

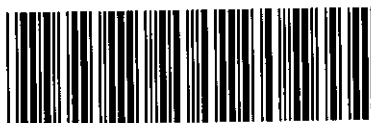
# **Steinhoff UK Holdings Limited**

## **Directors' report and financial statements**

Year ended 30 June 2006

Registered number 3738136

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# **Steinhoff UK Holdings Limited**

Year ended 30 June 2006

## Directors' report and financial statements

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# **Steinhoff UK Holdings Limited**

Year ended 30 June 2006

## **Directors' report**

Steinhoff UK Holdings Limited is a company incorporated in the United Kingdom under the Companies Act 1985. The address of the registered office is PO Box 1, Wellington, Somerset, TA21 8NN, England.

The directors present their annual report and the audited financial statements for the year ended 30 June 2006.

## **Principal activity and business review**

The Company is a wholly owned subsidiary of Steinhoff Europe AG (Switzerland), which in turn is a wholly owned subsidiary of Steinhoff Europe AG (Austria).

The Company's principal activity is that of a holding company in the United Kingdom. There have not been any significant changes in the Company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

As shown in the Company's income statement on page 8, the Company's performance has resulted in a loss after tax of £318,000.

The balance sheet on page 9 of the financial statements shows that the Company's financial position at the year end is equivalent in net asset terms, compared with the prior year.

## **Dividend**

The directors have not declared a dividend (2005: *£nil*).

## **Directors and directors' interests**

The directors who held office during the year and subsequently were as follows:-

M J Jooste	I M Topping
D R Shaw	F E J Lewis

None of the directors who held office at the end of the year had a beneficial interest in the ordinary share capital of the company or any other Steinhoff Group company within the UK.

No director had a financial interest in any contract to which the parent company or a subsidiary was a party during the financial year.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Directors' Report (*continued*)

### Employees

The Company recognises the need to keep staff informed about its performance and progress and provide information on matters of concern to them. Consultative meetings are held between senior management and employees through employee forums, with elected representatives of staff and shop floor personnel.

The Company has continued to develop good practice regarding the development and contribution of employees and recognises the need to communicate regularly to ensure that all employees understand the considerable contribution that they can make to the Company's success.

The Company is committed to the principle and achievement of equal opportunities in employment irrespective of sex, religion, race or marital status. The Company's policy is to give full and fair consideration to disabled persons who apply for employment having regard to their particular abilities and aptitude. If an employee becomes disabled, arrangements are made wherever possible to continue employment either in the same or alternative position after appropriate training. Within the limitations of their aptitudes and skills, disabled persons enjoy the same opportunities for training and promotion that are available to all employees.

### Charitable and political contributions

No contribution was made to any charity or political party (2005: *£nil*).

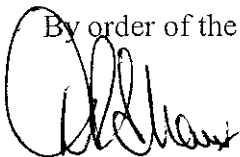
### Auditors

In the case of each of the persons who are directors of the company at the date when this report was approved:

- So far as each of the directors is aware, there is no relevant information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- Each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

By order of the board



**DR Shaw**  
*Director*

# **Steinhoff UK Holdings Limited**

Year ended 30 June 2006

## **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements. The directors have elected to prepare financial statements for the company in accordance with International Financial Reporting Standards (IFRS). Company law requires the directors to prepare such financial statements in accordance with IFRS and the Companies Act 1985.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards. Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- prepare the financial statements on a going concern basis unless it is not appropriate to presume that the company will continue in business.

The directors are responsible for the system of internal control, keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report which comply with the requirements of the Companies Act 1985.

# **Steinhoff UK Holdings Limited**

Year ended 30 June 2006

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STEINHOFF UK HOLDINGS LIMITED**

We have audited the financial statements (the "financial statements") of Steinhoff UK Holdings Ltd for the year ended 30 June 2006 which comprise an income statement, balance sheet, cash flow statement and the related notes 1 to 17. 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**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted for use in the European Union are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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, in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STEINHOFF UK HOLDINGS 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 IFRSs as adopted for use in the European Union as applied in accordance with the requirements of the Companies Act 1985, of the state of the individual company's affairs as at 30 June 2006, and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

*Deloitte & Touche LLP*

*7 August 2006*

### DELOITTE & TOUCHE LLP

Chartered Accountants and Registered Auditors  
Bristol, United Kingdom

Date

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Income statement

	<i>Note</i>	2006 £000	2005 £000
Revenue		308	190
Administrative expenses - impairment of investment		(334)	(36)
Administrative expenses - other		(73)	-
Total administrative expenses		(407)	(36)
<b>Operating (loss) / profit</b>		(99)	154
Investment revenue	3	113	248
Finance costs	3	(302)	(418)
<b>Profit / (loss) before taxation</b>	2	(288)	(16)
Tax on profit / (loss)	4	(30)	3
<b>Profit / (loss) for the financial period</b>	11	(318)	(13)

There were no recognised gains or losses other than those reported above and accordingly no statement of recognised income and expenses has been produced.



