

**RIGIBORE LIMITED**  
**FINANCIAL STATEMENTS**

**30TH JUNE 1995**

**Registered number: 01465509**

**Lang Bennetts**  
**Chartered Accountants**  
**Cornwall**



**RIGIBORE LIMITED**  
**FINANCIAL STATEMENTS**  
**for the year ended 30th June 1995**

**CONTENTS**

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7 to 13

**The following page does not form part of the statutory accounts**

Detailed trading and profit and loss account	Appendix 1
Production account	Appendix 2

**RIGIBORE LIMITED****COMPANY INFORMATION****30th June 1995**

Number 01465509

**DIRECTORS**

R. Bassett  
Mrs. R. Bassett  
A. Bassett  
J. B. Williams (appointed 25th November 1994)  
T. I. Negus (appointed 1st February 1995)

**SECRETARY**

J. B. Williams

**REGISTERED OFFICE**

5 Guildford Industrial Estate  
Hayle  
Cornwall

**BANKERS**

Barclays Bank plc  
Penryn Street  
Redruth  
Cornwall

The Bank of New York  
101 Barclay - 8 West  
New York

Canadian Imperial Bank of Commerce  
Commerce Court  
Toronto  
Ontario

**AUDITORS**

Lang Bennetts  
Chartered Accountants  
36 Lemon Street  
Truro  
Cornwall

**RIGIBORE LIMITED****DIRECTORS' REPORT****30th June 1995**

The directors present their report and the audited financial statements for the year ended 30th June 1995.

**Principal activity**

The principal activity of the company is the manufacture of tooling equipment.

**Business review and future developments**

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £189,161.

Since the establishment of our associated company, Rigibore Inc., on 1st July 1994, the results for the year to 30th June 1995 are not directly comparable with the previous years sales figures. As a result of this change all Rigibore product sales in the USA are via Rigibore Inc. in Wisconsin, USA. The actual growth of world sales of Rigibore products was in excess of 35% for 1995 year end.

With the continuation of the capital investment plan the company is forecasting a further 30% growth in product sales during the current year. New product research and software enhancement continues which will ensure the long term viability and profitability of the company.

**Profit, dividends and appropriations**

The results for the year are shown in the profit and loss account on page 5.

The directors do not propose payment of an ordinary dividend, the profit for the year is to be transferred to reserves.

**Fixed assets**

Changes in fixed assets during the year are set out in the notes to the accounts as follows:

Intangible fixed assets - note 7  
Tangible fixed assets - note 8

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 13.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30th June 1995 Ordinary shares	1st July 1994 Ordinary shares
R. Bassett	-	-
Mrs. R. Bassett	-	-
A. Bassett	-	-
J. B. Williams (appointed 25th November 1994)	-	-
T. I. Negus (appointed 1st February 1995)	-	-

continued .....

## RIGIBORE LIMITED

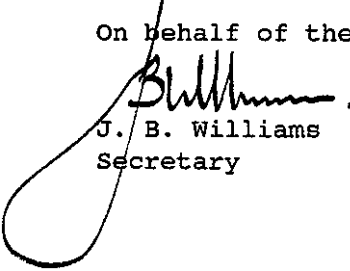
DIRECTORS' REPORT  
(continued)

30th June 1995

**Auditors**

Lang Bennetts have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board

  
J. B. Williams  
Secretary

5 Guildford Industrial Estate  
Hayle  
Cornwall

27th November 1995

## RIGIBORE LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

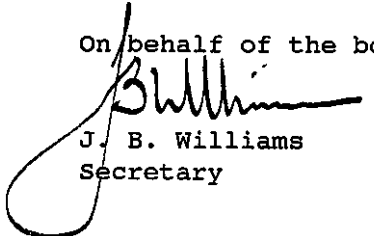
We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

5 Guildford Industrial Estate  
Hayle  
Cornwall

27th November 1995

On behalf of the board



J. B. Williams  
Secretary

**RIGIBORE LIMITED****AUDITORS' REPORT****Auditors' report to the members of****Rigibore Limited**

We have audited the financial statements on pages 5 to 13 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

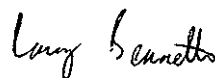
**Basis of opinion**

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 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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Lang Bennetts  
Registered Auditors and  
Chartered Accountants

