

**Amoena (UK) Limited**

**Directors' report and financial  
statements**

**Registered number 2325990**

**30 September 2005**



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## Director's report

The director presents the annual report and the audited financial statements for the year ended 30 September 2005.

### Principal activities

The company distributes silicone breast forms to hospitals and surgical trade houses in the UK. It also provides a mail order service offering specialist underwear and swimwear.

### Business review

The company made satisfactory progress during the past year, and the director is confident that turnover will increase in subsequent periods.

### Dividend paid and transfer to reserves

The company declared a dividend of £350,000 (2004: £300,000) during the year and the retained loss of £88,019 (2004: loss of £37,388) was transferred to reserves.

### Directors and directors' interests

The directors who held office during the year and their interests in the shares of the company were as follows:

|            | Number of £1 ordinary shares |             |
|------------|------------------------------|-------------|
|            | Beginning of year            | End of year |
| S Scheibye | -                            | -           |

The interests of S Scheibye in the shares of the ultimate parent company, Coloplast A/S, are disclosed in the directors' report of that company.

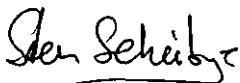
### Political and charitable contributions

The company made no political contributions during the year. Donations to UK charities amounted to £2,045 (2004: £nil).

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

This report was approved by the board of directors on 16 January 2006



S Scheibye  
Director

1 Eagle Close  
Chandlers Ford  
Southampton  
Hampshire  
SO53 4NF

## Statement 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 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; 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 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 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.



Dukes Keep  
Marsh Lane  
Southampton  
Hampshire SO14 3EX

## **Independent auditors' report to the members of Amoena (UK) Limited**

We have audited the financial statements on pages 4 to 12.

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 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 auditors*

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 with the company is not disclosed.

### *Basis of audit opinion*

We conducted our audit in accordance with Auditing Standards 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.

### *Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG LLP*

**KPMG LLP**  
Chartered Accountants  
Registered Auditor

*1st February 2006*

## Profit and loss account

for the year ended 30 September 2005

|                                                      | Note | 2005<br>£        | 2004<br>£        |
|------------------------------------------------------|------|------------------|------------------|
| <b>Turnover</b>                                      | 1    | 3,742,306        | 3,604,941        |
| Cost of sales                                        |      | (2,161,792)      | (2,078,912)      |
| <b>Gross profit</b>                                  |      | <b>1,580,514</b> | <b>1,526,029</b> |
| Distribution costs                                   |      | (818,930)        | (770,439)        |
| Administrative expenses                              |      | (383,890)        | (389,814)        |
| Other operating income                               |      | 4,299            | 20,000           |
| <b>Operating profit</b>                              |      | <b>381,993</b>   | <b>385,776</b>   |
| Interest receivable and similar income               | 2    | 3,505            | 2,170            |
| Interest payable and similar charges                 | 2    | -                | (680)            |
| <b>Profit on ordinary activities before taxation</b> | 5    | <b>385,498</b>   | <b>387,266</b>   |
| Tax on profit on ordinary activities                 | 6    | (123,517)        | (124,654)        |
| <b>Profit on ordinary activities after taxation</b>  |      | <b>261,981</b>   | <b>262,612</b>   |
| Dividends                                            | 7    | (350,000)        | (300,000)        |
| <b>Retained loss for the financial year</b>          | 12   | <b>(88,019)</b>  | <b>(37,388)</b>  |
| <b>Statement of movement on reserves</b>             |      |                  |                  |
| Profit and loss account at 1 October                 |      | 560,086          | 597,474          |
| Loss for the year                                    |      | (88,019)         | (37,388)         |
| <b>Profit and loss account at 30 September</b>       |      | <b>472,067</b>   | <b>560,086</b>   |

The notes on pages 6 to 12 form part of these financial statements.

