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Company Registration No. 2890843

JANSEN INTERNATIONAL UK LIMITED

Report and Financial Statements

31 December 2003



Deloitte & Touche LLP
Nottingham

JANSEN INTERNATIONAL UK LIMITED

REPORT AND FINANCIAL STATEMENTS 2003

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JANSEN INTERNATIONAL UK LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

ACTIVITIES

The company's principal activity is the buying and selling of reproduction antique furniture.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The directors are disappointed with the results for the year, but are confident of a return to profitability in the forthcoming year.

DIVIDENDS

The results for the year are set out on page 4. The directors do not recommend the payment of a dividend and the retained loss for the year has been transferred from reserves.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year, as listed below, had no direct interest in the share capital of the company as at 31 December 2003 (31 December 2002 - nil):

Mr Frederik Nicolaas Huisman
Mr Peter Andries Jansen

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

Mr Frederik Nicolaas Huisman
Director

14/1/05

JANSEN INTERNATIONAL UK LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year 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; 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JANSEN INTERNATIONAL UK LIMITED

We have audited the financial statements of Jansen International UK Limited for the year ended 31 December 2003, which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
Nottingham

25th January 2005

JANSEN INTERNATIONAL UK LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2003

	Note	2003 £	2002 £
TURNOVER: continuing operations	2	1,702,959	1,707,305
Cost of sales		(936,222)	(931,055)
Gross profit		<u>766,737</u>	<u>776,250</u>
Administrative expenses		(789,964)	(871,776)
OPERATING LOSS: continuing operations	4	(23,227)	(95,526)
Interest receivable and similar income from group undertakings		683	677
Interest payable and similar charges	5	(8,474)	(13,885)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(31,018)	(108,734)
Tax on loss on ordinary activities	6	2,707	29,169
RETAINED LOSS FOR THE FINANCIAL YEAR		(28,311)	(79,565)
Retained profit brought forward		<u>422,480</u>	<u>502,045</u>
Retained profit carried forward		<u><u>394,169</u></u>	<u><u>422,480</u></u>

There are no recognised gains and losses for the current financial year and the preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been prepared.

JANSEN INTERNATIONAL UK LIMITED

BALANCE SHEET 31 December 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Tangible assets	7	122,051	188,311
CURRENT ASSETS			
Stocks	8	523,457	403,315
Debtors	9	205,851	231,512
Cash at bank and in hand		8,165	5,453
		<u>737,473</u>	<u>640,280</u>
CREDITORS: amounts falling due within one year	10	(395,835)	(403,402)
NET CURRENT ASSETS		<u>341,638</u>	<u>236,878</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>463,689</u>	<u>425,189</u>
CREDITORS: amounts falling due after more than one year	11	(69,518)	-
PROVISIONS FOR LIABILITIES AND CHARGES	13	-	(2,707)
NET ASSETS		<u><u>394,171</u></u>	<u><u>422,482</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	2	2
Profit and loss account		394,169	422,480
TOTAL EQUITY SHAREHOLDERS' FUNDS	15	<u><u>394,171</u></u>	<u><u>422,482</u></u>

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors

Frederik Huisman
Director

14/1/05

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2003

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Office equipment	25% per annum
Furniture and fittings	25% per annum
Motor vehicles	25% per annum
Leasehold Improvements	25% per annum

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is calculated as the actual purchase price plus freight costs.

Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date, to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Exchange gains and losses

Transactions denominated in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These foreign exchange translation differences are dealt with in the profit and loss account.

Leases

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease rentals in proportion to the capital element outstanding.

Operating lease rentals are charged to income in equal amounts over the lease term.

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2003

2 TURNOVER

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

The turnover is attributable to a single activity, the buying and selling of reproduction antique furniture.