36 Lemon Street  
Truro  
Cornwall

27th November 1995

## RIGIBORE LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 30th June 1995

	Note	1995 £	1994 £
<b>Turnover</b>	2	1,286,004	1,211,388
Changes in stocks of finished goods and work in progress		(159,106)	97,271
Other operating income		32,915	-
		<hr/>	<hr/>
Raw materials and consumables		1,159,813	1,308,659
Other external charges		(391,594)	(440,130)
Staff costs	4	(24,131)	(79,726)
Depreciation	3	(360,881)	(285,641)
Other operating charges		(62,015)	(64,106)
		(255,234)	(411,828)
		<hr/>	<hr/>
<b>Operating profit</b>	3	65,958	27,228
Interest payable	5	(13,831)	(15,598)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		52,127	11,630
Taxation	6	-	-
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>		£ 52,127	£ 11,630
<b>retained for the year</b>	16	<hr/> <hr/>	<hr/> <hr/>

Movements in reserves are shown in note 16.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1995 or 1994 other than the profit for the year.



## RIGIBORE LIMITED

## BALANCE SHEET

at 30th June 1995

	Note	1995		1994	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7		2,926		1,773
Tangible assets	8		422,703		306,884
			<u>425,629</u>		<u>308,657</u>
<b>Current assets</b>					
Stocks	9	329,817		488,923	
Debtors	10	494,905		246,740	
Cash at bank and in hand		22,072		87,343	
		<u>846,794</u>		<u>823,006</u>	
<b>Creditors:</b> amounts falling due within one year	11	(678,240)		(636,524)	
<b>Net current assets</b>			<u>168,554</u>		<u>186,482</u>
<b>Total assets less current liabilities</b>			<u>594,183</u>		<u>495,139</u>
<b>Creditors:</b> amounts falling due after more than one year	12		(405,022)		(358,105)
			<u>189,161</u>		<u>137,034</u>
<b>Capital and reserves</b>					
Called up share capital	15		450,000		450,000
Profit and loss account	16		(260,839)		(312,966)
<b>Total shareholders' funds</b>	14		<u>189,161</u>		<u>137,034</u>

The financial statements on pages 5 to 14 were approved by the board of directors on 27th November 1995.



R. Bassett  
Director

**RIGIBORE LIMITED****NOTES ON FINANCIAL STATEMENTS**

30th June 1995

**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.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1.

**Depreciation and amortisation**

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	the period of the lease
Plant and machinery	15% per annum reducing balance method
Motor vehicles	25% per annum reducing balance method
Fixtures and fittings	15% per annum reducing balance method
Computers and electronic aids	25% per annum straight line method
Patents	20% per annum reducing balance method
Licences	20% per annum straight line method

**Deferred taxation**

Deferred taxation is provided under the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that a liability will crystallise in the foreseeable future.

**Hire purchase 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.

**Research and development**

Expenditure on research and development incurred in the year other than on fixed assets is charged against profit.

**Stocks and work in progress**

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

**Pensions - defined contribution scheme**

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

**Foreign currency translation**

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the year end.  
All exchange differences are dealt with through the profit and loss account.

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

**2 Analysis of results**

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

The analysis of turnover by geographical area is as follows:

	1995 £	1994 £
United Kingdom	387,064	286,061
United States of America	595,682	643,771
Other countries	303,258	281,556
	<u>1,286,004</u>	<u>1,211,388</u>

Profit and net assets employed by area are not disclosed.

**3 Operating profit**

	1995 £	1994 £
Operating profit is stated after crediting		
Profit on sale of assets	4,021	-
Bad debts recovered	828	-
Inter company management charge	32,915	-
	<u>          </u>	<u>          </u>
and after charging		
Staff costs (note 4)	360,881	285,641
Auditors' remuneration	4,350	2,600
Operating leases		
Rent	12,500	12,500
Loss on sale of assets	-	645
Research and development expenditure	22,942	8,547
	<u>          </u>	<u>          </u>
Depreciation of tangible fixed assets (note 8)		
owned assets	24,477	29,985
leased assets	40,938	32,900
Amortisation of intangible fixed assets (note 7)	621	576
	<u>66,036</u>	<u>63,461</u>

## RIGIBORE LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 4 Directors and employees

	1995 £	1994 £
<b>Staff costs including directors' emoluments</b>		
Wages and salaries	323,131	252,673
Social security costs	30,919	26,058
Pension costs	6,831	6,910
	<u>360,881</u>	<u>285,641</u>
	<b>Number</b>	<b>Number</b>
Average number employed including executive directors		
Production staff	16	12
Office and management	10	9
	<u>26</u>	<u>21</u>
<b>Directors</b>	<b>£</b>	<b>£</b>
Directors' emoluments		
Fees	2,000	-
Other emoluments	31,067	20,148
	<u>33,067</u>	<u>20,148</u>
Emoluments excluding pension scheme contributions		
Chairman	-	-
Highest paid director	20,341	20,147
Other directors	<b>Number</b>	<b>Number</b>
£ 0 - £ 5,000	2	1
£10,001 - £15,000	1	-

**Pension costs****Defined contribution schemes**

The group operates defined contribution schemes. The assets of the schemes are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £6,831 (1994 £6,910). There were no contributions payable to the fund at 30th June 1995 (1994 nil).

