

COMPANY REGISTRATION NUMBER 2474481

**COHLINE (UK) LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR**  
**31 DECEMBER 2006**

TUESDAY



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A16 18/09/2007 99  
COMPANIES HOUSE

**BURGESS HODGSON**  
Chartered Accountants & Registered Auditors  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

**COHLINE (UK) LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

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**COHLINE (UK) LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	H Cohnen U G Cohnen-Andres
<b>Company secretary</b>	U G Cohnen - Andres
<b>Registered office</b>	Camburgh House, 27, New Dover Road, Canterbury, Kent CT1 3DN
<b>Auditor</b>	Burgess Hodgson Chartered Accountants & Registered Auditors Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN

**COHLINE (UK) LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2006**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2006

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was the manufacture and sale of automotive parts

Work is continuing on the development and modification of existing products to meet customer requirements and, through a continuing programme of development, to take advantage of new technology as soon as it becomes available

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £2,789,446 Particulars of dividends paid are detailed in note 7 to the financial statements

**DIRECTORS**

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

H Cohnen  
U G Cohnen-Andres

All 100,000 shares issued by the company are owned by Cohnen Gesellschaft Buergerlichen Rechts, a partnership registered in Germany The partners are Hans-Joachim Cohnen, Uta Gabriele Cohnen-Andres and Claudia Kathrin Cohnen-Lumbeck

**DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual 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) The financial statements are required by law to 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 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 that 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 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 so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and

**COHLINE (UK) LIMITED**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2006**


- 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 auditor is aware of that information

**AUDITOR**

A resolution to re-appoint Burgess Hodgson as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office  
Camburgh House,  
27, New Dover Road,  
Canterbury,  
Kent  
CT1 3DN

Signed by order of the directors

  
U. G. COHNEN - ANDRES  
Company Secretary

Approved by the directors on

*11/01/2007*

**COHLINE (UK) LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO COHLINE (UK) LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 5 to 16, together with the financial statements of Cohline (UK) Limited for the year ended 31 December 2006 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

**BASIS OF OPINION**

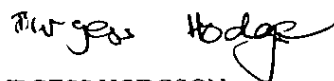
We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**OPINION**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

17/7/07



BURGESS HODGSON  
Chartered Accountants  
& Registered Auditors

**COHLINE (UK) LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2006**

	Note	2006 £	2005 £
<b>GROSS PROFIT</b>		4,972,837	4,211,751
Administrative expenses		1,062,691	928,232
<b>OPERATING PROFIT</b>	2	3,910,146	3,283,519
Interest receivable		87,744	81,166
Interest payable and similar charges	5	(4,727)	696
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		3,993,163	3,365,381
Tax on profit on ordinary activities	6	1,203,717	1,013,680
<b>PROFIT FOR THE FINANCIAL YEAR</b>		2,789,446	2,351,701

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

The notes on pages 9 to 16 form part of these abbreviated accounts.

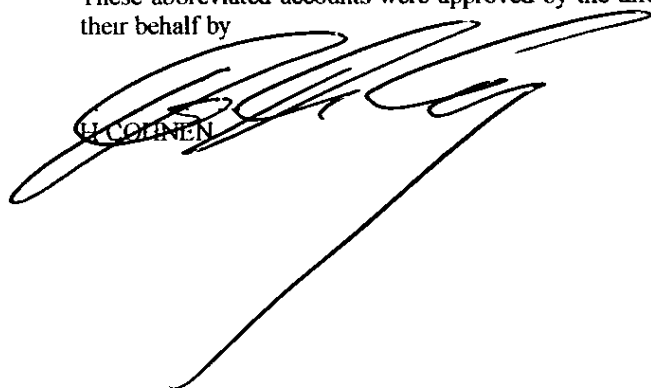
**COHLINE (UK) LIMITED**  
**ABBREVIATED BALANCE SHEET**

**31 DECEMBER 2006**

	Note	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	8	866,426	684,382
<b>CURRENT ASSETS</b>			
Stocks	9	718,341	555,209
Debtors	10	928,129	749,234
Cash at bank and in hand		4,851,158	5,557,152
		<u>6,497,628</u>	<u>6,861,595</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>1,205,255</u>	<u>1,097,599</u>
<b>NET CURRENT ASSETS</b>		<u>5,292,373</u>	<u>5,763,996</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,158,799</u>	<u>6,448,378</u>
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	13	<u>101,216</u>	<u>89,974</u>
		<u>6,057,583</u>	<u>6,358,404</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	15	100,000	100,000
Profit and loss account	16	<u>5,957,583</u>	<u>6,258,404</u>
<b>SHAREHOLDERS' FUNDS</b>	17	<u>6,057,583</u>	<u>6,358,404</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on the 11/1/07 and are signed on their behalf by



