

**Fetim Group UK Limited  
(previously Aqualux Products  
Limited)**

Report and Financial Statements

Year Ended

31 December 2013

Company Number 5171319

THURSDAY



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# Fetim Group UK Limited (previously Aqualux Products Limited)

Report and financial statements  
for the year ended 31 December 2013

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## Directors

A Beerkens  
Fetim BV

## Secretary and registered office

Fetim BV, Unit 300 Solar Park, Highlands Road Shirley, Solihull, West Midlands, England, B90 4SH

## Company number

5171319

## Auditors

BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

# Fetim Group UK Limited (previously Aqualux Products Limited)

Strategic report  
for the year ended 31 December 2013

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The directors present their strategic report together with the audited financial statements for the year ended 31 December 2013.

## Review of business and future developments

Trading in the UK in 2013 remained a challenge, with like for like sales down 8.6% on 2012, though gross margins did improve through improvements in purchasing and supply chain.

Reorganisation following the change of ownership in 2012 continued, with the Aldridge site being handed back to the landlord, and the surrender of the lease at Wednesbury, and relocation to the new site at Solihull taking place in Jan 2014.

The parent Group continued to develop product lines for the business with the move to the new site being a big step in accommodating these goals. Integration of the company into the Group, both administratively and commercially, was a priority in 2013 and has continued in 2014 with improved levels of activity and results being achieved in 2014 and forecast for 2015.

## Key performance indicators

The key performance indicators of the company are as follows:

- Return of sales by customer
- Working capital investment by component
- Proportion of debtors outside terms
- Days of inventory held
- Fill rates for key accounts

## Principal risks and uncertainties

Key risks facing the Group relate mainly to general economic conditions; particularly consumer demand.

### Credit risk

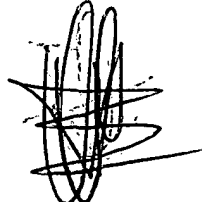
The Group carries out credit checks on potential customers and monitors outstanding balances against set credit limits on a constant basis.

### Financial risk

The Group is principally financed by loans and advances from its ultimate parent. The Group's main risks relate to the credit worthiness of customers and foreign exchange risk on imports. The Group maintains credit insurance to mitigate the risk of credit worthiness of customers. The Group does not currently arrange forward contracts in relation to foreign exchange.

### On behalf of the board

X  
A Beerkens  
Director



30/3/15

# Fetim Group UK Limited (previously Aqualux Products Limited)

## Report of the directors for the year ended 31 December 2013

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The directors present their report together with the audited financial statements for the year ended 31 December 2013.

### Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year.

The directors do not recommend the payment of a final dividend for the period.

### Post balance sheet events

There have been no events since the balance sheet date which materially affect the position of the Company.

### Directors

The directors of the company during the year were:

A Beerkens  
Fetim BV

Third party indemnity insurance for the benefit of the directors was in force during the period.

### Directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

# Fetim Group UK Limited (previously Aqualux Products Limited)

## Report of the directors for the year ended 31 December 2013 (*continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

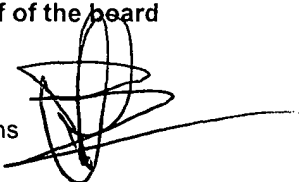
BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board

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A Beerkens

Director

  
30/3/15

# Fetim Group UK Limited (previously Aqualux Products Limited)

## Independent auditor's report

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### To the members of Fetim Group UK Limited (previously Aqualux Products Limited)

We have audited the financial statements of Fetim Group UK Limited (previously Aqualux Products Limited) for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 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 explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Fetim Group UK Limited (previously Aqualux Products Limited)

Independent auditor's report (*continued*)

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### Matters on which we are required to report by exception.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*BDO LLP*

*Tobias Stephenson (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Birmingham  
United Kingdom*

*1 April 2015*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Fetim Group UK Limited (previously Aqualux Products Limited)

