

Remmers (UK) Limited

Annual report and financial statements
for the year ended 31 December 2010

Registered Number 2363352

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Remmers (UK) Limited

Annual report and financial statements for the year ended 31 December 2010

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Remmers (UK) Limited

Directors' report for the year ended 31 December 2010

The Directors present their report and the audited financial statements of the company for the year ended 31 December 2010

Principal activity

The company's principal activity during the year continued to be that of the supply of chemicals and materials to the building and related industries

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements unless otherwise stated were

Dirk Sieverding

Alex Dennis (resigned 31 December 2010)

Steve Dunn

Tim Shepherd (appointed 1 January 2011)

Statement of directors' responsibilities

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 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). 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 judgements and accounting estimates that are reasonable and prudent, and
- 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 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

Remmers (UK) Limited

Directors' report for the year ended 31 December 2010 (continued)

Disclosure of information to auditors

So far as each director at the date of approval of this report is aware

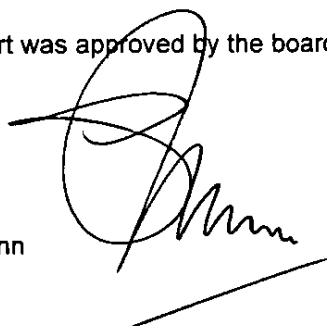
- There is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Small company special provisions

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies

This report was approved by the board on *26th May 2011*

Steve Dunn
Director



REMMERS (UK) LIMITED
(Registration No 2363352)

Remmers (UK) Limited

Independent auditors' report to the members of Remmers (UK) Limited

We have audited the financial statements of Remmers (UK) Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom 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.

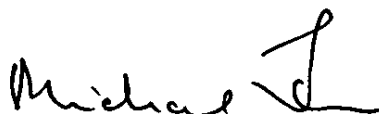
Remmers (UK) Limited

Independent auditors' report to the members of Remmers (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 in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report



Michael Jones (Senior Statutory Auditor)

For and behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick

26 May 2011

Remmers (UK) Limited

Profit and loss account for the year ended 31 December 2010

	Notes	2010 £	2009 £
Turnover		3,033,803	2,929,931
Cost of sales		(1,835,868)	(1,953,166)
Gross profit		1,197,935	976,765
Administrative expenses		(1,190,511)	(1,217,148)
Operating profit / (loss)	2	7,424	(240,383)
Interest receivable and similar income		786	898
Interest payable and similar charges	3	(13,236)	(13,227)
Loss on ordinary activities before taxation		(5,026)	(252,712)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year	11	(5,026)	(252,712)

All amounts relate to continuing operations

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents

Remmers (UK) Limited

Balance sheet as at 31 December 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	5	49,379	83,663
Current assets			
Stocks	6	306,627	301,426
Debtors	7	584,162	567,628
Cash at bank and in hand		159,220	141,744
		<u>1,050,009</u>	<u>1,010,798</u>
Creditors : amounts falling due within one year	8	<u>(464,729)</u>	<u>(454,776)</u>
Net current assets		<u>585,280</u>	<u>566,022</u>
Total assets less current liabilities		634,659	639,685
Creditors : amounts falling due after more than one year	9	<u>(368,705)</u>	<u>(368,705)</u>
Net assets		<u>265,954</u>	<u>270,980</u>
Capital and reserves			
Called up share capital	10	2,360,032	2,360,032
Profit and loss account	11	<u>(2,094,078)</u>	<u>(2,089,052)</u>
Total shareholders' funds	12	<u>265,954</u>	<u>270,980</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 2006

The financial statements were approved by the board on 26th May 2011 and were signed on its behalf by

Steve Dunn
Director



Remmers (UK) Limited

Notes to the financial statements for the year ended 31 December 2010

1 Accounting policies

The financial statements have been prepared under the historical cost convention, and are in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, 'The Small Companies and Groups (Accounts and Director's Report) regulations 2008' and with the Financial Reporting Standard for Smaller Entities (effective April 2008). The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of preparation

The directors believe that preparing the accounts on the going concern basis is appropriate based on forecasts and projections prepared by the directors and receiving confirmation from Remmers AG that they do not intend to recall the inter-company balance between Remmers AG and Remmers UK Limited until such time as Remmers UK Limited is in a position to make payments, so as to enable Remmers UK Limited to meet its liabilities as they fall due and to carry out their business without significant curtailment in operations for a minimum period of twelve months from the date of approval of the financial statements for the year ended 31 December 2010.

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers and is recognised on despatch when the right to consideration has been earned.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at their historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Short leasehold improvements	over the term of the lease
Plant, machinery and computer equipment	20% & 30% straight line
Motor vehicles	33% straight line

Impairment

The carrying value of fixed assets is reviewed if events or changes in circumstances indicate a potential impairment. Any impairment is charged to the profit and loss account.

Stock

Stock is valued at the lower of cost and net realisable value.