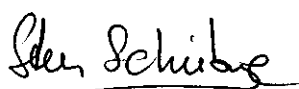
All amounts relate to continuing operations. The company has no recognised gains or losses for the current or previous year other than the retained loss as stated above. There is no difference between the profit on ordinary activities before taxation and the retained loss for the financial year stated above, and their historical cost equivalents.

**Balance sheet**  
*at 30 September 2005*

|                                                       | Note | 2005<br>£          | 2004<br>£        |
|-------------------------------------------------------|------|--------------------|------------------|
| <b>Fixed assets</b>                                   |      |                    |                  |
| Tangible assets                                       | 8    | 55,847             | 62,261           |
| <b>Current assets</b>                                 |      |                    |                  |
| Stocks                                                | 9    | 518,297            | 472,022          |
| Debtors                                               | 10   | 471,407            | 426,794          |
| Cash at bank and in hand                              |      | 555,099            | 275,956          |
|                                                       |      | <u>1,544,803</u>   | <u>1,174,772</u> |
| <b>Creditors: amounts falling due within one year</b> | 11   | <u>(1,028,583)</u> | <u>(576,947)</u> |
| <b>Net current assets</b>                             |      | <u>516,220</u>     | <u>597,825</u>   |
| <b>Net assets</b>                                     |      | <u>572,067</u>     | <u>660,086</u>   |
| <b>Capital and reserves</b>                           |      |                    |                  |
| Called up share capital                               | 13   | 100,000            | 100,000          |
| Profit and loss account                               |      | 472,067            | 560,086          |
| <b>Equity shareholders' funds</b>                     | 12   | <u>572,067</u>     | <u>660,086</u>   |

The notes on pages 6 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 16 January 2006 and were signed on its behalf by:

  
S Scheibye  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### ***Basis of preparation***

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

Under Financial Reporting Standard 1 (Revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

As the company is a wholly-owned subsidiary of Coloplast A/S, 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 (or investees of the group qualifying as related parties). The consolidated financial statements of Coloplast A/S, within which this company is included, can be obtained from the address given in note 16.

#### ***Fixed assets and depreciation***

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

|                                  |   |                             |
|----------------------------------|---|-----------------------------|
| Motor vehicles                   | - | 5 years (20% per annum)     |
| Office equipment                 | - | 5 years (20% per annum)     |
| Furniture, fixtures and fittings | - | 5 years (20% per annum)     |
| Computer equipment               | - | 5 years (20% per annum)     |
| Leasehold improvements           | - | remaining life of the lease |

#### ***Foreign currencies***

Monetary assets and liabilities denominated in foreign currencies are translated using 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***

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account under the item 'interest payable and similar charges', and the capital element which reduces the outstanding obligation for future instalments included within creditors.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

## Notes (continued)

### 1 Accounting policies (continued)

#### Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

#### Stocks

Stocks are stated at the lower of cost and net realisable value.

#### Taxation

The charge for taxation is based on the profit 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, without 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. Deferred tax assets are only recognised to the extent that it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year, recognised when goods are despatched to the customer. All turnover arose entirely within the UK. All turnover is derived from the sale of breast forms and related products.

### 2 Interest

|                                                | 2005<br>£ | 2004<br>£ |
|------------------------------------------------|-----------|-----------|
| <b>Interest receivable and similar income:</b> |           |           |
| Bank interest                                  | 3,505     | 2,170     |
|                                                | <hr/>     | <hr/>     |
| <b>Interest payable and similar charges:</b>   |           |           |
| Other interest                                 | -         | 680       |
|                                                | <hr/>     | <hr/>     |

### 3 Remuneration of directors

|                                                                                                       | 2005<br>£ | 2004<br>£ |
|-------------------------------------------------------------------------------------------------------|-----------|-----------|
| Directors' emoluments                                                                                 | -         | -         |
|                                                                                                       | <hr/>     | <hr/>     |
| Company contributions to money purchase pension scheme                                                | -         | -         |
|                                                                                                       | <hr/>     | <hr/>     |
| Retirement benefits are accruing to the following<br>number of directors under money purchase schemes | -         | -         |
|                                                                                                       | <hr/>     | <hr/>     |

