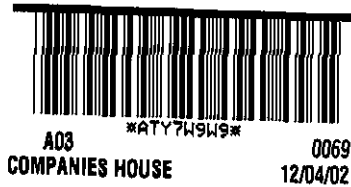


ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

FOR

RIGIBORE LIMITED



**RIGIBORE LIMITED**

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**FOR THE YEAR ENDED 30TH JUNE 2001**

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**RIGIBORE LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

<b>DIRECTORS:</b>	R Bassett R Bassett A Bassett T I Negus
<b>SECRETARY:</b>	P Bamford
<b>REGISTERED OFFICE:</b>	5 Guildford Industrial Estate Ventonleague Hayle Cornwall TR27 4BA
<b>REGISTERED NUMBER:</b>	01465509 (England and Wales)
<b>AUDITORS:</b>	Lang Bennetts Chartered Accountants Registered Auditors 36 Lemon Street Truro Cornwall TR1 2NR
<b>BANKERS:</b>	Barclays Bank Plc Penryn Street Redruth Cornwall
<b>OVERSEAS BANKERS:</b>	Canadian Imperial Bank of Commerce Commerce Court Toronto Ontario

## **RIGIBORE LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 30TH JUNE 2001**

The directors present their report with the financial statements of the company for the year ended 30th June 2001.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture of tooling equipment.

#### **REVIEW OF BUSINESS**

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

#### **DIVIDENDS**

No interim dividend was paid during the year. The directors recommend a final dividend of £1.75 per share.

The total distribution of dividends for the year ended 30th June 2001 will be £5,250.

#### **RESEARCH AND DEVELOPMENT**

As confirmed by notes 1 and 7 the company continues to be involved in research and development projects.

#### **DIRECTORS**

The directors during the year under review were:

R Bassett

R Bassett

A Bassett

J B Williams

T I Negus

- resigned 29/6/2001

The directors holding office at 30th June 2001 did not hold any beneficial interest in the issued share capital of the company at 1st July 2000 or 30th June 2001.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements 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 those 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.

#### **AUDITORS**

The auditors, Lang Bennetts, will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

#### **ON BEHALF OF THE BOARD:**



P Bamford - SECRETARY

Dated: 18th December 2001

**RIGIBORE LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS TO**  
**RIGIBORE LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages four to fifteen, together with the full financial statements of the company for the year ended 30th June 2001 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of audit opinion**

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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages four to fifteen are properly prepared in accordance with that provision.

Lang Bennetts  
Chartered Accountants  
Registered Auditors  
36 Lemon Street  
Truro  
Cornwall  
TR1 2NR

Dated: 18th December 2001

**RIGIBORE LIMITED**

**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
<b>GROSS PROFIT</b>		699,563	681,488
Administrative expenses		<u>576,649</u>	<u>539,665</u>
<b>OPERATING PROFIT</b>	3	122,914	141,823
Interest receivable and similar income		<u>34</u>	<u>-</u>
		122,948	141,823
Interest payable and similar charges	4	<u>8,528</u>	<u>16,422</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		114,420	125,401
Tax on profit on ordinary activities	5	<u>3,527</u>	<u>26,645</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		110,893	98,756
Dividends	6	<u>5,250</u>	<u>25,000</u>
		105,643	73,756
Retained profit/(deficit) brought forward		<u>26,012</u>	<u>(47,744)</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u><u>£131,655</u></u>	<u><u>£26,012</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

**RIGIBORE LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**30TH JUNE 2001**

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Intangible assets	7		209,458		163,867
Tangible assets	8		<u>682,155</u>		<u>576,725</u>
			891,613		740,592
<b>CURRENT ASSETS:</b>					
Stocks	9	212,206		269,186	
Debtors	10	437,836		491,973	
Cash at bank and in hand		<u>65,060</u>		<u>8,214</u>	
		715,102		769,373	
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>618,215</u>		<u>702,102</u>	
<b>NET CURRENT ASSETS:</b>			<u>96,887</u>		<u>67,271</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			988,500		807,863
<b>CREDITORS: Amounts falling due after more than one year</b>	12		<u>406,845</u>		<u>331,851</u>
			<u>£581,655</u>		<u>£476,012</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	15		450,000		450,000
Profit and loss account			<u>131,655</u>		<u>26,012</u>
<b>SHAREHOLDERS' FUNDS:</b>	19		<u>£581,655</u>		<u>£476,012</u>