Remmers (UK) Limited

Notes to the financial statements (continued) for the year ended 31 December 2010

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and other amounts from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the tax rate that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis

Foreign currencies

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

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability

The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. Total contributions in the year were £27,188 (2009: £26,433), and £nil (2009: £2,203) was prepaid at the balance sheet date

Remmers (UK) Limited

Notes to the financial statements (continued) for the year ended 31 December 2010

2 Operating profit / (loss)

	2010	2009
	£	£
This is stated after charging		
Depreciation of owned fixed assets	43,830	57,086
Depreciation of assets held under finance leases and hire purchase contracts	-	6,738
Directors' remuneration	194,158	193,931
Staff pension costs	17,694	15,937
Auditors' remuneration - for audit services	6,000	6,000

	2010	2009
	No.	No
Number of directors to whom benefits accrued under money purchase pension schemes	2	2

3 Interest payable and similar charges

	2010	2009
	£	£
Interest payable to group undertakings	13,236	13,227

4 Tax on loss on ordinary activities

	2010	2009
	£	£
Current tax at 28% (2009 28%)	-	-
Deferred tax	-	-
	-	-

Remmers (UK) Limited

Notes to the financial statements (continued) for the year ended 31 December 2010

5 Tangible fixed assets

	Short leasehold property	Plant and machinery and computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2010	26,575	342,512	20,214	389,301
Additions	-	9,546	-	9,546
Disposals	-	(98,614)	(20,214)	(118,828)
At 31 December 2010	26,575	253,444	-	280,019
Accumulated depreciation				
At 1 January 2010	18,725	266,699	20,214	305,638
Charge for the year	5,315	38,515	-	43,830
Disposals	-	(98,614)	(20,214)	(118,828)
At 31 December 2010	24,040	206,600	-	230,640
Net book amount				
At 31 December 2010	2,535	46,844	-	49,379
At 31 December 2009	7,850	75,813	-	83,663

	2010	2009
	£	£
Net book value of motor vehicles included above held under finance leases and hire purchase contracts	-	-

6 Stocks

	2010	2009
	£	£
Finished goods	306,627	301,426

Remmers (UK) Limited

Notes to the financial statements (continued) for the year ended 31 December 2010

7 Debtors

	2010	2009
	£	£
Trade debtors	546,695	504,663
Other debtors	851	11,080
Prepayments and accrued income	36,616	51,885
	<u>584,162</u>	<u>567,628</u>

8 Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	31,704	28,799
Amounts owed to group undertakings	264,932	328,782
Obligations under finance leases and hire purchase contracts	-	5,418
Other taxes and social security	90,833	73,238
Accruals and deferred income	77,260	18,539
	<u>464,729</u>	<u>454,776</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

9 Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Subordinated loan owed to group undertakings	368,705	368,705
Obligations under finance lease and hire purchase contracts	-	-
	<u>368,705</u>	<u>368,705</u>

Remmers (UK) Limited

Notes to the financial statements (continued) for the year ended 31 December 2010

The subordinated loan agreement with the holding company expires in November 2013. The loan is unsecured and interest is payable at 3.59% p.a.

10 Called up share capital

	2010 No.	2009 No	2010 £	2009 £
Allotted and fully paid				
Ordinary shares of £1 each	2,360,000	2,360,000	2,360,000	2,360,000
Class B shares of £0.0001 each	321,819	321,819	32	32
	<u>2,681,819</u>	<u>2,681,819</u>	<u>2,360,032</u>	<u>2,360,032</u>

The B shares have no voting rights, no right to dividends and no rights on winding up.

11 Profit and loss account

	2010 £	2009 £
At 1 January	(2,089,052)	(1,836,340)
Loss for the financial year	<u>(5,026)</u>	<u>(252,712)</u>
At 31 December	<u>(2,094,078)</u>	<u>(2,089,052)</u>

12 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Opening shareholders' funds	270,980	523,692
Loss for the financial year	<u>(5,026)</u>	<u>(252,712)</u>
Closing shareholders' funds	<u>265,954</u>	<u>270,980</u>

Remmers (UK) Limited

Notes to the financial statements (continued) for the year ended 31 December 2010

13 Contingent liabilities

Materials sold by the company carry varying insurance-backed warranties with a maximum liability of 20% of the claim value and an overriding maximum of Euros 50,000 per claim. At the date of the financial statements there were no outstanding claims against the warranties.

14 Financial commitments

At 31 December 2010 the company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
Within one year	-	-	-	11,575
In more than one year, but not more than five years	78,000	-	32,556	7,152
After five years	-	-	-	-

15 Related parties

The company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with group companies. There were no other related party transactions during the year.

16 Controlling party

Throughout this and the previous year the company was under the control of its parent company, Remmers AG, a company incorporated in Germany, whose registered address is Bernhard Remmers-Strasse 13, PO Box 1255, Loning, Germany.