## RIGIBORE LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 5 Interest payable

	1995 £	1994 £
Bank interest	2,958	5,449
Hire purchase interest	10,873	10,149
	<u>13,831</u>	<u>15,598</u>

## 6 Taxation

The company has no liability for taxation.

## 7 Intangible fixed assets

	Patents and Licences £
<b>Cost</b>	
1st July 1994	11,840
Additions	1,774
30th June 1995	<u>13,614</u>
<b>Amortisation</b>	
1st July 1994	10,067
Charge for year	621
30th June 1995	<u>10,688</u>
<b>Net book amount</b>	
30th June 1995	<u>2,926</u>
30th June 1994	<u>1,773</u>

## RIGIBORE LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 8 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Short Leasehold Land and Buildings £	Total £
1st July 1994	38,290	586,339	61,551	7,222	693,402
Additions	12,475	146,847	31,336	-	190,658
Disposals	(7,900)	(10,143)	-	-	(18,043)
30th June 1995	42,865	723,043	92,887	7,222	866,017
<b>Depreciation</b>					
1st July 1994	19,773	325,220	40,142	1,383	386,518
Charge for year	5,355	51,796	7,681	583	65,415
Disposals	(4,567)	(4,052)	-	-	(8,619)
30th June 1995	20,561	372,964	47,823	1,966	443,314
<b>Net book amount</b>					
30th June 1995	22,304	350,079	45,064	5,256	422,703
30th June 1994	18,517	261,119	21,409	5,839	306,884

The net book amount of fixed assets includes £294,285 (1994 £190,520) in respect of assets held under hire purchase contracts, the depreciation of which is shown in note 3.

## 9 Stocks

	1995 £	1994 £
Work in progress	44,319	51,563
Finished goods	285,498	437,360
	329,817	488,923

## 10 Debtors

	1995 £	1994 £
<b>Amounts falling due within one year</b>		
Trade debtors	164,301	233,147
Amounts owed by group undertakings	321,882	-
Other debtors	687	2,997
Prepayments and accrued income	8,035	10,596
	494,905	246,740

## RIGIBORE LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 11 Creditors: amounts falling due within one year

	1995 £	1994 £
Bank overdrafts	3,505	70,564
Trade creditors	91,580	110,870
Amounts owed to group undertakings	464,974	373,199
Other taxation and social security	11,341	7,716
Other creditors	5,842	4,787
Accruals and deferred income	22,365	9,806
Hire purchase contracts - note 12	78,633	59,582
	<u>678,240</u>	<u>636,524</u>

The bank overdraft is secured by a debenture over the company's assets.

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

	1995 £	1994 £
Amounts owed to group undertakings	300,000	300,000
Obligations under hire purchase contracts	105,022	58,105
	<u>405,022</u>	<u>358,105</u>

## Obligations under hire purchase contracts

These are repayable over varying periods by monthly instalments as follows:

In the next year - see note 11	78,633	59,582
In the second to fifth year	105,022	58,105
	<u>183,655</u>	<u>117,687</u>

## 13 Deferred taxation

	1995		1994	
	Potential liability	Provision made	Potential liability	Provision made
	£	£	£	£
Corporation tax deferred by accelerated capital allowances	40,765	-	22,851	-
	<u>40,765</u>	<u>-</u>	<u>22,851</u>	<u>-</u>

The potential liabilities are based on a corporation tax rate of 33% (1994 33%).

## RIGIBORE LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 14 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Profit for the financial year representing a Net addition to shareholders' funds	52,127	11,630
Opening shareholders' funds	137,034	125,404
Closing shareholders' funds	189,161	137,034

## 15 Called up share capital

	1995		1994	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary shares	450,000	450,000	450,000	450,000
Allotted called up and fully paid				
Equity shares				
Ordinary shares	450,000	450,000	450,000	450,000

## 16 Profit and loss account

	1995 £
1st July 1994	(312,966)
Retained profit for the year	52,127
30th June 1995	(260,839)

## 17 Guarantees

The company has given cross guarantees in respect of bank borrowings of other group undertakings which as at 30th June 1995 totalled £247,599 (1994 £167,069).

## 18 Ultimate parent undertaking

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