## Notes (continued)

### 4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

|                        | Number of employees |       |
|------------------------|---------------------|-------|
|                        | 2005                | 2004  |
| Sales and distribution | 16                  | 15    |
| Administration         | 2                   | 2     |
|                        | <hr/>               | <hr/> |
|                        | 18                  | 17    |
|                        | <hr/>               | <hr/> |

The aggregate payroll costs of these persons were as follows:

|                                   | 2005    | 2004    |
|-----------------------------------|---------|---------|
|                                   | £       | £       |
| Wages and salaries                | 461,230 | 432,738 |
| Social security costs             | 50,689  | 49,240  |
| Other pension costs (see note 14) | 32,701  | 29,411  |
|                                   | <hr/>   | <hr/>   |
|                                   | 544,620 | 511,389 |
|                                   | <hr/>   | <hr/>   |

### 5 Profit on ordinary activities before taxation

|                                                                                | 2005   | 2004   |
|--------------------------------------------------------------------------------|--------|--------|
|                                                                                | £      | £      |
| <i>Profit on ordinary activities before taxation is stated after charging:</i> |        |        |
| Auditors' remuneration - audit services                                        | 10,000 | 8,700  |
| - other services                                                               | 3,994  | 6,000  |
| Depreciation on owned assets                                                   | 15,528 | 24,699 |
| Rentals payable under operating leases - building                              | 51,607 | 68,050 |
| -motor vehicles                                                                | 22,484 | 15,902 |
|                                                                                | <hr/>  | <hr/>  |

## Notes (continued)

### 6 Taxation

|                                        | 2005<br>£ | 2004<br>£ |
|----------------------------------------|-----------|-----------|
| UK corporation tax at 30 % (2004: 30%) | 123,517   | 124,654   |

The current tax charge for the year is higher (2004: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

|                                                                                                       | 2005<br>£ | 2004<br>£ |
|-------------------------------------------------------------------------------------------------------|-----------|-----------|
| Profit on ordinary activities before tax                                                              | 385,498   | 387,266   |
| Profit on ordinary activities before tax multiplied by the standard rate of UK corporation tax of 30% | 115,649   | 116,179   |
| Capital allowances for the period (in excess of)/less than depreciation                               | (526)     | 2,477     |
| Expenses not deductible for tax purposes                                                              | 8,394     | 5,998     |
| UK corporation tax on profits for the year                                                            | 123,517   | 124,654   |

### 7 Dividends

|                                                                                     | 2005<br>£ | 2004<br>£ |
|-------------------------------------------------------------------------------------|-----------|-----------|
| Dividend declared: 350 pence per share<br>(2004: dividend paid 300 pence per share) | 350,000   | 300,000   |

**Notes (continued)**

**8 Tangible fixed assets**

|                       | Leasehold<br>improvements | Office<br>Equipment | Motor<br>vehicles | Furniture,<br>fixtures<br>and<br>fittings | Computer<br>equipment | Total    |
|-----------------------|---------------------------|---------------------|-------------------|-------------------------------------------|-----------------------|----------|
|                       | £                         | £                   | £                 | £                                         | £                     | £        |
| <b>Cost</b>           |                           |                     |                   |                                           |                       |          |
| At beginning of year  | 121,721                   | 21,295              | 32,364            | 29,034                                    | 4,918                 | 209,332  |
| Additions             | -                         | -                   | 12,916            | -                                         | -                     | 12,916   |
| Disposals             | -                         | -                   | (32,364)          | -                                         | -                     | (32,364) |
| At end of year        | 121,721                   | 21,295              | 12,916            | 29,034                                    | 4,918                 | 189,884  |
| <b>Depreciation</b>   |                           |                     |                   |                                           |                       |          |
| At beginning of year  | 75,653                    | 11,575              | 25,891            | 29,034                                    | 4,918                 | 147,071  |
| Charge for year       | 9,103                     | 3,323               | 3,102             | -                                         | -                     | 15,528   |
| Disposals             | -                         | -                   | (28,562)          | -                                         | -                     | (28,562) |
| At end of year        | 84,756                    | 14,898              | 431               | 29,034                                    | 4,918                 | 134,037  |
| <b>Net book value</b> |                           |                     |                   |                                           |                       |          |
| At 30 September 2005  | 36,965                    | 6,397               | 12,485            | -                                         | -                     | 55,847   |
| At 30 September 2004  | 46,068                    | 9,720               | 6,473             | -                                         | -                     | 62,261   |

