

Registration No: 1299467

Eimeldingen (GB) Limited

REPORT & ACCOUNTS

18 Months to 30 June 1995



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Directors

C E Davies
M A Fawcett

Secretary

J M Yates

Registered office

Emerson Court
Alderley Road
Wilmslow
Cheshire SK9 1NX

Auditors

Ernst & Young
Commercial Union House
Albert Square
Manchester M2 6LP

DIRECTORS' REPORT

The directors submit their report and the audited accounts for the 18 month period ended 30 June 1995.

1 Principal activity

The Company ceased to operate as a trading company at the end of 1993 and hence there is no turnover or associated cost for the period covered by these financial statements.

2 Holding company

The Holding Company is Markgraflich Badische Industrieverwaltung GmbH & Co incorporated in Germany.

The ultimate parent undertaking is Graystone PLC, incorporated in England.

3 Results and dividends

The loss for the year of £4 was entirely due to bank charges levied prior to the closure of the bank account in January 1994. The balance on the account at closure was transferred to the holding company in Germany.

Since the Company has no assets, and hence no immediate prospect of settling its inter-company liability to the holding company, it has been decided to move the whole of the inter-company liability to Creditors Due in more than one year. The amount transferred from current liabilities was £385,654 at 30 June 1995.

The foreign exchange loss of £45,609 arising on the retranslation of this inter-company liability has been taken to reserves since it arose from long-term funding of the business.

The directors do not recommend the payment of a final dividend on the ordinary share capital.

4 Directors' Interests

The names of the present directors are shown on page 1. In addition, Messrs W Ohligs, W H Kuhn and D W J Losewitz served as directors until they resigned on 28 April 1995. At the end of the period none of the directors or their families had any interest in the share capital of the company.

Messrs C E Davies and M A Fawcett were both appointed on 28 April 1995. They are both directors of the ultimate parent undertaking, Graystone PLC, in whose accounts their interests in that company are shown.

5. Auditors

Ernst & Young were appointed as auditors during the period and have expressed their willingness to continue.

Approved by the board
on 20 December 1995



J M Yates
Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 accounts, 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 accounts 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 accounts comply with the Companies Act. 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.

**REPORT OF THE AUDITORS TO THE MEMBERS OF
EIMELDINGEN (GB) LIMITED**

We have audited the accounts on pages 5 to 8 which have been prepared under the historic cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

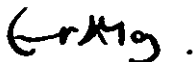
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 30 June 1995 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Manchester

20 December 1995

PROFIT AND LOSS ACCOUNT

18 Months to 30 June 1995

		<u>18 month period</u> <u>ended 30 June</u> <u>1995</u>	<u>Year ended 31</u> <u>December 1993</u>
	Notes	£	£
TURNOVER	2	-	75,791
Operating costs	3	-	(76,409)
GROSS LOSS		-	(618)
Administrative expenses		(4)	(7,303)
OPERATING LOSS		(4)	(7,921)
Interest receivable	4	-	6
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(4)	(7,915)
Tax on profit on ordinary activities	5	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(4)	(7,915)
Extraordinary items - profit on exchange	6	-	17,528
(LOSS)/RETAINED PROFIT FOR THE PERIOD		(4)	9,613
Losses brought forward	11	(402,490)	(412,103)
LOSSES CARRIED FORWARD		(402,494)	(402,490)

Recognised gains and losses

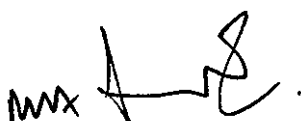
There are no recognised gains or losses other than the loss attributable to the shareholders of £4 in the period ended 30 June 1995 and the profit of £9,613 for the year ended 31 December 1993.

Movements on reserves are set out in Note 11.