H. COINEN

**COHLINE (UK) LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	3,952,476	3,301,612
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	87,744	81,166
Interest paid	<u>(4,727)</u>	<u>696</u>
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	83,017	81,862
<b>TAXATION</b>	(1,252,331)	(1,186,437)
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(398,490)	(176,006)
Receipts from sale of fixed assets	<u>50</u>	<u>-</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	(398,440)	(176,006)
<b>EQUITY DIVIDENDS PAID</b>	(3,090,267)	(2,052,208)
<b>CASH OUTFLOW BEFORE FINANCING</b>	(705,545)	(31,177)
<b>FINANCING</b>		
Capital element of finance leases	<u>(449)</u>	<u>(1,494)</u>
<b>NET CASH OUTFLOW FROM FINANCING</b>	(449)	(1,494)
<b>DECREASE IN CASH</b>	<u>(705,994)</u>	<u>(32,671)</u>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		

	2006	2005
	£	£
Operating profit	3,910,146	3,283,519
Depreciation	216,446	168,442
Profit on disposal of fixed assets	(50)	-
Increase in stocks	(163,132)	(143,758)
Increase in debtors	(178,895)	(107,378)
Increase in creditors	167,961	100,787
Net cash inflow from operating activities	<u>3,952,476</u>	<u>3,301,612</u>

The notes on pages 9 to 16 form part of these abbreviated accounts.

**COHLINE (UK) LIMITED**  
**CASH FLOW STATEMENT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2006**

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	2006		2005
	£	£	£
Decrease in cash in the period	(705,994)		(32,671)
Cash outflow in respect of finance leases	<u>449</u>		<u>1,494</u>
	(705,545)		(31,177)
Change in net funds	(705,545)		(31,177)
Net funds at 1 January 2006	5,556,703		5,587,880
Net funds at 31 December 2006	<u>4,851,158</u>		<u>5,556,703</u>

**ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Jan 2006 £	Cash flows £	At 31 Dec 2006 £
Net cash			
Cash in hand and at bank	<u>5,557,152</u>	<u>(705,994)</u>	<u>4,851,158</u>
Debt			
Finance lease agreements	<u>(449)</u>	<u>449</u>	<u>—</u>
Net funds	<u>5,556,703</u>	<u>(705,545)</u>	<u>4,851,158</u>

The notes on pages 9 to 16 form part of these abbreviated accounts.

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

**Fixed assets**

All fixed assets are initially recorded at cost

**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

Plant & Machinery	- 10% Straight line
Fixtures & Fittings	- 10% Straight line
Motor Vehicles	- 25% Reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**Finance lease agreements**

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 in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**1. ACCOUNTING POLICIES** *(continued)*

**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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**2. OPERATING PROFIT**

Operating profit is stated after charging/(crediting)

	2006	2005
	£	£
Depreciation of owned fixed assets	216,446	168,442
Profit on disposal of fixed assets	(50)	—
Auditor's remuneration		
- as auditor	8,450	8,150
- for other services	28,020	15,302
Net profit on foreign currency translation	(194,567)	(250,338)
VAT settlement	940	—
	<u>          </u>	<u>          </u>

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	<b>2006</b>	<b>2005</b>
	<b>No</b>	<b>No</b>
Number of production staff	79	76
Number of administrative staff	8	8
	<u>87</u>	<u>84</u>

The aggregate payroll costs of the above were

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,735,454	1,429,230
Social security costs	27,278	21,652
Other pension costs	7,391	6,426
	<u>1,770,123</u>	<u>1,457,308</u>

**4. DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Emoluments receivable	<u>35,745</u>	<u>45,352</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Other similar charges payable	<u>4,727</u>	<u>(696)</u>

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**6 TAXATION ON ORDINARY ACTIVITIES****(a) Analysis of charge in the year**

	2006 £	2005 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 30% (2005 - 30%)	1,200,000	1,020,000
Over/under provision in prior year	(7,525)	(6,128)
Total current tax	<u>1,192,475</u>	<u>1,013,872</u>
Deferred tax		
Origination and reversal of timing differences (note 13)		
Capital allowances	11,242	(192)
Tax on profit on ordinary activities	<u>1,203,717</u>	<u>1,013,680</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2005 - 30%)

	2006 £	2005 £
Profit on ordinary activities before taxation	<u>3,993,163</u>	<u>3,365,381</u>
Profit/(loss) on ordinary activities by rate of tax	1,209,927	1,010,968
Depreciation and Capital Allowances	(11,242)	2,464
Misc Items	1,315	6,568
Under/Over Provision in Earlier Year	(7,525)	(6,128)
Total current tax (note 6(a))	<u>1,192,475</u>	<u>1,013,872</u>

**7. DIVIDENDS****Equity dividends**

	2006 £	2005 £
Paid		
Equity dividends on ordinary shares	<u>3,090,267</u>	<u>2,052,208</u>

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**8. TANGIBLE FIXED ASSETS**

