

**COMPANY NUMBER:
3147720 (ENGLAND & WALES)**

**RPMC EUROPE LTD
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999**



RPMC EUROPE LTD
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

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AUDITORS' REPORT TO RPMC EUROPE LTD

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated financial statements on pages 2 to 5 together with the full financial statements of RPMC Europe Ltd for the year ended 31st March 1999, prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

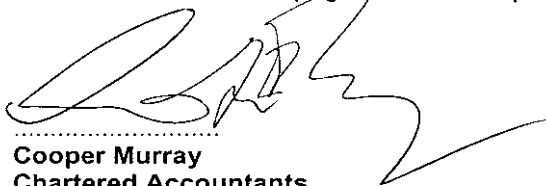
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered 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 statutory financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.



Cooper Murray
Chartered Accountants
Registered Auditors
Tennyson House
159-165 Great Portland Street
London
W1N 5FD

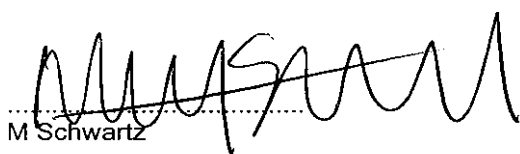
12 October 1999

RPMC EUROPE LTD**ABBREVIATED BALANCE SHEET****AT 31ST MARCH 1999**

	Note	£	1999 £	£	1998 £
FIXED ASSETS					
Tangible Assets	2		23,741		22,765
CURRENT ASSETS					
Stocks		5,218		30,530	
Debtors	3	179,743		299,677	
Cash at bank and in hand		18,080		67,541	
		<u>203,041</u>		<u>397,748</u>	
CREDITORS					
Amounts falling due within one year		<u>129,128</u>		<u>324,367</u>	
NET CURRENT ASSETS			<u>73,913</u>		<u>73,381</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>97,654</u>		<u>96,146</u>
CREDITORS					
Amounts falling due after more than one year			(1,491)		(4,415)
NET ASSETS			<u>£ 96,163</u>		<u>£ 91,731</u>
CAPITAL AND RESERVES					
Called up share capital	4		30,000		30,000
Profit and loss account			66,163		61,731
SHAREHOLDERS' FUNDS			<u>£ 96,163</u>		<u>£ 91,731</u>

In preparing these abbreviated financial statements the director has taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 12 October 1999 and signed on its behalf.


M Schwartz

RPMC EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1999

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the director's report and which is continuing.

TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

DEPRECIATION AND DIMINUTION IN VALUE OF ASSETS

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	25% on cost basis
Motor vehicles	25% reducing balance basis
Fixtures and fittings	20% reducing balance basis

COMPLETED PRODUCTIONS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

DEFERRED TAXATION

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent it is considered that a net liability may crystallise.

FOREIGN EXCHANGE

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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

RPMC EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST MARCH 1999

LEASING

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2. TANGIBLE FIXED ASSETS

	Total £
Cost:	
At 1st April 1998	30,403
Additions	9,013
	<hr/>
At 31st March 1999	39,416
	<hr/>
Depreciation:	
At 1st April 1998	7,638
Charge for the year	8,037
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At 31st March 1999	15,675
	<hr/>
Net book value:	
At 31st March 1999	£23,741
	<hr/>
At 31st March 1998	£22,765
	<hr/>

3. DEBTORS

Debtors include an amount of £12,500 (1998 - £12,500) falling due after more than one year.

RPMC EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST MARCH 1999

4. SHARE CAPITAL

	1999	1998
	£	£
AUTHORISED		
Ordinary shares of £1 each	100,000	100,000
	<u> </u>	<u> </u>
ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary shares of £1 each	30,000	30,000
	<u> </u>	<u> </u>

5. ULTIMATE HOLDING COMPANY

The directors consider that the ultimate holding company is RPMC Inc, a corporation incorporated in California.