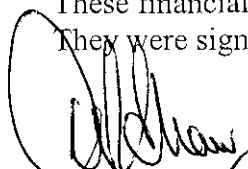
# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Balance sheet

	<i>Note</i>	<b>2006</b> <b>£000</b>	<b>2005</b> <b>£000</b>
<b>Non-current assets</b>			
Amounts owing from group companies		<b>14,333</b>	12,300
Investments	6	<b>5,500</b>	434
		<b>19,833</b>	12,734
<b>Current assets</b>			
Current tax assets		-	6
Trade and other receivables	7	<b>301</b>	13
Cash and cash equivalents		<b>130</b>	91
		<b>431</b>	110
<b>Total assets</b>		<b>20,264</b>	12,844
<b>Current liabilities</b>			
Trade and other payables	8	<b>8,067</b>	134
Current tax liabilities		<b>30</b>	-
		<b>8,097</b>	134
<b>Non-current liabilities</b>			
Amounts owed to group undertakings		<b>12,491</b>	12,716
<b>Net assets / (liabilities)</b>		<b>(324)</b>	(6)
<b>EQUITY</b>			
Share capital	10	-	-
Retained earnings	11	<b>(324)</b>	(6)
<b>Equity attributable to equity holders of the parent</b>		<b>(324)</b>	(6)

These financial statements were approved by the board of directors and authorised for issue on  
They were signed on its behalf by:

  
**DR Shaw**  
Director

Date *3 August 2006*

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Cash flow statement

		2006	2005
		£000	£000
Net cash from operating activities	Note 12	7,886	(25)
<b>Investing activities</b>			
Interest received		113	248
Acquisition of group undertakings		(5,500)	-
Disposal of group undertakings		100	-
<b>Net cash used in investing activities</b>		<b>(5,287)</b>	<b>248</b>
<b>Financing activities</b>			
Interest paid		(302)	(418)
Net (decrease) / increase in borrowings		(2,258)	775
<b>Net cash (used in) / from financing activities</b>		<b>(2,560)</b>	<b>357</b>
<b>Net increase in cash and cash equivalents</b>		<b>39</b>	<b>580</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>91</b>	<b>(489)</b>
<b>Cash and cash equivalents at end of year</b>		<b>130</b>	<b>91</b>

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes

### 1 Significant accounting policies

#### **Basis of accounting**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) for the first time. The disclosures required by IFRS 1 concerning the transition from UK GAAP to IFRSs are given in note 16.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable.

#### **Foreign currencies**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

#### **Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### **Operating profit**

Operating profit is stated before investment revenue and finance costs.

#### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 1 Significant accounting policies (continued)

#### **Taxation (continued)**

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### **Impairment of tangible assets**

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **Financial instruments**

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### **Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

#### **Trade receivables**

Trade receivables are measured at initial recognition at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 1 Significant accounting policies (continued)

#### Investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

At subsequent reporting dates, investments are carried at cost subject to annual impairment review.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in profit or loss using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

#### Trade payables

Trade payables are measured at fair value.

#### Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the director's best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

#### Future developments

The following standards and interpretations have been issued but were not effective at 30 June 2006 and have not been applied in preparing these financial statements:

- Amendment to IAS 1 'Presentation of financial statements: Capital disclosures'
- Amendment to IAS 19 'Actuarial Gains and Losses, Group plans and disclosures'
- Amendment to IAS 39 'The Fair value option'
- Amendment to IAS 39 'Cash flow hedge accounting of Forecast intragroup transactions'
- Amendment to IAS 39 and IFRS 4 'Financial Guarantee contracts'
- Issue of IFRS 7 'Financial instruments: Disclosures'
- IFRIC 4 'Determining whether an arrangement contains a lease'

The directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's financial statements in the period of initial application.