Geographical analysis of turnover:

	2003 £	2002 £
United Kingdom	1,532,638	1,649,762
Europe	107,649	57,543
Other	62,672	-
	<u>1,702,959</u>	<u>1,707,305</u>

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2003 £	2002 £
Directors' remuneration		
Emoluments	<u>50,294</u>	<u>55,230</u>

	2003 No.	2002 No.
Average number of persons employed		
Sales and distribution	10	13
Administration	4	5
	<u>14</u>	<u>18</u>

	2003 £	2002 £
Staff costs during the year (including directors)		
Wages and salaries	256,315	310,964
Social security costs	23,840	27,945
	<u>280,155</u>	<u>338,909</u>

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2003

4 OPERATING LOSS

	2003 £	2002 £
Operating loss is after charging:		
Depreciation		
Owned assets	65,297	64,312
Loss on disposal of fixed assets	175	4,946
Rentals under operating leases		
Other operating leases	103,391	74,709
Auditors' remuneration	5,567	5,300
	<u> </u>	<u> </u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2003 £	2002 £
Bank loans and overdrafts	8,474	13,713
Finance leases and hire purchase contracts	-	172
	<u>8,474</u>	<u>13,885</u>

6 TAX ON LOSS ON ORDINARY ACTIVITIES

Tax credit for the year

	2003 £	2002 £
<i>Current taxation</i>		
United Kingdom corporation tax	-	-
Corporation tax recoverable	-	(30,440)
Adjustments in respect of prior years	-	(1,436)
Total current tax charge/(credit)	-	(31,876)
<i>Deferred taxation</i>		
Timing differences, origination and reversal	2,895	2,707
Adjustment in respect of prior years	(5,602)	-
Total deferred tax	(2,707)	2,707
Tax on loss on ordinary activities	<u>(2,707)</u>	<u>(29,169)</u>

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2003

6 TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax credit for the current and the previous year differs from the standard rate for the reasons set out in the following tax reconciliation:

Reconciliation of current tax

	2003 £	2002 £
Loss on ordinary activities before taxation	(31,018)	(108,734)
Tax on loss on ordinary activities at standard rate	(9,305)	(32,620)
<i>Factors affecting credit for the year:</i>		
Expenses not deductible for tax purposes	4,835	4,677
Capital allowances in excess of depreciation	2,867	(2,497)
Other timing differences	1,603	-
Adjustment in respect of prior years	-	(1,436)
Total actual amount of current tax	-	(31,876)

Analysis of deferred tax balances

	Provided 2003 £	Provided 2002 £
Accelerated capital allowances	-	2,707

A deferred tax asset has not been recognised in respect of timing differences relating to depreciation in excess of capital allowances, and tax losses carried forward, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £7,365.

Analysis of movement in deferred tax provision

	Deferred taxation £
Balance at 1 January 2003 (note 13)	2,707
Credited to the profit and loss account	(2,707)
Balance at 31 December 2003 (note 13)	-

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2003

7 TANGIBLE FIXED ASSETS

	Office equipment £	Furniture and fittings £	Motor vehicles £	Leasehold Improvements £	Total £
Cost					
At 1 January 2003	73,274	77,366	84,350	109,739	344,729
Additions in year	2,691	8,270	-	-	10,961
Disposals in year	-	-	(41,600)	-	(41,600)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2003	75,965	85,636	42,750	109,739	314,090
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation					
At 1 January 2003	52,382	33,373	49,367	21,296	156,418
Charge in year	14,712	9,300	13,850	27,435	65,297
Disposals in year	-	-	(29,676)	-	(29,676)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2003	67,094	42,673	33,541	48,731	192,039
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2003	8,871	42,963	9,209	61,008	122,051
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2002	20,892	43,993	34,983	88,443	188,311
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

8 STOCKS

	2003 £	2002 £
Goods for resale	523,457	403,315
	<hr/>	<hr/>

9 DEBTORS

	2003 £	2002 £
Trade debtors	37,871	37,066
Amounts owed by group companies	29,619	92,615
Other debtors	23,453	19,265
Prepayments and accrued income	114,908	82,566
	<hr/>	<hr/>
	205,851	231,512
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JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2003

9 DEBTORS (continued)

All amounts are due within one year.

