

EMD Group Holdings Limited

Registered number 05586099

Directors' report and financial statements

For the period ended 30 June 2009



EMD GROUP HOLDINGS LIMITED

COMPANY INFORMATION

Directors
J A C Levine (appointed 22 August 2008)
S G Siggs (appointed 12 February 2010)
P J Dyoss (appointed 22 August 2008 & resigned 15 March 2010)
A T Fletcher (resigned 22 August 2008)
A O Fischer (resigned 22 August 2008)
I Fisher (resigned 22 August 2008)
J C Richardson (resigned 22 August 2008)

Company secretary SG Siggs

Company number 05586099

Registered office
490-492 Wallisdown Road
Bournemouth
Dorset
BH11 8PU

Auditors
Mazars LLP
Chartered Accountants & Registered Auditors
8 New Fields
2 Stinsford Road
Nuffield
Poole
Dorset
BH17 0NF

EMD GROUP HOLDINGS LIMITED

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EMD GROUP HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2009

The directors present their report and the financial statements for the period ended 30 June 2009

Statement of 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 judgments 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.

Principal activities

The company's principal activity during the year was that of a holding company. During the year the company extended its year end by six months to 30 June 2009.

Business review

On 22 August 2008 the company was acquired by Parvalux Limited group, and accordingly Parvalux Limited became the Company's ultimate parent undertaking with effect from that date. The company relies on inter company borrowing from fellow group companies which it expects to continue into the future. Since the acquisition the company was dormant.

Results

The loss for the period, after taxation, amounted to £673,468 (2007 - loss £953,274).

Directors

The directors who served during the period were

J A C Levine (appointed 22 August 2008)
P J Dyoss (appointed 22 August 2008 & resigned 15 March 2010)
A T Fletcher (resigned 22 August 2008)
A O Fischer (resigned 22 August 2008)
I Fisher (resigned 22 August 2008)
J C Richardson (resigned 22 August 2008)
S G Siggs (appointed 12 February 2010)

EMD GROUP HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2009

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 29 March 2010 and signed on its behalf



S G Siggs
Director

EMD GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EMD GROUP HOLDINGS LIMITED

We have audited the financial statements of EMD Group Holdings Limited for the period ended 30 June 2009, which comprise the Profit and loss account, the Balance sheet and the related notes. 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant 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, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether 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 transactions with the company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.

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 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.

EMD GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EMD GROUP HOLDINGS LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2009 and of its loss for the period 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

Mazars LLP

Mazars LLP

Chartered Accountants
Registered Auditors
8 New Fields
2 Stinsford Road
Nuffield
Poole
Dorset
BH17 0NF

Date 30 March 2010

EMD GROUP HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2009

	Note	18 months ended 30 June 2009 £	31 December 2007 £
Interest payable	4	(673,468)	(1,022,084)
Loss on ordinary activities before taxation		(673,468)	(1,022,084)
Tax on loss on ordinary activities	5	-	68,810
Loss for the financial period	10	(673,468)	(953,274)

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2007 other than those included in the Profit and loss account

The notes on pages 7 to 10 form part of these financial statements

EMD GROUP HOLDINGS LIMITED

Registered number 05586099

BALANCE SHEET AS AT 30 JUNE 2009

		30 June 2009	31 December 2007
	Note	£	£
Fixed assets			
Fixed asset investments	6	8,114,547	8,114,547
Current assets			
Debtors	7	1	106,811
Total assets less current liabilities		8,114,548	8,221,358
Creditors , amounts falling due after more than one year	8	(10,309,658)	(10,543,000)
Net liabilities		(2,195,110)	(2,321,642)
Capital and reserves			
Called up share capital	9	800,001	1
Profit and loss account	10	(2,995,111)	(2,321,643)
Shareholders' deficit	11	(2,195,110)	(2,321,642)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



J A C Levine
Director

Date 29 March 2010

The notes on pages 7 to 10 form part of these financial statements

EMD GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

1. Accounting policies

1.1 Basis of preparation of financial statements

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

The company has net liabilities of £2,195,110 and relies upon the support of its parent company Parvalux Electric Motors Limited. On this basis the company's financial statements have been prepared on a going concern basis

