

Company Registration Number 04738912

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WITTFELD UK LIMITED  
FINANCIAL STATEMENTS  
31 DECEMBER 2005



# **WITTFELD UK LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

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<b>Contents</b>	<b>Pages</b>
Officers and professional advisers	1
Directors' report	2 to 3
Independent auditors' report to the members	4 to 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 to 11

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# **WITTFELD UK LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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<b>Directors</b>	U Remme F Röbbelen P Brügger
<b>Company secretary</b>	A C Kaufman
<b>Registered office</b>	12 York Gate Regents Park London NW1 4QS
<b>Auditors</b>	Blick Rothenberg Chartered Accountants and Registered Auditors 12 York Gate Regent's Park London, NW1 4QS

# **WITTFELD UK LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2005**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2005.

### **Principal activity**

The principal activity of the company during the period was construction and civil engineering.

### **Review of the business and future developments**

The results for the year and the financial position at the year end are as anticipated by the directors who expect a return to profits in the foreseeable future.

### **Results and dividends**

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors do not recommend a dividend.

It is proposed to transfer the retained loss for the year of £156,940 to reserves.

### **Directors**

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

U Remme	
F Röbbelen	(Appointed 28 August 2005)
P Brügger	(Appointed 8 August 2005)
W Thomas	(Resigned 1 December 2005)

### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for the year then ended.

In preparing those 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.

The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# WITTFELD UK LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2005

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### Directors' responsibilities *(continued)*

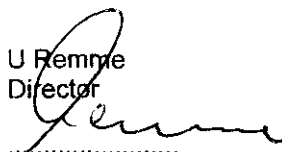
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

A resolution to reappoint 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

U Remme  
Director



# **WITTFELD UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

**YEAR ENDED 31 DECEMBER 2005**

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We have audited the financial statements of Wittfeld UK Limited for the year ended 31 December 2005 on pages 6 to 11 which have been prepared on the basis of the accounting policies set out on page 8.

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 the directors and the auditors**

As described in the Statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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.

# WITTFELD UK LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS *(continued)*

YEAR ENDED 31 DECEMBER 2005

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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 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

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

9 November 2006



**BLICK ROTHENBERG**  
Chartered Accountants and  
Registered Auditors

**WITTFELD UK LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2005**

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	Note	2005 £	2004 £
Turnover	2	4,795,036	1,283,621
Cost of sales		<u>(4,756,975)</u>	<u>(1,154,868)</u>
Gross profit		38,061	128,753
Administrative expenses		<u>(188,843)</u>	<u>(31,554)</u>
Operating (loss)/profit	3	(150,782)	97,199
Interest payable and similar charges	5	<u>(6,158)</u>	<u>(3,043)</u>
(Loss)/profit on ordinary activities before taxation		<u>(156,940)</u>	<u>94,156</u>
Tax on (loss)/profit on ordinary activities	6	—	(712)
(Loss)/profit for the financial year		<u>(156,940)</u>	<u>93,444</u>

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.



# WITTFELD UK LIMITED

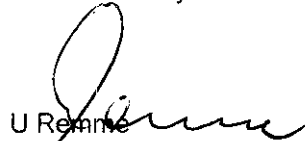
## BALANCE SHEET

31 DECEMBER 2005

	Note	£	2005 £	£	2004 £
<b>Fixed assets</b>					
Tangible assets	7		2,173		—
<b>Current assets</b>					
Stocks	8	957,000		—	
Debtors	9	1,063,937		40,880	
Cash at bank and in hand		32,445		93,689	
		2,053,382		134,569	
<b>Creditors: Amounts falling due within one year</b>	10	(2,198,177)		(120,251)	
<b>Net current (liabilities)/assets</b>			(144,795)		14,318
<b>Total assets less current liabilities</b>			(142,622)		14,318
<b>Capital and reserves</b>					
Called-up share capital	12		7,500		7,500
Profit and loss account	13		(150,122)		6,818
<b>(Deficit)/shareholders' funds</b>	14		(142,622)		14,318

2<sup>ND</sup> November 2006

These financial statements were approved by the board of directors on ..... and are signed on its behalf by:

  
U Remme  
Director

# WITTFELD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

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### 1. Accounting policies

#### 1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services, net of VAT and trade discounts.

#### 1.3 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:

Equipment - 33.3% straight line

#### 1.4 Leases

Assets held under finance leases and hire purchase contracts are capitalised at the fair value on the inception of the lease and are depreciated over the shorter of the period of the lease and the estimated useful economic lives of the assets. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding and are charged to the profit and loss account.