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £	2002 £
Bank loans and overdraft (note 12)	68,680	158,157
Trade creditors	172,031	126,467
Amounts owed to group companies	99,681	63,872
Other taxes and social security	3,813	15,442
Other creditors	11,000	12,000
Accruals and deferred income	40,630	27,464
	<u>395,835</u>	<u>403,402</u>

The bank loan is secured by a fixed and floating charge over all property and assets present and future.

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2003 £	2002 £
Bank loans (note 12)	<u>69,518</u>	<u>-</u>

12 BORROWINGS

	2003 £	2002 £
Bank loans and overdrafts	<u>138,198</u>	<u>158,157</u>

The maturity of the above amounts is as follows:

In one year or less, or on demand	68,680	158,157
In more than one year but not more than two years	44,507	-
In more than two years but not more than five years	25,011	-
	<u>138,198</u>	<u>158,157</u>

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2003

13 PROVISIONS FOR LIABILITIES AND CHARGES

	2003 £	2002 £
Deferred taxation (note 6)	-	2,707

14 CALLED UP SHARE CAPITAL

	2003 £	2002 £
Authorised		
100 Ordinary shares of £1.00 each	100	100
Called up, allotted and fully paid		
2 Ordinary shares of £1.00 each	2	2

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Loss attributable to members of the company	(28,311)	(79,565)
Opening shareholders' funds	422,482	502,047
Closing shareholders' funds	394,171	422,482

16 OPERATING LEASE COMMITMENTS

At 31 December 2003 the company was committed to making the following payments during the next year in respect of operating leases:

	Land and buildings 2003 £	Other 2003 £	Land and buildings 2002 £	Other 2002 £
Leases which expire:				
Within one year	15,107	-	-	-
Within two to five years	61,000	13,792	22,610	-
After five years	-	-	61,000	-
	76,107	13,792	83,610	-

JANSEN INTERNATIONAL UK LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2003

17 ULTIMATE PARENT COMPANY

Jansen International UK Limited is owned 50% by P A Holdings Terborg BV and 50% by F H Holdings Terborg BV, both of which are companies registered in Holland. A copy of the financial statements of the parent companies can be obtained from the Kamer van Koophandel en Fabriek Midden-Gelderland (Chamber of Commerce), Nieuwe Plein 1b, PO Box 9292, 6800 KZ Arnhem.

18 RELATED PARTY TRANSACTIONS

During the year Jansen International UK Limited traded with its fellow subsidiaries, these are Jansen Netherlands, Jansen Indonesia JL, Jansen International (Hong Kong), PT Jansen JL, Billings, Billings Jakarta and Livingstone Terrasso UK Limited. The aggregate amount of these transactions in the year were:

- i) purchases of finished goods £669,285 (2002 - £539,108)
- ii) management services purchased £18,000 (2002 - £18,000)
- iii) sales and recharges £23,851 (2002 - £48,211)

The above transactions were at arms length prices on normal terms.

At the financial year end the following amounts were outstanding;

Debtors

Jansen International Spain £15,596 (2002 - £14,863)
Jansen Indonesia JL £nil (2002 - £46,833)
PT Jansen JL £11,580 (2002 - £24,954)
Livingstone Terrasso UK Limited £nil (2002 - £25,180)
Jansen Netherlands £14,023 (2002 - £nil)
Billings £6,035 (2002 - £nil)

The balances consist of £29,619 in debtors (2002 - £92,615) and £17,615 of goods in transit included in stocks (2002 - £19,215).

Creditors

Jansen Indonesia JL £16,020 (2002 - £nil)
Dick Janssen £11,112 (2002 - £11,112)
Jansen International Netherlands £64,125 (2002 - £34,118)
Billings £8,424 (2002 - £17,537)
Livingstone Terrasso UK Limited £nil (2002 - £1,105)