

SOUDAL (UK) LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

22/03/2006



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SOUDAL (UK) LIMITED

COMPANY INFORMATION

Directors	E Vloeberghen D Coorevits
Secretary	J J Boiy
Company number	03295054
Registered office	Unit P, Riverside Industrial Estate, Fazeley Tamworth Staffordshire B78 3RW
Accountants	Haslehursts 15/17 Belwell Lane Four Oaks Sutton Coldfield West Midlands B74 4AA
Bankers	Lloyds TSB Bank plc 17 George Street Tamworth Staffordshire B79 7LW KBC Bank NV 5th Floor 111 Old Broad Street London EC2N 1BR

SOUDAL (UK) LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8

SOUDAL (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

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

Principal activities

The principal activity of the company in the year under review was that of sales agents for glues and gelatine.

Directors

The following directors have held office since 1 January 2005:

E Vloeberghen

D Coorevits

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 December 2005	1 January 2005
E Vloeberghen	-	-
D Coorevits	-	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



E Vloeberghen

Director

17 March 2006

SOUDAL (UK) LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF SOUDAL (UK) LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2005, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Haslehursts

17 March 2006

Accountants

15/17 Belwell Lane
Four Oaks
Sutton Coldfield
West Midlands
B74 4AA

SOUDAL (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover		573,193	410,470
Administrative expenses		(638,312)	(517,208)
Other operating income		85,115	85,123
Operating profit/(loss)	2	19,996	(21,615)
Other interest receivable and similar income	3	149	103
Interest payable and similar charges		(1,936)	(1,499)
Profit/(loss) on ordinary activities before taxation		18,209	(23,011)
Tax on profit/(loss) on ordinary activities	4	(3,536)	4,891
Profit/(loss) on ordinary activities after taxation	10	14,673	(18,120)

SOUDAL (UK) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		8,410		12,201
Current assets					
Debtors	6	108,866		60,901	
Cash at bank and in hand		21,102		7,523	
		<u>129,968</u>		<u>68,424</u>	
Creditors: amounts falling due within one year	7	<u>(74,066)</u>		<u>(29,691)</u>	
Net current assets			55,902		38,733
Total assets less current liabilities			<u>64,312</u>		<u>50,934</u>
Provisions for liabilities and charges	8		-		(1,295)
			<u>64,312</u>		<u>49,639</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		64,310		49,637
Shareholders' funds			<u>64,312</u>		<u>49,639</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 17 March 2006



E Vloeberghen
Director

SOUDAL (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

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

1.3 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:

Plant and machinery	20% on straight line basis
Computer equipment	25% on straight line basis
Fixtures, fittings & equipment	10% - 25% on straight line basis

1.4 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance had not been discounted.

1.6 Foreign currency Translation

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 profit and loss account.

2	Operating profit/(loss)	2005 £	2004 £
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	5,226	4,951
	Directors' emoluments	7,013	5,660
		<u> </u>	<u> </u>
3	Investment income	2005 £	2004 £
	Bank interest	149	103
		<u> </u>	<u> </u>

SOUDAL (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

4	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. corporation tax	4,000	(4,850)
	Adjustment for prior years	831	(41)
		<hr/>	<hr/>
	Current tax charge	4,831	(4,891)
	Deferred tax		
	Deferred tax charge credit current year	(1,295)	-
		<hr/>	<hr/>
		3,536	(4,891)
		<hr/>	<hr/>
5	Tangible fixed assets	Plant and machinery etc	
		£	
	Cost		
	At 1 January 2005		33,676
	Additions		1,435
			<hr/>
	At 31 December 2005		35,111
			<hr/>
	Depreciation		
	At 1 January 2005		21,475
	Charge for the year		5,226
			<hr/>
	At 31 December 2005		26,701
			<hr/>
	Net book value		
	At 31 December 2005		8,410
			<hr/>
	At 31 December 2004		12,201
			<hr/>

The net book value of tangible fixed assets includes £- (2004 - £2,858) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £- (2004 - £1,429) for the year.

SOUDAL (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

6 Debtors	2005 £	2004 £
Trade debtors	4,204	3,671
Other debtors	104,662	57,230
	<u>108,866</u>	<u>60,901</u>

7 Creditors: amounts falling due within one year	2005 £	2004 £
Net obligations under finance leases	-	580
Trade creditors	35,986	1,936
Taxation and social security	37,310	26,975
Other creditors	770	200
	<u>74,066</u>	<u>29,691</u>

8 Provisions for liabilities and charges	Deferred tax liability £
Balance at 1 January 2005 & at 31 December 2005	<u>1,295</u>

Deferred taxation movements in the financial statements are as follows:

	2005 £	2004 £
Decelerated capital allowances	<u>-</u>	<u>1,295</u>
9 Share capital	2005 £	2004 £
Authorised		
1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

SOUDAL (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2005	49,637
Retained profit for the year	14,673
Balance at 31 December 2005	<u>64,310</u>

11 Control

Jonelinvest nv, a Belgian resident company, is the ultimate controlling party of the company.

12 Related party transactions

Soudal NV is a Belgian registered company which is under the same control as Soudal UK Limited.

During the year the company made sales of £573,193 (2004: £410,470) to Soudal NV and received rents from Soudal NV amounting to £78,000 (2004: £78,000). All of the transactions involved were on an open market basis.

At the year end the company was owed £70,741 (2004: £7,782) by Soudal NV.