### 2 Profit for the year

	2006 £000	2005 £000
Operating profit / (loss) is stated after charging:-		
Amounts written off investments	334	-
Auditors' remuneration for audit services	<u>11</u>	<u>11</u>

The company had no employees during either year.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 3 Investment revenue and finance costs

	2006 £000	2005 £000
Interest receivable:-		
Interest receivable on bank deposits	4	-
Other interest receivable	109	248
Investment revenue	113	248
Interest payable:-		
Interest on bank loans and overdrafts	-	119
Other interest payable	302	299
Finance costs	302	418

### 4 Taxation

	2006 £000	2005 £000
<i>Analysis of charge in period</i>		
UK corporation tax:-		
Current tax on income for the period	30	(9)
Adjustment in respect of prior periods	-	(66)
Total current tax	30	(75)
UK deferred tax:-		
Origination and reversal of timing differences	-	6
Adjustments to estimated recoverable amounts	-	-
Adjustment in respect of prior periods	-	66
Total deferred tax	-	72
Tax on profit / (loss) on ordinary activities	30	(3)

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 4 Taxation (continued)

#### *Factors affecting the tax charge for the current period*

The current tax charge for the period differs from the standard rate of corporation tax in the UK. The differences are explained below:-

	2006 £000	2005 £000
Current tax reconciliation:-		
Profit / (loss) on ordinary activities before tax	(288)	(16)
Current tax at 30% (2005: 30%)	(86)	(5)
Effects of :-		
Expenses not deductible for tax purposes	116	-
Capital allowances for period in excess of depreciation	-	-
Movement in short term timing differences	-	(4)
Other deferred tax movements	-	-
Utilisation/carry forward of tax losses	-	-
Adjustments to tax charge in respect of previous period	-	(66)
Total current tax	30	(75)

#### *Factors that may affect future tax charges*

The company is not currently aware of any factors which may materially affect the effective rate of tax going forward other than the existing reconciling items.

### 5 Directors' remuneration

	2006 £000	2005 £000
Directors' remuneration	4	3
Remuneration of highest paid director:-	4	3

The emoluments of Messrs Topping and Shaw were paid by Relyon Group Limited. It is not practicable to split their remuneration between their services to group companies. Details of their remuneration are included in the financial statements of Relyon Group Limited.

The emoluments of Mr. Jooste were paid by Steinhoff International Holdings Ltd. It is not practicable to split his remuneration between his services to group companies. Details of his remuneration are included in the financial statements of Steinhoff International Holdings Ltd.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 6 Investments

	JW Carpenter Ltd £000	Spearhead Upholstery Ltd £000	Steinhoff UK Furniture Ltd £000	Unitrans UK Limited £000	Total £000
<i>Ownership:</i>	100%	100%	100%	25%	
<i>Country of incorporation:</i>	England	England	England	England	
Cost and net book value at 1 July 2004 and 1 July 2005	-	100	334	-	434
Additions	5,500	-	-	-	5,500
Impairment provision	-	-	(334)	-	(334)
Disposals	-	(100)	-	-	(100)
<b>At 30 June 2006</b>	<b>5,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,500</b>

The investment in Steinhoff UK Furniture Limited has been provided against in full as a result of the net liabilities of the balance sheet in the subsidiary as at 30 June 2006.

#### Principle activities of investments

Company	Activity
J W Carpenter Limited	Retailing homewares and furniture in the United Kingdom
Spearhead Upholstery Limited	Dormant
Steinhoff UK Furniture Limited	Importers and distributors of upholstered furniture and case goods
Unitrans UK Limited	Transport, distribution and logistics

### 7 Other financial assets

#### Trade and other receivables

	2006 £000	2005 £000
Other debtors	-	4
Prepayments and accrued income	21	1
Amounts owed by Group undertakings	280	8
<b>Total debtors</b>	<b>301</b>	<b>13</b>

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

**Bank balances and cash** comprise cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

#### Credit Risk

The Company's principal financial assets are bank balances and cash.

The Company's credit risk is primarily attributable to its trade balances. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Company has no significant concentration of credit risk.



# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 8 Trade and other payables

	2006	2005
	£000	£000
Trade creditors	38	50
Amounts owed to Group undertakings	474	7
Accruals and deferred income	55	77
Amounts owing to Poco International in respect of acquisition of J W Carpenter Limited	7,500	-
	<u>8,067</u>	<u>134</u>

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases by the Company is 30 (2005: 30) days.