### Profit and loss account for the year ended 31 December 2013

	Note	2013 £'000	2012 As restated £'000
<b>Turnover</b>	3	13,564	14,850
Cost of sales - excluding exceptional items		9,361	10,361
Restructuring costs	2	-	1,158
<b>Cost of sales</b>		9,361	11,519
<b>Gross profit</b>		4,203	3,331
Distribution costs		618	759
Administrative expenses - excluding goodwill and exceptional items		4,120	4,662
Amortisation of goodwill		-	770
Restructuring costs	2	500	872
<b>Administrative expenses</b>		4,620	6,304
<b>Operating loss</b>	4	(1,035)	(3,732)
Interest payable and similar charges	7	(3)	(601)
<b>Loss on ordinary activities before taxation</b>		(1,038)	(4,333)
Taxation on loss on ordinary activities	8	300	-
<b>Loss on ordinary activities after taxation</b>		(738)	(4,333)

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on pages 8 to 18 form part of these financial statements.



# Fetim Group UK Limited (previously Aqualux Products Limited)


## Balance sheet at 31 December 2013

<i>Company number 5171319</i>	Note	2013 £'000	2013 £'000	2012 £'000	2012 £'000
<b>Fixed assets</b>					
Tangible assets	11		224		371
<b>Current assets</b>					
Stocks	12	2,862		3,373	
Debtors	13	5,673		5,545	
Cash at bank and in hand		894		1,596	
		<u>9,429</u>		<u>10,514</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>3,208</u>		<u>3,553</u>	
<b>Net current assets</b>			<u>6,221</u>		<u>6,961</u>
<b>Total assets less current liabilities</b>			<u>6,445</u>		<u>7,332</u>
<b>Creditors: amounts falling due after more than one year</b>					
	15	13,092		13,092	
<b>Provisions for liabilities</b>	16	<u>380</u>		<u>529</u>	
			<u>13,472</u>		<u>13,621</u>
<b>Capital and reserves</b>					
Profit and loss account	19	<u>(7,027)</u>		<u>(6,289)</u>	
<b>Shareholders' deficit</b>	20		<u>(7,027)</u>		<u>(6,289)</u>
			<u>6,445</u>		<u>7,332</u>

The financial statements were approved by the board of directors and authorised for issue on

~~31/12/13~~

X  
A Beerkens  
Director



The notes on pages 8 to 18 form part of these financial statements.

# Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013

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## 1 Accounting policies

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

The following principal accounting policies have been applied:

### *Going concern*

As at 31 December 2013, the company has net liabilities of £7,027,000, made a loss before tax during the year of £1,038,000 after exceptional items of £500,000 and is reliant on the continued financial support from its parent group.

The directors have prepared trading forecasts for the business to December 2015 and have considered the trading period of the 12 months from the date the financial statements have been signed. It has been concluded that the predicted trading together with the support of the company's intermediate parent undertaking, Fetim BV, will enable the company to meet its liabilities as they fall due. Fetim BV have indicated that it intends to provide financial support during this period.

Therefore, after making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Fetim Group UK Holdings Limited and the company is included in consolidated financial statements for that company.

### *Goodwill*

Goodwill arising on an acquisition of a trade is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life of 8 years.

Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

### *Turnover*

Turnover is recognised on despatch of goods and represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 20% - 33% straight line
Fixtures and fittings	- 20% straight line

# Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

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## 1 Accounting policies (*continued*)

### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

### *Operating leases*

Operating lease costs are charged to the profit and loss account on a straight-line basis over the term of the lease.

### *Pension costs*

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

### *Related party disclosures*

The company is a wholly owned subsidiary of Benovem BV and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Benovem BV or other wholly owned subsidiaries within the group.

### *Display costs*

The costs of fitting customer displays and advertising costs related to customer product range reviews are capitalised and written off to the profit and loss account over the duration of their expected benefit to the business.

## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 2 Exceptional items - restructuring costs

	2013 £'000	2012 £'000
Stock write downs	-	951
Redundancy and associated costs	105	471
Loss on disposal of fixed assets	-	107
Dilapidation costs	-	278
Other restructuring costs	-	223
Relocation of business	395	-
	500	2,030
	500	2,030

Following the acquisition and change of parent company, the Aldridge site was closed and a rationalisation of product lines and operations of the company took place leading to certain restructuring costs being incurred. In addition, a change of location for the company was decided upon. Of the above costs £Nil (2012 - £1,158,000) has been recognised within cost of sales and £500,000 (2012 - £872,000) within administrative expenses.

### 3 Turnover

	2013 £'000	2012 £'000
Analysis by geographical market:		
United Kingdom	12,591	14,123
Europe	908	725
Rest of the world	65	2
	13,564	14,850
	13,564	14,850

Turnover is wholly attributable to the principal activity of the company.

### 4 Operating loss

	2013 £'000	2012 £'000
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	173	243
Amortisation of positive goodwill	-	770
Hire of plant and machinery - operating leases	107	106
Hire of other assets - operating leases	574	738
Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts	30	28
- non-audit services	20	17
Exchange differences	26	(311)
	750	1,592
	750	1,592

## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 5 Employees

Staff costs (including directors) consist of:

	2013 £'000	2012 £'000
Wages and salaries	1,458	2,619
Social security costs	140	241
Other pension costs	40	87
	1,638	2,947
	1,638	2,947

Included in staff costs above are redundancy costs of £105,000 (2012 - £471,000).

The average number of employees (including directors) during the year was as follows:

	2013 Number	2012 Number
Direct	-	29
Indirect	7	5
Administration	39	65
	46	99
	46	99

### 6 Directors' remuneration

	2013 £'000	2012 £'000
Directors' emoluments	96	152
Company contributions to money purchase pension schemes	-	6
	96	158
	96	158

There were no directors in the company's defined contribution pension scheme during the year (2012 - 3).

In addition to the above, directors who have resigned during the period have also received £Nil (2012: £134,062) in respect of compensation for loss of office which have been made by the ultimate parent on the company's behalf.

## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 7 Interest payable and similar charges

	2013 £'000	2012 £'000
Bank loans and overdrafts	3	4
Loans from group companies	-	597
	3	601
	3	601

### 8 Taxation on loss on ordinary activities

	2013 £'000	2012 £'000
<i>Deferred tax</i>		
Origination and reversal of timing differences	(300)	-
	(300)	-
	(300)	-

The tax assessed for the year is different to the standard rate of corporation tax in the UK applied to the loss before tax.

	2013 £'000	2012 £'000
Loss on ordinary activities before tax	(1,038)	(4,333)
	(1,038)	(4,333)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 24.5% (2012 - 24.0%)	(254)	(1,040)
Effect of:		
Current year losses not utilised	254	1,040
	-	-
Current tax charge for the year	-	-

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

The company has taxable losses in excess of £19m available for which an additional deferred tax asset has not been provided due to the uncertainty of future trading profits.

### 9 Reclassified comparatives

Following the change in ultimate parent, the company has chosen to reclassify certain of its profit and loss account comparatives to bring them in line with groups' policy in relation to the allocation of expenditure within both distribution and administration costs.

The adjustment does not have any effect on opening reserves or profit shown for the comparative financial period.

## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

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### 10 Intangible fixed assets

	Purchased goodwill £'000
<i>Cost</i>	
At 1 January 2013 and 31 December 2013	9,823
	<hr/>
<i>Amortisation</i>	
At 1 January 2013 and 31 December 2013	9,823
	<hr/>
<i>Net book value</i>	
At 31 December 2012 and 31 December 2013	-
	<hr/> <hr/>

# Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 11 Tangible fixed assets

	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
<i>Cost</i>			
At 1 January 2013	436	391	827
Additions	95	-	95
	<hr/>	<hr/>	<hr/>
At 31 December 2013	<b>531</b>	<b>391</b>	<b>922</b>
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 January 2013	234	222	456
Provided for the year	68	105	173
Impairment	69	-	69
	<hr/>	<hr/>	<hr/>
At 31 December 2013	<b>371</b>	<b>327</b>	<b>698</b>
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2013	<b>160</b>	<b>64</b>	<b>224</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2012	202	169	371
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 12 Stocks

	2013 £'000	2012 £'000
Raw materials and consumables	-	207
Finished goods and goods for resale	2,448	2,741
Stock in transit	414	425
	<hr/>	<hr/>
	<b>2,862</b>	<b>3,373</b>
	<hr/> <hr/>	<hr/> <hr/>

There is no material difference between the replacement cost of stocks and the amounts stated above.



## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 13 Debtors

	2013 £'000	2012 £'000
Trade debtors	3,729	4,095
Amounts owed by group undertakings	1,254	898
Other debtors	-	46
Prepayments and accrued income	390	506
Deferred taxation	300	-
	5,673	5,545
	5,673	5,545

All amounts shown under debtors fall due for payment within one year other than the deferred tax asset which will be recoverable after more than one year..

	Deferred taxation £'000
Charged to the profit and loss account and at 31 December 2013	300
	300

#### *Deferred taxation*

	2013 £'000
The amount of deferred tax provided for is as follows:	
Unutilised tax losses	300
	300

### 14 Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Trade creditors	668	924
Amounts owed to group undertakings	1,725	2,060
Other taxation and social security	179	186
Accruals and deferred income	636	383
	3,208	3,553
	3,208	3,553

## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 15 Creditors: amounts falling due after more than one year

	2013 £'000	2012 £'000
Amounts owed to group undertakings	13,092	13,092
	<u>13,092</u>	<u>13,092</u>

### 16 Provisions for liabilities

	Warranty provision £'000	Dilapidation provision £'000	Onerous lease provision £'000	Total £'000
At 1 January 2013	-	380	149	529
Charged/(credited) to profit and loss account	30	(30)	-	-
Utilised in year	-	-	(149)	(149)
	<u>30</u>	<u>350</u>	<u>-</u>	<u>380</u>
At 31 December 2013	<u>30</u>	<u>350</u>	<u>-</u>	<u>380</u>

### 17 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. The pension charge amounted to £40,000 (2012 - £87,044). Contributions amounting to £Nil (2012 - £16,526) were payable to the fund at the year end and are included in creditors.

### 18 Share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

## Fetim Group UK Limited (previously Aqualux Products Limited)

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

### 19 Reserves

	Profit and loss account £'000
At 1 January 2013	(6,289)
Loss for the year	(738)
	(7,027)
At 31 December 2013	(7,027)

### 20 Reconciliation of movements in shareholders' deficit

	2013 £'000	2012 £'000
Loss for the year	(738)	(4,333)
Net capital contribution	-	14,955
	(738)	10,622
Net (deductions from)/additions to shareholders' deficit	(738)	10,622
Opening shareholders' deficit	(6,289)	(16,911)
Closing shareholders' deficit	(7,027)	(6,289)

### 21 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2013 £'000	Other 2013 £'000	Land and buildings 2012 £'000	Other 2012 £'000
Operating leases which expire:				
Within one year	-	84	-	89
In two to five years	1,320	23	503	127
	1,320	107	503	216
	1,320	107	503	216

### 22 Related party disclosures

The company is controlled by Fetim Group UK Holdings Limited (previously Aqualux Products Holdings Ltd) which is the immediate parent company incorporated in England. The company's ultimate controlling party is Benovem BV which is the ultimate parent company incorporated in the Netherlands.

## **Fetim Group UK Limited (previously Aqualux Products Limited)**

Notes forming part of the financial statements  
for the year ended 31 December 2013 *(continued)*

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### **22 Related party disclosures *(continued)***

The company is a wholly owned subsidiary of Benovem BV and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Benovem BV or other wholly owned subsidiaries within the group.

### **23 Ultimate parent company and parent undertaking of larger group**

The company is a subsidiary of Benovem BV which is the ultimate parent company incorporated in the Netherlands

The largest group in which the results of the company are consolidated is that headed by Benovem BV, incorporated in the Netherlands.

The smallest group in which they are consolidated is that headed by Fetim Group UK Holdings Limited, incorporated in England. The consolidated accounts are available to the public and may be obtained from Companies House.