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

**ON BEHALF OF THE BOARD:**



R Bassett - DIRECTOR

Approved by the Board on 18th December 2001

**RIGIBORE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		367,400		241,146
Returns on investments and servicing of finance	2		(8,494)		(16,422)
Taxation			(26,078)		(12,199)
Capital expenditure	2		(138,572)		(97,462)
Equity dividends paid			<u>(5,250)</u>		<u>-</u>
			189,006		115,063
Financing	2		<u>(120,335)</u>		<u>(139,800)</u>
Increase/(Decrease) in cash in the period			<u><b>£68,671</b></u>		<u><b>£(24,737)</b></u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period			68,671		(24,737)
Cash outflow from decrease in debt and lease financing			<u>120,335</u>		<u>139,800</u>
Change in net debt resulting from cash flows			189,006		115,063
New finance leases			<u>(144,447)</u>		<u>-</u>
Movement in net debt in the period			44,559		115,063
Net debt at 1st July			<u>(131,023)</u>		<u>(246,086)</u>
Net debt at 30th June			<u><b>£(86,464)</b></u>		<u><b>£(131,023)</b></u>

The notes form part of these financial statements

**RIGIBORE LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2001 £	2000 £
Operating profit	122,914	141,823
Depreciation charges	131,998	147,832
Loss on sale of fixed assets	-	483
Decrease in stocks	56,980	26,166
Decrease in debtors	54,137	5,856
Increase/(Decrease) in creditors	<u>1,371</u>	<u>(81,014)</u>
<b>Net cash inflow from operating activities</b>	<b><u>367,400</u></b>	<b><u>241,146</u></b>

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

	2001 £	2000 £
<b>Returns on investments and servicing of finance</b>		
Interest received	34	-
Interest element of hire purchase or finance lease rentals payments	<u>(8,528)</u>	<u>(16,422)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(8,494)</u></b>	<b><u>(16,422)</u></b>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	(76,079)	(82,571)
Purchase of tangible fixed assets	(64,837)	(15,116)
Sale of tangible fixed assets	<u>2,344</u>	<u>225</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(138,572)</u></b>	<b><u>(97,462)</u></b>
<b>Financing</b>		
Hire purchase contracts	<u>(120,335)</u>	<u>(139,800)</u>
<b>Net cash outflow from financing</b>	<b><u>(120,335)</u></b>	<b><u>(139,800)</u></b>

**RIGIBORE LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/7/00 £	Cash flow £	Other non-cash changes £	At 30/6/01 £
Net cash:				
Cash at bank and in hand	8,214	56,846		65,060
Bank overdraft	<u>(11,825)</u>	<u>11,825</u>		<u>-</u>
	<u>(3,611)</u>	<u>68,671</u>		<u>65,060</u>
Debt:				
Hire purchase or finance leases	<u>(127,412)</u>	<u>120,335</u>	<u>(144,447)</u>	<u>(151,524)</u>
	<u>(127,412)</u>	<u>120,335</u>	<u>(144,447)</u>	<u>(151,524)</u>
Total	<u>(131,023)</u>	<u>189,006</u>	<u>(144,447)</u>	<u>(86,464)</u>
<b>Analysed in Balance Sheet</b>				
Cash at bank and in hand	8,214			65,060
Bank overdraft	<u>(11,825)</u>			<u>-</u>
Hire purchase or finance leases				
within one year	<u>(109,385)</u>			<u>(71,376)</u>
after one year	<u>(18,027)</u>			<u>(80,148)</u>
	<u>(131,023)</u>			<u>(86,464)</u>

## **RIGIBORE LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 30TH JUNE 2001**

#### **1. ACCOUNTING POLICIES**

##### **Basis of accounting**

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

##### **Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computers	- 25% straight line
Development costs	- over the estimated useful life
Patents	- 20% straight line
Licences	- 20% straight line

##### **Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value.

##### **Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

##### **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.

##### **Leases and hire purchases contracts**

Tangible fixed assets acquired under hire purchase contracts are capitalised at the date of inception of each contract. The total finance charges are allocated over the period of the contract in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

##### **Pensions - defined contributions scheme**

Contributions are paid to the parent company which operates a group scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the group scheme.