The directors consider that the carrying amount of trade and other payables approximates their fair value.

### 9 Amounts owing to group undertakings

The amounts owing to group undertakings relates to a number of loans with Steinhoff Europe AG (Austria), and Steinhoff International Holdings Limited. There are no fixed repayment dates for these loans which are in sterling.

The average effective interest rate approximates 1.8% (2005: 1.8%) and is determined at the contract date.

The directors consider that the carrying amount of the Company's borrowings approximates their fair value.

### 10 Share capital

	2006	2005
	£000	£000
<b>Authorised: 100 (2005:100) ordinary shares of £1 each</b>	-	-
<b>Allotted, called up and fully paid: 100 (2005: 100) ordinary shares of £1 each</b>	-	-

### 11 Reserves

	2006	2005
	£000	£000
Profit and loss account	(6)	7
At 1 July	(318)	(13)
Retained loss for the financial period	<u>(324)</u>	<u>(6)</u>
<b>At 30 June</b>	<u>(324)</u>	<u>(6)</u>

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 12 Notes to the cash flow statement

	2006 £000	2005 £000
Operating (loss) / profit	(99)	154
Adjustments for:		
Impairment to investment	334	-
Operating cash flows before movements in working capital	235	154
(Increase) / decrease in receivables	(288)	85
Increase / (decrease) in payables	7,933	(264)
<b>Cash generated by operations</b>	<b>7,880</b>	<b>(25)</b>
Taxes received	6	-
<b>Net cash from operating activities</b>	<b>7,886</b>	<b>(25)</b>

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less.

### 13 Contingent liabilities

There are no known contingent liabilities.

### 14 Capital commitments

At 30 June 2006 the Company had not contracted for any capital expenditure (2005: £nil).

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

Notes (continued)

## 15 Related party transactions

	Year to 30 June 2006		As at 30 June 2006			
	Income £000	Expenditure £000	Current		Non-current	
			Amounts owing £000	Amounts owed £000	Amounts owing £000	Amounts owed £000
Own group	308	-	102	27	-	10,620
Other Steinhoff companies	-	-	372	253	12,491	3,713
<b>Total</b>	<b>308</b>	<b>-</b>	<b>474</b>	<b>280</b>	<b>12,491</b>	<b>14,333</b>

	Year to 30 June 2005		As at 30 June 2005			
	Income £000	Expenditure £000	Current		Non-current	
			Amounts owing £000	Amounts owed £000	Amounts owing £000	Amounts owed £000
Own group	190	-	-	6	100	7,300
Other Steinhoff companies	-	-	7	2	12,616	5,000
<b>Total</b>	<b>190</b>	<b>-</b>	<b>7</b>	<b>8</b>	<b>12,716</b>	<b>12,300</b>

'Other Steinhoff companies' include all subsidiaries and associated companies of Steinhoff International Holdings Limited, other than those companies included in the Steinhoff UK Holdings Limited group.

### *Remuneration of key management personnel*

The remuneration of the directors, who are the key management personnel of the Company, is set out in note 5.

As at 30 June 2006, the company was owed £20,125 by Mr. M Jooste. This amount will be repaid within the 6 months to December 2006.

# Steinhoff UK Holdings Limited

Year ended 30 June 2006

## Notes (continued)

### 16 Explanation of transition to IFRSs

This is the first year that the company has presented its financial statements under IFRS. The last financial statements under UK GAAP were for the year ended 30 June 2005 and the transition date to IFRSs was therefore 1 July 2004.

The transition to IFRS has had no impact on prior year results.

### 17 Ultimate holding company and controlling party

The company is controlled by Steinhoff Europe AG, its immediate parent company. The ultimate controlling party is Steinhoff International Holdings Limited, the ultimate holding company. Steinhoff International Holdings Limited is a company incorporated in The Republic of South Africa.

The largest group in which the results of the company are consolidated is that headed by Steinhoff International Holdings Limited. The consolidated accounts of this company are available to the public and may be obtained from Steinhoff International Holdings Limited, 28, Sixth Street, Wynberg, Sandton 2090, Republic of South Africa, a company incorporated in The Republic of South Africa. The smallest group in which the results of the company are consolidated is headed by Steinhoff UK Beds Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of these consolidated accounts are not directly available to the public but may be obtained from Companies House, Crown Way, Cardiff CF4 3UZ.