BALANCE SHEET

30 JUNE 1995

		<u>30 June</u> <u>1995</u>	<u>31 December</u> <u>1993</u>
	Notes	£	£
CURRENT ASSETS			
Debtors: - amounts falling due within one year	7	-	1,747
Cash at bank and in hand		-	11,909
		-	13,656
CREDITORS - Amounts falling due within one year	8	(6,170)	(364,537)
NET CURRENT LIABILITIES		(6,170)	(350,881)
CREDITORS - Amounts falling due after more than one year	9	(429,933)	(39,609)
		(436,103)	(390,490)
CAPITAL AND RESERVES			
Called up share capital	10	12,000	12,000
Profit and loss account	11	(448,103)	(402,490)
		(436,103)	(390,490)



M A Fawcett
Director
20 December 1995

NOTES TO THE ACCOUNTS
18 Months ended 30 June 1995

1. Accounting Policies

a. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

b. Taxation

The charge for taxation is based on the results for the year. No provision is made for taxation deferred by reliefs where it is probable that no liability will arise in the foreseeable future.

c. Foreign currency translation

The amount owing to the holding company at 30 June has been translated at the period end exchange rate. The consequential profit or loss on exchange is taken directly to reserves.

2. Turnover

There is no turnover in the period as the company ceased all trading activities.

3. Operating costs

This is stated after charging:

Audit fees

<u>30 June</u>	<u>31 December</u>
<u>1995</u>	<u>1993</u>
<u>(18 months)</u>	<u>(12 months)</u>
<u>£</u>	<u>£</u>

-	2,000
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4. Interest receivable

Bank deposit interest received

<u>30 June</u>	<u>31 December</u>
<u>1995</u>	<u>1993</u>
<u>(18 months)</u>	<u>(12 months)</u>
<u>£</u>	<u>£</u>

-	6
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5. Taxation

There is no liability to Corporation Taxation on the results for the period.

6. Extraordinary items

Profit on foreign exchange

<u>30 June</u>	<u>31 December</u>
<u>1995</u>	<u>1993</u>
<u>(18 months)</u>	<u>(12 months)</u>
<u>£</u>	<u>£</u>

-	17,528
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7. Debtors

Value added tax

<u>30 June</u>	<u>31 December</u>
<u>1995</u>	<u>1993</u>
<u>£</u>	<u>£</u>

-	1,747
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8. Creditors: amounts due within one year

	<u>30 June</u> <u>1995</u>	<u>31 December</u> <u>1993</u>
	<u>£</u>	<u>£</u>
Accrued expenses	6,733	9,084
Holding company current account	-	356,016
Payments on behalf of holding company	(563)	(563)
	<u>6,170</u>	<u>364,537</u>

9. Creditors: amounts due after one year

	<u>30 June</u> <u>1995</u>	<u>31 December</u> <u>1993</u>
	<u>£</u>	<u>£</u>
Holding company loan account	429,933	39,609

10. Called-up share capital

	<u>Authorised</u>	<u>Allotted & fully paid</u>
	<u>£</u>	<u>£</u>
£1 ordinary shares	12,000	12,000

11. Profit and loss account

	<u>30 June</u> <u>1995</u>	<u>31 December</u> <u>1993</u>
	<u>£</u>	<u>£</u>
The profit and loss account at 30 June 1995 is made up as follows:		
Brought forward 1 January	(402,490)	(412,103)
(Loss)/profit in period	(4)	9,613
Loss on exchange following retranslation of inter-company creditors:	(45,609)	-
	<u>(448,103)</u>	<u>(402,490)</u>

12. Holding company

	<u>30 June</u> <u>1995</u>	<u>31 December</u> <u>1993</u>
	<u>£</u>	<u>£</u>
Amounts due to the holding company are as follows:		
Current account: 1993: DM911,402 @ 2.56	-	356,016
Loan account: 1993: DM101,400 @ 2.56	-	39,609
1995: DM101,400 @ 2.29	44,279	-
1995: DM883,147 @ 2.29	385,654	-
	<u>429,933</u>	<u>39,609</u>

13. Ultimate Parent Company

Graystone PLC, which is registered in England and Wales, is now the company's ultimate parent company and copies of its group report and accounts can be obtained from its and the company's registered office at:

Emerson Court
Alderley Road
Wilmslow
Cheshire
SK9 1NX