

DANSANI LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



Company number 4301479

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WWW.KROGHANDPARTNERS.COM

Associated with RSM.

Authorised by the Institute of Chartered Accountants in England and Wales to carry on audit.

Associated offices in

LONDON

• COPENHAGEN

• AARIUS

DANSANI LIMITED

REPORT OF THE DIRECTOR FOR THE
YEAR ENDED 31 DECEMBER 2005

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REPORT OF THE DIRECTOR FOR THE
YEAR ENDED 31 DECEMBER 2005

The Director presents his report and financial statements for the year ended 31 December 2005.

1. REVIEW OF THE BUSINESS

The principal activity of the Company has been sale of bathroom equipment as agents.

2. STATEMENTS OF DIRECTORS RESPONSIBILITIES

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 of the company for that period. 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,

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 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. 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.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the director must have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

REPORT OF THE DIRECTOR FOR THE
YEAR ENDED 31 DECEMBER 2005 - continued

3. RESULTS AND DIVIDENDS

The Company's profit for the year amounted to GBP 3,583 after payment of dividend. The total distribution of dividend for the year amounted to GBP 75,000.

4. DIRECTOR AND HIS INTEREST IN THE SHARES OF THE COMPANY

The Director who served at the end of the year and his interest in the shares of the Company, is as follows:

Ordinary Shares of GBP 1 each

Thomas Bjerrum

0


5. AUDITORS

Krogh & Partners Limited, Chartered Accountants & Registered Auditors have signified their willingness to continue in office. A resolution to re-appoint them will be proposed at the Annual General Meeting.

823 Salisbury House
29 Finsbury Circus
London
EC2M 5QQ

31/05/2006

BY ORDER OF THE BOARD



Thomas Bjerrum

Director

REPORT OF THE AUDITORS TO THE MEMBERS OF DANSANI LIMITED

We have audited the financial statements of Dansani Limited for the year ended 31 December 2005 which are set out on pages 5 to 11. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of 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 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.

REPORT OF THE AUDITORS TO THE
MEMBERS OF DANSANI LIMITED - continued

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.

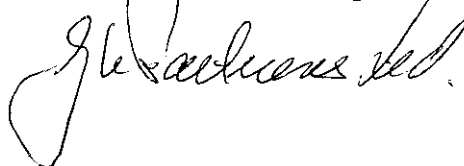
Opinion

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 result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

823 Salisbury House
29 Finsbury Circus
London
EC2M 5QQ

31/05/2006

KROGH & PARTNERS LIMITED
Chartered Accountants & Registered Auditors

A handwritten signature in dark ink, appearing to read 'J. Jackson', is written over the printed name of the firm.

PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 2005

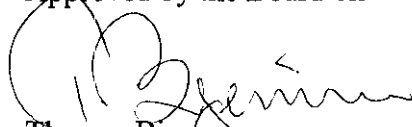
	Note	2005 GBP	2004 GBP
TURNOVER		<u>341,124</u>	<u>252,498</u>
GROSS PROFIT		341,124	252,498
Administrative expenses		<u>-233,689</u>	<u>-230,833</u>
PROFIT BEFORE FINANCIAL ITEMS		107,435	21,665
Interest receivable and similar income		1,020	0
Interest payable and similar charges		<u>0</u>	<u>-12</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	108,455	21,653
Tax on ordinary activities	3	<u>-29,872</u>	<u>-4,684</u>
PROFIT FOR THE YEAR BEFORE DIVIDEND		78,583	16,969
Dividend		<u>-75,000</u>	<u>0</u>
PROFIT FOR THE YEAR		3,583	16,969
Retained profit brought forward		<u>54,330</u>	<u>37,361</u>
RETAINED PROFIT CARRIED FORWARD		<u>57,913</u>	<u>54,330</u>

There are no recognised gains and losses in 2005 other than the profit for the year.

BALANCE SHEET AS AT
31 DECEMBER 2005

	Note	2005 GBP	2004 GBP
FIXED ASSETS			
Tangible assets	5	<u>40,644</u>	<u>38,627</u>
CURRENT ASSETS			
Debtors	6	125,226	18,941
Cash in hand and at bank		<u>12,209</u>	<u>11,822</u>
		137,435	30,763
CREDITORS: Amounts falling due within one year	7	<u>-118,166</u>	<u>-13,060</u>
NET CURRENT ASSETS		<u>19,269</u>	<u>17,703</u>
NET ASSETS		<u>59,913</u>	<u>56,330</u>
CAPITAL AND RESERVES			
Called up share capital	8	2,000	2,000
Profit and loss account		<u>57,913</u>	<u>54,330</u>
SHAREHOLDERS FUNDS	9	<u>59,913</u>	<u>56,330</u>

Approved by the Board on ^{31/}05 2006.


