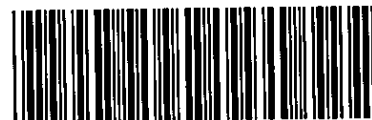


**Abbreviated Audited Accounts for the Year Ended 31 December 2006**

**for**

**Lodige Systems (UK) Limited**

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**Lodige Systems (UK) Limited**

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for the Year Ended 31 December 2006**

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**Lodige Systems (UK) Limited**

**Company Information**  
**for the Year Ended 31 December 2006**

**DIRECTORS:**

Dr R Lodige  
P P De Backer  
N Turner  
Ms M Wells  
B A F Ussat

**SECRETARY:**

Ms M Wells

**REGISTERED OFFICE:**

Knyvett House  
Watermans Business Park  
Staines  
Middlesex  
TW18 3BA

**REGISTERED NUMBER:**

4253803 (England and Wales)

**AUDITORS:**

Crick Heitman  
Chartered Certified Accountants  
Registered Auditors  
2 Clarendon Road  
Ashford  
Middlesex  
TW15 2QE

**Lodige Systems (UK) Limited**  
**Report of the Directors**  
**for the Year Ended 31 December 2006**

The directors present their report with the accounts of the company for the year ended 31 December 2006

**CESSATION OF TRADING**

The company ceased to trade on 31 December 2006 when all of its trading activities were transferred to Lodige (United Kingdom) Limited

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the planning, supply and maintenance of automated and mechanical cargo handling systems

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed accounts

The Lodige group within the United Kingdom was restructured, resulting in a merger of Lodige (United Kingdom) Limited and Lodige Systems (UK) Limited. The aim of the merger was to realign and consolidate the Lodige group operation in the United Kingdom, with the ultimate aim of strengthening our market position and improving customer service

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2006

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the accounts

**DIRECTORS**

The directors during the year under review were

Dr R. Lodige	
P P. De Backer	- appointed 31 12 06
N. Turner	- resigned 31 12 06
Ms M. Wells	
B A F. Ussat	- appointed 15 7 06
	- resigned 31 12 06

The directors holding office at 31 December 2006 did not hold any beneficial interest in the issued share capital of the company at 1 January 2006 (or date of appointment if later) or 31 December 2006

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 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

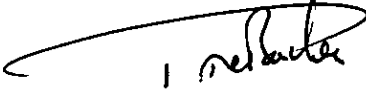
**Lodige Systems (UK) Limited**

**Report of the Directors**  
**for the Year Ended 31 December 2006**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**ON BEHALF OF THE BOARD:**



P P De Backer - Director

Date

17/4/2007

**Report of the Independent Auditors to**  
**Lodige Systems (UK) Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages five to thirteen, together with the financial statements of Lodige Systems (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 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

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.



Crick Heitman  
Chartered Certified Accountants  
Registered Auditors  
2 Clarendon Road  
Ashford  
Middlesex  
TW15 2QE

Date 19th April 2007

**Lodige Systems (UK) Limited**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31 December 2006**

	Notes	31 12 06 £	31 12 05 £
<b>GROSS PROFIT</b>		469,366	576,188
Administrative expenses		448,244	400,645
<b>OPERATING PROFIT</b>	3	21,122	175,543
Interest receivable and similar income		8,573	9,309
		29,695	184,852
Interest payable and similar charges	5	552	20,883
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		29,143	163,969
Tax on profit on ordinary activities	6	(15,116)	62,255
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		44,259	101,714

**DISCONTINUED OPERATIONS**

All of the company's activities were discontinued during the current year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these abbreviated accounts

**Lodige Systems (UK) Limited**

**Abbreviated Balance Sheet**  
**31 December 2006**

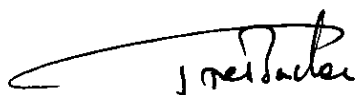
	Notes	31 12 06 £	£	31 12 05 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		-		509
<b>CURRENT ASSETS</b>					
Debtors	9	70,426		219,522	
Cash at bank and in hand		-		117,927	
		<u>70,426</u>		<u>337,449</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	-		311,791	
		<u>-</u>		<u>311,791</u>	
<b>NET CURRENT ASSETS</b>			<u>70,426</u>		<u>25,658</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>70,426</u></u>		<u><u>26,167</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		10,000		10,000
Profit and loss account	13		60,426		16,167
			<u>70,426</u>		<u>26,167</u>
<b>SHAREHOLDERS' FUNDS</b>	16		<u><u>70,426</u></u>		<u><u>26,167</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on  
its behalf by