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 January 2006	1,311,445	292,789	57,783	1,662,017
Additions	347,979	38,986	11,525	398,490
Disposals	(51,475)	—	—	(51,475)
<b>At 31 December 2006</b>	<u>1,607,949</u>	<u>331,775</u>	<u>69,308</u>	<u>2,009,032</u>
<b>DEPRECIATION</b>				
At 1 January 2006	729,440	214,467	33,728	977,635
Charge for the year	165,942	33,177	17,327	216,446
On disposals	(51,475)	—	—	(51,475)
<b>At 31 December 2006</b>	<u>843,907</u>	<u>247,644</u>	<u>51,055</u>	<u>1,142,606</u>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2006</b>	<u>764,042</u>	<u>84,131</u>	<u>18,253</u>	<u>866,426</u>
At 31 December 2005	<u>582,005</u>	<u>78,322</u>	<u>24,055</u>	<u>684,382</u>

**Finance lease agreements**

Included within the net book value of £866,426 is £Nil (2005 - £Nil) relating to assets held under finance lease agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £Nil (2005 - £Nil).

**9. STOCKS**

	2006 £	2005 £
Raw materials	575,887	415,859
Work in progress	142,454	139,350
	<u>718,341</u>	<u>555,209</u>

**10. DEBTORS**

	2006 £	2005 £
Trade debtors	845,261	723,617
VAT recoverable	33,745	24,717
Other debtors	902	900
Prepayments and accrued income	48,221	—
	<u>928,129</u>	<u>749,234</u>

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**11. CREDITORS: Amounts falling due within one year**

	2006		2005
	£	£	£
Trade creditors		570,916	408,975
Other creditors including taxation and social security			
Corporation tax	574,123		633,979
PAYE and social security	42,616		37,082
Finance lease agreements	-		449
	<u>616,739</u>		<u>671,510</u>
Accruals and deferred income		17,600	17,114
	<u>1,205,255</u>		<u>1,097,599</u>

**12. COMMITMENTS UNDER FINANCE LEASE AGREEMENTS**

Future commitments under finance lease agreements are as follows

	2006	2005
	£	£
Amounts payable within 1 year	-	449
	<u>-</u>	<u>449</u>

**13. DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

	2006	2005
	£	£
Provision brought forward	89,974	90,166
Profit and loss account movement arising during the year	11,242	(192)
Provision carried forward	<u>101,216</u>	<u>89,974</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2006	2005
	£	£
Excess of taxation allowances over depreciation on fixed assets	101,216	89,974
	<u>101,216</u>	<u>89,974</u>

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**14. RELATED PARTY TRANSACTIONS**

The company is controlled by Cohnen Gesellschaft Buergerlichen Rechts, a partnership registered in Germany. The partners are Hans-Joachim Cohnen, Utta Gabriele Cohnen-Andres and Claudia Kathrin Cohnen-Lumbeck.

During the year the company entered into the following contracts with companies and partnerships in which Hans-Joachim Cohnen, Utta Gabriele Cohnen-Andres and Claudia Kathrin Cohnen-Lumbeck have an interest -

	2006 £	2005 £
<b>Cohline GmbH Montabaur</b>		
Sales to Cohline Montabaur	1,366	9,702
Purchases from Cohline Montabaur	5,747	13,948
Debtor at year end	4,391	-
Creditor at year end	2,820	24
	<u>          </u>	<u>          </u>
<b>Cohline GmbH Dillenburg</b>	£	£
Sales to Cohline Dillenburg	12,528,506	9,972,626
Purchases from Cohline Dillenburg	313,784	416,878
Sale of fixed assets	-	47,435
Debtor at year end	816,500	680,376
Creditor at year end	111,354	18,068
	<u>          </u>	<u>          </u>
<b>Cohnen Gesellschaft Buergerlichen Rechts</b>	£	£
Rent charged for the year	174,000	162,000
	<u>          </u>	<u>          </u>

The company is ultimately controlled by Mr W Cohnen, his wife and three children but no one individual has ultimate control.

**15. SHARE CAPITAL****Authorised share capital:**

	2006 £	2005 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

**Allotted, called up and fully paid:**

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

**COHLINE (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**16. PROFIT AND LOSS ACCOUNT**

	2006 £	2005 £
Balance brought forward	6,258,404	5,958,911
Profit for the financial year	2,789,446	2,351,701
Equity dividends paid	(3,090,267)	(2,052,208)
Balance carried forward	<u>5,957,583</u>	<u>6,258,404</u>

**17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2006 £	2005 £
Profit for the financial year	2,789,446	2,351,701
Equity dividends paid	(3,090,267)	(2,052,208)
Net (reduction)/addition to shareholders' funds	<u>(300,821)</u>	<u>299,493</u>
Opening shareholders' funds	6,358,404	6,058,911
Closing shareholders' funds	<u>6,057,583</u>	<u>6,358,404</u>