Thomas Bjerrum
Director

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

1. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention.

1.1 Accounting policies

The accounting policies of the Company conform to generally accepted practice in the U.K. The more important of these accounting policies are described below.

1.2 Turnover

Turnover derives from the principal activity of the Company and is represented by invoiced sales excluding Value Added Tax.

1.3 Foreign currencies

Transactions in foreign currencies are recorded using a fixed rate of exchange. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Gains or losses on translation are included in the profit and loss account.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost.

Depreciation is provided at the following annual rates over the expected useful lives of the assets:

Cars	5 years
Fixtures and fittings	5 years

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

2. PROFIT ON ORDINARY ACTIVITIES

	2005	2004
	GBP	GBP
Profit on ordinary activities is stated after charging:		
Depreciation	13,009	10,893
Auditor's remuneration	2,100	2,100
Directors remuneration	<u>0</u>	<u>0</u>

3. TAX ON ORDINARY ACTIVITIES

Based on the result for the year:

Corporation Tax	<u>29,872</u>	<u>4,684</u>
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4. EMPLOYEES

The average number of employees during the year was 3. Employee cost including remuneration for the director during the year was:

Salary	100,340	98,762
National Insurance Contribution	<u>13,725</u>	<u>10,640</u>
	<u>114,065</u>	<u>109,402</u>

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

5. TANGIBLE FIXED ASSETS

	Cars GBP	Fixtures & fittings GBP	Total GBP
Cost			
At 01.01.2005	54,258	2,362	56,620
Additions	20,800	0	20,800
Disposals	<u>-16,500</u>	<u>0</u>	<u>-16,500</u>
At 31.12.2005	<u>58,558</u>	<u>2,362</u>	<u>60,920</u>
Depreciation			
At 01.01.2005	17,639	354	17,993
Charge for the year	12,537	472	13,009
Disposals	<u>-10,725</u>	<u>0</u>	<u>-10,725</u>
At 31.12.2005	<u>19,451</u>	<u>826</u>	<u>20,277</u>
Net Book Value at 31.12.2005	<u>39,107</u>	<u>1,536</u>	<u>40,643</u>
Net Book Value at 31.12.2004	<u>36,619</u>	<u>2,008</u>	<u>38,627</u>

	2005 GBP	2004 GBP
6. DEBTORS		
Receivable from parent company	116,686	10,590
Other debtors	3,638	3,278
Prepayments	2,379	3,183
VAT	<u>2,523</u>	<u>1,890</u>
	<u>125,226</u>	<u>18,941</u>

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

7	CREDITORS: Amounts falling due within one year	2005 GBP	2004 GBP
	Trade creditors	7,632	2,842
	Dividend	75,000	0
	Other creditors	0	1,484
	PAYE	3,613	0
	Corporation tax	29,871	4,684
	Accruals	<u>2,050</u>	<u>4,050</u>
		<u>118,166</u>	<u>13,060</u>

8.	CALLED UP SHARE CAPITAL	Authorised	Allotted, issued and fully paid
	Ordinary shares of GBP 1 each	<u>2,000</u>	<u>2,000</u>

9.	RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS	2005 GBP	2004 GBP
	Opening shareholders funds	56,300	39,361
	Profit for the year	<u>3,583</u>	<u>16,969</u>
	Closing shareholders funds at 31.12.2005	<u>59,913</u>	<u>56,330</u>

10. OWNERSHIP

The company is controlled by Dansani A/S, a company incorporated in Denmark. Copies of group accounts of Dansani A/S can be obtained from the company at Finlandsvej 8, 6100 Haderslev, Denmark.

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

11. TRANSACTIONS WITH RELATED PARTIES

In accordance with the provisions of financial reporting standard 8 exemption has been taken from disclosing Related Party Transactions in the financial statement as it qualifies as a wholly owned subsidiary in accordance with paragraph 3 of the standard.