17/4/2007

and were signed on



P P De Backer - Director

The notes form part of these abbreviated accounts



**Lodige Systems (UK) Limited**

**Cash Flow Statement**  
**for the Year Ended 31 December 2006**

	Notes	31 12 06 £	31 12 05 £
<b>Net cash-outflow from operating activities</b>	1	(99,852)	(149,013)
<b>Returns on investments and servicing of finance</b>	2	8,021	(11,574)
<b>Taxation</b>		(23,679)	(87,753)
<b>Capital expenditure</b>	2	(2,417)	(1,017)
<b>Equity dividends paid</b>		-	(100,000)
		<u>(117,927)</u>	<u>(349,357)</u>
<b>Financing</b>	2	-	(240,000)
<b>Decrease in cash in the period</b>		<u>(117,927)</u>	<u>(589,357)</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Decrease in cash in the period		<u>(117,927)</u>	<u>(589,357)</u>
Change in net funds resulting from cash flows		<u>(117,927)</u>	<u>(589,357)</u>
<b>Movement in net funds in the period</b>		<u>(117,927)</u>	<u>(589,357)</u>
<b>Net funds at 1 January</b>		<u>117,927</u>	<u>707,284</u>
<b>Net funds at 31 December</b>		<u>-</u>	<u>117,927</u>

The notes form part of these abbreviated accounts

**Lodige Systems (UK) Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 December 2006**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	31 12 06	31 12 05
	£	£
Operating profit	21,122	175,543
Depreciation charges	3,988	25,251
(Profit)/Loss on disposal of fixed assets	(1,063)	54,607
Decrease in stocks	-	544,767
Decrease in debtors	139,974	531,210
Decrease in creditors	(263,873)	(1,480,391)
<b>Net cash outflow from operating activities</b>	<b>(99,852)</b>	<b>(149,013)</b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31 12 06	31 12 05
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	8,573	9,309
Interest paid	(552)	(20,883)
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>	<b>8,021</b>	<b>(11,574)</b>
 <b>Capital expenditure</b>		
Purchase of tangible fixed assets	(10,417)	(1,017)
Sale of tangible fixed assets	8,000	-
<b>Net cash outflow for capital expenditure</b>	<b>(2,417)</b>	<b>(1,017)</b>
 <b>Financing</b>		
Share buyback	-	(240,000)
<b>Net cash outflow from financing</b>	<b>-</b>	<b>(240,000)</b>

**3 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 1 06	Cash flow	At
	£	£	31 12 06
			£
Net cash			
Cash at bank and in hand	117,927	(117,927)	-
	117,927	(117,927)	-
 Total	117,927	(117,927)	-

**4 DISPOSAL OF BUSINESS**

The company ceased trading on 31 December 2006 when it transferred all of its trading activities to Lodige (United Kingdom) Limited

The notes form part of these abbreviated accounts

**Lodige Systems (UK) Limited**

**Notes to the Abbreviated Accounts**  
**for the Year Ended 31 December 2006**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- at rates between 20%-50% on cost
Motor vehicles	- 33% on cost
Computer equipment	- at rates between 20%-50% on cost

**Deferred tax**

Deferred tax is recognised where applicable in respect of all timing differences that have originated but not reversed 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 transaction. Exchange differences are taken into account in arriving at the operating result.

**Pensions**

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. Contributions payable for the year are charged in the profit and loss account.

**2 STAFF COSTS**

	31 12 06	31 12 05
	£	£
Wages and salaries	381,156	2,197,952
Social security costs	49,372	247,207
Other pension costs	7,707	20,299
	<u>438,235</u>	<u>2,465,458</u>

The average monthly number of employees during the year was as follows

	31 12 06	31 12 05
Operational	10	55
Administration	2	4
	<u>12</u>	<u>59</u>

**Lodige Systems (UK) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 December 2006**

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	31 12 06	31 12 05
	£	£
Depreciation - owned assets	3,988	25,251
(Profit)/Loss on disposal of fixed assets	(1,063)	54,607
Auditors' remuneration	6,000	8,800
Foreign exchange differences	1,138	(718)
Plant hire	819	19,134
Other operating leases	11,200	10,748
	<u>          </u>	<u>          </u>
Directors' emoluments	94,857	56,340
Directors' pension contributions to money purchase schemes	-	1,750
	<u>          </u>	<u>          </u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

**4 EXCEPTIONAL ITEMS**

Included within other operating income, is the total consideration received from the company's UK parent in respect of the transfer of its entire operating activities. As an inter-group transaction it is non-taxable income.