##### **Government grants**

Grants received are recognised in the profit and loss account to match with the expenditure towards which the grants are intended to contribute. Grants received in respect of capital costs are deferred and released to the profit and loss account over the expected useful economic lives of the related assets.

##### **Research and development**

Expenditure on research and development incurred in the year other than on fixed assets is charged against profit. Expenditure on scientific development is capitalised and written off over the estimated useful lives of the relevant projects.

**RIGIBORE LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

**2. STAFF COSTS**

	2001	2000
	£	£
Wages and salaries	463,909	451,504
Social security costs	44,415	41,483
Other pension costs	<u>11,859</u>	<u>13,066</u>
	<u>520,183</u>	<u>506,053</u>

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

	2001	2000
Production staff	18	20
Office and management	<u>9</u>	<u>9</u>
	<u>27</u>	<u>29</u>

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £11,859 (2000 £13,066) including contributions in respect of employees. There were no contributions payable to the fund at 30th June 2001 (2000 nil)

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Depreciation - owned assets	66,730	58,235
Depreciation - assets on hire purchase contracts or finance leases	34,780	59,112
Loss on disposal of fixed assets	-	483
Development costs written off	30,000	30,000
Patents and licences written off	488	485
Auditors' remuneration	4,950	3,500
Rent	27,144	27,144
Loss/(profit) on foreign exchange	<u>(918)</u>	<u>(269)</u>
Directors' emoluments	61,084	61,971
Directors' pension contributions to money purchase schemes	<u>713</u>	<u>703</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2001	2000
	£	£
Hire purchase	<u>8,528</u>	<u>16,422</u>

**RIGIBORE LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

**5. TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	2001	2000
	£	£
UK corporation tax	1,436	23,987
Group relief	2,087	2,658
Over provision of tax	<u>4</u>	<u>-</u>
	<u>3,527</u>	<u>26,645</u>

UK corporation tax has been charged at 18.48% (2000 - 24%).

**6. DIVIDENDS**

	2001	2000
	£	£
Equity shares:		
Dividend proposed	<u>5,250</u>	<u>25,000</u>

**7. INTANGIBLE FIXED ASSETS**

	Development costs	Patents and licences	Totals
	£	£	£
<b>COST:</b>			
At 1st July 2000	247,287	15,158	262,445
Additions	<u>76,079</u>	<u>-</u>	<u>76,079</u>
At 30th June 2001	<u>323,366</u>	<u>15,158</u>	<u>338,524</u>
<b>AMORTISATION:</b>			
At 1st July 2000	84,531	14,047	98,578
Charge for year	<u>30,000</u>	<u>488</u>	<u>30,488</u>
At 30th June 2001	<u>114,531</u>	<u>14,535</u>	<u>129,066</u>
<b>NET BOOK VALUE:</b>			
At 30th June 2001	<u>208,835</u>	<u>623</u>	<u>209,458</u>
At 30th June 2000	<u>162,756</u>	<u>1,111</u>	<u>163,867</u>