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment

2. Auditors' remuneration

Auditors' remuneration was borne by a fellow group undertaking

3. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2007 - £nil)

4 Interest payable

	18 months ended 30 June 2009 £	31 December 2007 £
On loans from group undertakings	615,047	947,331
Amortisation of debt issue costs	58,421	74,753
	<u>673,468</u>	<u>1,022,084</u>

EMD GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

5 Taxation

	18 months ended 30 June 2009 £	31 December 2007 £
Analysis of tax charge/(credit) in the period/year		
UK corporation tax charge/(credit) on loss for the period/year	-	(76,922)
Adjustments in respect of prior periods	-	8,112
	<u>-</u>	<u>(68,810)</u>
Tax on loss on ordinary activities	<u>-</u>	<u>(68,810)</u>

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2007 - lower than) the standard rate of corporation tax in the UK (30%) The differences are explained below

	18 months ended 30 June 2009 £	31 December 2007 £
Loss on ordinary activities before tax	(673,468)	(1,022,084)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2007 - 30%)	(202,040)	(306,625)
Effects of.		
Amounts not taxable	202,040	229,703
Adjustments to tax charge in respect of prior periods	-	8,112
	<u>-</u>	<u>(68,810)</u>
Current tax charge/(credit) for the period/year (see note above)	<u>-</u>	<u>(68,810)</u>

6. Fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2008 and 30 June 2009	8,814,547
Impairment	
At 1 January 2008 and 30 June 2009	700,000
Net book value	
At 30 June 2009	8,114,547
At 31 December 2007	8,114,547

EMD GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

6 Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
MinorTravel Limited	Ordinary	100%
EMD Drive Systems Limited	Ordinary	100%

Name	Business	Registered office
MinorTravel Limited	Holding company	England
EMD Drive Systems Limited	Motor manufacturer	England

The directors are of the opinion that the company's investment in its subsidiaries is not less than the book value

7. Debtors

	30 June 2009 £	31 December 2007 £
Other debtors	1	106,811

8. Creditors: Amounts falling due after more than one year

	30 June 2009 £	31 December 2007 £
Amounts owed to group undertakings	10,309,658	10,543,000

The amounts owed to group undertakings are unsecured, interest bearing up to the date of acquisition and have no fixed repayment date

9. Share capital

	30 June 2009 £	31 December 2007 £
Authorised		
800,001 (2007 - 1,000) Ordinary shares of £1 each	800,001	1,000
Allotted, called up and fully paid		
800,001 (2007 - 1) Ordinary shares of £1 each	800,001	1

EMD GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

9 Share capital (continued)

During the period, the company issued 800,000 ordinary shares of £1 each at par

10 Reserves

	Profit and loss account £
At 1 January 2008	(2,321,643)
Loss for the period	(673,468)
	<hr/>
At 30 June 2009	(2,995,111)
	<hr/>

11 Reconciliation of movement in shareholders' deficit

	30 June 2009 £	31 December 2007 £
Opening shareholders' deficit	(2,321,642)	(1,368,368)
Loss for the period/year	(673,468)	(953,274)
Shares issued during the period/year	800,000	-
	<hr/>	<hr/>
Closing shareholders' deficit	(2,195,110)	(2,321,642)
	<hr/>	<hr/>

12 Related party transactions

During the year the company entered into the following transactions with its group companies prior to its acquisition by Parvalux Limited Group -

Loan interest totalling £673,468 was paid to Finance Holdings Limited, the company's fellow subsidiary until 22 August 2008

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies from the 22 August 2008 on the grounds that these are transactions within the group whose consolidated financial statements are publicly available

13. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of its immediate parent company Parvalux Electric Motors Limited, a company incorporated in England and Wales. The ultimate parent company is Parvalux Limited, a company incorporated in England and Wales, which is the largest group in which the results of the company are consolidated

The directors control the day to day activities of the company. The ultimate controlling parties are the Clark Trusts which together own the majority of Parvalux Limited