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	31 12 06	31 12 05
	£	£
Group interest paid	<u>552</u>	<u>20,883</u>

**6 TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	31 12 06	31 12 05
	£	£
Current tax		
UK corporation tax	-	71,377
Group loss relief	<u>(24,238)</u>	<u>-</u>
Total current tax	<u>(24,238)</u>	<u>71,377</u>
Deferred tax	<u>9,122</u>	<u>(9,122)</u>
Tax on profit on ordinary activities	<u>(15,116)</u>	<u>62,255</u>

**Lodige Systems (UK) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 December 2006**

**6 TAXATION - continued**

**Factors affecting the tax (credit)/charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 06 £	31 12 05 £
Profit on ordinary activities before tax	<u>29,143</u>	<u>163,969</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 - 30%)	8,743	49,191
Effects of		
Capital allowances in excess of depreciation	(8,726)	17,783
Expenses not deductible for taxation purposes	113	4,403
Non-taxable income receivable from UK parent undertaking	(24,049)	-
Profit on disposal of fixed assets	<u>(319)</u>	<u>-</u>
Current tax (credit)/charge	<u><u>(24,238)</u></u>	<u><u>71,377</u></u>

**7 DIVIDENDS**

	31 12 06 £	31 12 05 £
Ordinary Shares shares of £1 each Interim	<u>-</u>	<u>100,000</u>

**8 TANGIBLE FIXED ASSETS**

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2006	-	-	3,135	3,135
Additions	1,289	9,128	-	10,417
Disposals	<u>(1,289)</u>	<u>(9,128)</u>	<u>(3,135)</u>	<u>(13,552)</u>
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEPRECIATION</b>				
At 1 January 2006	-	-	2,627	2,627
Charge for year	432	3,048	508	3,988
Eliminated on disposal	<u>(432)</u>	<u>(3,048)</u>	<u>(3,135)</u>	<u>(6,615)</u>
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET BOOK VALUE</b>				
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2005	<u>-</u>	<u>-</u>	<u>508</u>	<u>508</u>

**Lodige Systems (UK) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 December 2006**

**9 DEBTORS**

	31 12 06	31 12 05
	£	£
Amounts falling due within one year		
Trade debtors	-	168,854
Prepayments & accrued income	-	34,501
Amount due from parent undertaking	70,426	-
Amount due from group undertaking	-	7,045
	<u>70,426</u>	<u>210,400</u>
Amounts falling due after more than one year		
Tax	-	9,122
	<u>-</u>	<u>9,122</u>
Aggregate amounts	<u>70,426</u>	<u>219,522</u>

Deferred tax recoverable represents timing differences relating to accelerated Capital Allowances. It is anticipated that the company will be able to recover the benefits of these timing differences in the foreseeable future. Accordingly, full provision has been made at 30%, which is the rate of taxation applicable to the company.

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 12 06	31 12 05
	£	£
Trade creditors	-	15,106
Tax	-	47,918
Social security and other taxes	-	25,181
Other creditors	-	2,486
Amounts due to parent undertaking	-	197,452
Amount due to group undertakings	-	9,765
Accruals and deferred income	-	13,883
	<u>-</u>	<u>311,791</u>

**11 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	31 12 06	31 12 05
	£	£
Expiring		
Within one year	-	5,302
Between one and five years	-	7,429
	<u>-</u>	<u>12,731</u>

**Lodige Systems (UK) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 December 2006**

**12 CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid Number	Class	Nominal value	31 12 06 £	31 12 05 £
10,000	Ordinary Shares	£1	<u>10,000</u>	<u>10,000</u>

**13 RESERVES**

	Profit and loss account £
At 1 January 2006	16,167
Profit for the year	<u>44,259</u>
At 31 December 2006	<u>60,426</u>

**14 ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Lodige (United Kingdom) Limited which in turn is a wholly owned subsidiary of Lodige Fordertechnik GMBH, a company incorporated in Germany. The group financial statements of the ultimate parent company are available at Wilhelm-Lodige Str 1, 34414 Warburg-Scherfede, Germany.

**15 POST BALANCE SHEET EVENTS**

On 1 January 2007, the company became dormant following the transfer of its entire trading activities to its immediate UK parent undertaking, Lodige (United Kingdom) Limited.

**16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 12 06 £	31 12 05 £
Profit for the financial year	44,259	101,714
Dividends	-	(100,000)
	<u>44,259</u>	<u>1,714</u>
Shares redeemed	-	(240,000)
<b>Net addition/(reduction) to shareholders' funds</b>	<b>44,259</b>	<b>(238,286)</b>
Opening shareholders' funds	<u>26,167</u>	<u>264,453</u>
<b>Closing shareholders' funds</b>	<b><u>70,426</u></b>	<b><u>26,167</u></b>