors: amounts falling due within one year

	2011 £	2010 £
Trade debtors	142,217	124,698
Other debtors	2,000	2,000
Prepayments and accrued income	6,303	9,790
	150,520	136,488

### 7 Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	7,345	28,588
Amounts owed to group undertakings	558,869	421,733
Taxation and social security	18,475	22,164
Accruals and deferred income	99,227	99,975
	683,916	572,460

**Notes (continued)**

**8 Operating lease commitments**

Annual commitments under non-cancellable operating leases are as follows

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Expiring</i>				
Within one year	-	10,632	-	-
Between one and five years	<b>11,136</b>	<b>4,250</b>	<b>8,994</b>	<b>9,641</b>

**9 Called up share capital**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<i>Allotted, issued and fully paid</i>		
1 ordinary share of £1 each	<b>1</b>	<b>1</b>

**10 Reserves**

	<b>Profit and loss account £</b>
At 1 January 2011	(420,727)
Deficit for the year	(94,077)
<b>At 31 December 2011</b>	<b>(514,804)</b>

**11 Ultimate controlling party**

The company's immediate and ultimate parent undertaking and ultimate controlling party is Novenco A/S, a company incorporated in Denmark. That company is the smallest and largest undertaking that prepares consolidated financial statements that include the results of the company and copies can be publicly obtained from the registered office address of the parent company at Industrivej 22, 4700 Naestved, Denmark.