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term.

#### 1.5 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### 1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

### 2. Turnover

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

A geographical analysis of turnover is given below:

	2005 £	2004 £
United Kingdom	<u>4,795,036</u>	<u>1,283,621</u>

# WITTFELD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

### 3. Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2005 £	2004 £
Directors' emoluments	—	—
Depreciation of tangible fixed assets	699	—
Auditors' remuneration: - audit services	<u>8,500</u>	<u>2,500</u>

### 4. Particulars of employees

There were no employees during the year apart from the directors.

### 5. Interest payable and similar charges

	2005 £	2004 £
Interest payable on bank loans and overdrafts	<u>6,158</u>	<u>3,043</u>

### 6. Taxation on ordinary activities

	2005 £	2004 £
Current tax:		
UK corporation tax based on the results for the year at 19% (2004: 19%)	<u>—</u>	<u>712</u>

#### 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 19% (2004: 19%).

	2005 £	2004 £
(Loss)/profit on ordinary activities before taxation	<u>(156,940)</u>	<u>94,156</u>
(Loss)/profit on ordinary activities by rate of tax	29,819	17,890
Loss relief	(29,819)	(16,370)
Starting rate relief	—	(808)
Total current tax	<u>—</u>	<u>712</u>

# WITTFELD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

### 7. Tangible fixed assets

	Equipment £
Cost	
Additions	2,872
At 31 December 2005	<u>2,872</u>
Depreciation	
Charge for the year	699
At 31 December 2005	<u>699</u>
Net book value	
At 31 December 2005	<u>2,173</u>
At 31 December 2004	<u>—</u>

### 8. Stocks

	2005 £	2004 £
Work in progress	<u>957,000</u>	<u>—</u>

### 9. Debtors

	2005 £	2004 £
Trade debtors	1,062,894	3,956
Amounts owed by group undertakings	—	36,924
Other debtors	1,043	—
	<u>1,063,937</u>	<u>40,880</u>

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

	2005 £	2004 £
Trade creditors	1,003,436	13,523
Amounts owed to group undertakings	577,856	—
Corporation tax	712	712
Other taxation	171,125	97,516
Other creditors	189,316	—
Accruals and deferred income	255,732	8,500
	<u>2,198,177</u>	<u>120,251</u>

# WITTFELD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

### 11. Related party transactions and controlling party

In the opinion of the directors the ultimate controlling party is Wittfeld GmbH.

Name (Relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2005 £	2004 £	2005 £	2004 £
Wittfeld GmbH	Transfer from parent company	324,285	252,605	(526,224)	36,924
	Loan	51,632	—	(51,632)	—

### 12. Share capital

	2005		2004	
	Number	£	Number	£
<b>Authorised share capital:</b>				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>Called up, allotted and fully paid:</b>				
Ordinary shares of £1 each	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>

### 13. Reserves

	Profit and loss account £
Balance brought forward	6,818
Loss for the year	(156,940)
Balance carried forward	<u>(150,122)</u>

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

	2005 £	2004 £
(Loss)/profit for the financial year	(156,940)	93,444
Opening shareholders' funds/(deficit)	<u>14,318</u>	<u>(79,126)</u>
Closing shareholders' (deficit)/funds	<u>(142,622)</u>	<u>14,318</u>

### 15. Parent undertaking

The ultimate parent company is Wittfeld GmbH, a company incorporated in Germany. Consolidated accounts are not prepared.