**RIGIBORE LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

**8. TANGIBLE FIXED ASSETS**

	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>	<u>Motor vehicles</u>	<u>Totals</u>
	£	£	£	£
<b>COST:</b>				
At 1st July 2000	1,420,320	143,667	15,326	1,579,313
Additions	183,686	25,598	-	209,284
Disposals	<u>(1,224)</u>	<u>(3,520)</u>	<u>-</u>	<u>(4,744)</u>
At 30th June 2001	<u>1,602,782</u>	<u>165,745</u>	<u>15,326</u>	<u>1,783,853</u>
<b>DEPRECIATION:</b>				
At 1st July 2000	871,632	123,712	7,244	1,002,588
Charge for year	89,133	10,357	2,020	101,510
Eliminated on disposals	<u>(860)</u>	<u>(1,540)</u>	<u>-</u>	<u>(2,400)</u>
At 30th June 2001	<u>959,905</u>	<u>132,529</u>	<u>9,264</u>	<u>1,101,698</u>
<b>NET BOOK VALUE:</b>				
At 30th June 2001	<u>642,877</u>	<u>33,216</u>	<u>6,062</u>	<u>682,155</u>
At 30th June 2000	<u>548,688</u>	<u>19,955</u>	<u>8,082</u>	<u>576,725</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	<u>Plant and machinery</u>	<u>Motor vehicles</u>	<u>Totals</u>
	£	£	£
<b>COST:</b>			
At 1st July 2000	591,570	15,326	606,896
Additions	180,197	-	180,197
Transferred to ownership	<u>(248,800)</u>	<u>(15,326)</u>	<u>(264,126)</u>
At 30th June 2001	<u>522,967</u>	<u>-</u>	<u>522,967</u>
<b>DEPRECIATION:</b>			
At 1st July 2000	271,852	7,244	279,096
Charge for year	34,780	-	34,780
Transferred to ownership	<u>(115,905)</u>	<u>(7,244)</u>	<u>(123,149)</u>
At 30th June 2001	<u>190,727</u>	<u>-</u>	<u>190,727</u>
<b>NET BOOK VALUE:</b>			
At 30th June 2001	<u>332,240</u>	<u>-</u>	<u>332,240</u>
At 30th June 2000	<u>319,718</u>	<u>8,082</u>	<u>327,800</u>

**RIGIBORE LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

**9. STOCKS**

	2001	2000
	£	£
Work in progress	39,272	57,630
Finished goods	<u>172,934</u>	<u>211,556</u>
	<u>212,206</u>	<u>269,186</u>

**10. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade debtors	155,304	215,778
Prepayments	20,441	2,091
Group undertakings	<u>262,091</u>	<u>274,104</u>
	<u>437,836</u>	<u>491,973</u>

**11. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Bank loans and overdrafts (see note 13)	-	11,825
Trade creditors	71,009	81,233
Hire purchase	71,376	109,385
Group undertakings	438,884	441,827
Social security and other taxes	12,995	11,490
Taxation	1,436	23,987
Accrued expenses	<u>22,515</u>	<u>22,355</u>
	<u>618,215</u>	<u>702,102</u>

**12. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	2001	2000
	£	£
Hire purchase	80,148	18,027
Group undertakings	300,000	300,000
Deferred government grants	<u>26,697</u>	<u>13,824</u>
	<u>406,845</u>	<u>331,851</u>

**RIGIBORE LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

**13. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	2001 £	2000 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>11,825</u>

**14. SECURED DEBTS**

The following secured debts are included within creditors:

	2001 £	2000 £
Bank overdrafts	<u>-</u>	<u>11,825</u>

The bank borrowings are secured by a debenture on the assets of the company.

**15. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2001 £	2000 £
450,000	Ordinary	£1	<u>450,000</u>	<u>450,000</u>

**16. ULTIMATE PARENT COMPANY**

The company's ultimate holding company at the balance sheet date was Bassett Group Limited a company incorporated in England.

**17. CONTINGENT LIABILITIES**

The company has given cross guarantees in respect of bank borrowings of other group undertakings which as at 30th June 2001 totalled £118,584.

**18. RELATED PARTY DISCLOSURES**

During the year ended 30th June 2001 the following inter company transactions took place with other Group companies:-

	Basset Group £	Rigibore Inc £
Income		
Management charge	-	51,345
Expenses		
Management charge	76,580	-
Rent	27,144	-

**RIGIBORE LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2001**

19. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001	2000
	£	£
Profit for the financial year	110,893	98,756
Dividends	<u>(5,250)</u>	<u>(25,000)</u>
<b>Net addition to shareholders' funds</b>	105,643	73,756
Opening shareholders' funds	<u>476,012</u>	<u>402,256</u>
<b>Closing shareholders' funds</b>	<u>581,655</u>	<u>476,012</u>
 Equity interests	 <u>581,655</u>	 <u>476,012</u>