**9 Stocks**

|                                     | 2005<br>£ | 2004<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 518,297   | 472,022   |

**10 Debtors**

|                                | 2005<br>£ | 2004<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 438,449   | 401,047   |
| Prepayments and accrued income | 32,958    | 25,747    |
|                                | 471,407   | 426,794   |

**Notes (continued)**

**11 Creditors: amounts falling due within one year**

|                                                        | 2005<br>£        | 2004<br>£      |
|--------------------------------------------------------|------------------|----------------|
| Trade creditors                                        | 44,405           | 43,992         |
| Amounts owed to parent undertaking                     | 742,945          | 280,640        |
| Corporation tax                                        | 63,885           | 73,715         |
| Other creditors including taxation and social security | 127,016          | 126,139        |
| Accruals and deferred income                           | 50,332           | 52,461         |
|                                                        | <u>1,028,583</u> | <u>576,947</u> |

**12 Reconciliation of movements in shareholders' funds**

|                                    | 2005<br>£      | 2004<br>£      |
|------------------------------------|----------------|----------------|
| <i>Loss for the financial year</i> | (88,019)       | (37,388)       |
| Opening shareholders' funds        | 660,086        | 697,474        |
|                                    | <u>572,067</u> | <u>660,086</u> |
| <b>Closing shareholders' funds</b> |                |                |

**13 Called up share capital**

|                                           | 2005<br>£      | 2004<br>£      |
|-------------------------------------------|----------------|----------------|
| <i>Authorised</i>                         |                |                |
| 500,000 Ordinary shares of £1 each        | 500,000        | 500,000        |
|                                           | <u>500,000</u> | <u>500,000</u> |
| <i>Allotted, called up and fully paid</i> |                |                |
| 100,000 Ordinary shares of £1 each        | 100,000        | 100,000        |
|                                           | <u>100,000</u> | <u>100,000</u> |

**14 Pension scheme**

The company operates a defined contribution pension scheme. The pensions charge for the year represents contributions payable by the company to the fund and amounts to £32,701 (2004: £29,411). The assets of the pension fund are held by Scottish Amicable.

## Notes (continued)

### 15 Commitments

Annual commitments under non-cancellable operating leases are set out below:

|                           | 2005<br>£     | 2004<br>£     |
|---------------------------|---------------|---------------|
| <i>Land and buildings</i> |               |               |
| <i>Leases expiring:</i>   |               |               |
| Over five years           | 51,000        | 51,000        |
| <i>Motor vehicles</i>     |               |               |
| <i>Leases expiring:</i>   |               |               |
| In two to five years      | 22,543        | 14,042        |
|                           | <u>73,543</u> | <u>65,042</u> |

### 16 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary undertaking of Amoena Holdings GmbH.

The company's ultimate parent company and ultimate controlling party is Coloplast A/S which is incorporated in Denmark.

The largest group in which the results of the company are consolidated is that headed by Coloplast A/S, incorporated in Denmark. The smallest group in which they are consolidated is that headed by Amoena Holdings GmbH, incorporated in Germany. The consolidated accounts of these groups are available to the public and may be obtained from Coloplast A/S, 2 - 8 Bronzevej, 3060 Espergaede, Denmark and from Amoena GmbH, Kapellenweg 36, D83064 Raubling, Germany.