

Rivendell Europe Limited

Abbreviated accounts

Registered number 3374815

30 September 1999



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1 The Embankment
Neville Street
Leeds
LS1 4DW

Report of the auditors to the members of Rivendell Europe Limited Pursuant to paragraph 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of Rivendell Europe Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 September 1999.

Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of abbreviated accounts in accordance with schedule 8 of the Companies Act 1985. It is our responsibility to form an independent opinion, based on our audit of 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 other irregularity or error. 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 30 September 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

17 December 1999

Abbreviated balance sheet
at 30 September 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	2	589,466	587,939
Current assets			
Stocks		123,197	116,712
Debtors - Due within one year		652,712	798,540
- Due after more than one year		285,525	-
		<u>1,061,434</u>	<u>915,252</u>
Creditors: amounts falling due within one year		<u>(1,320,962)</u>	<u>(1,299,573)</u>
Net current liabilities		<u>(259,528)</u>	<u>(384,321)</u>
Total assets less current liabilities		<u>329,938</u>	<u>203,618</u>
Creditors: amounts falling due after more than one year	3	(91,469)	(130,622)
Provisions for liabilities and charges		<u>(30,000)</u>	<u>-</u>
Net assets		<u>208,469</u>	<u>72,996</u>
Capital and reserves			
Called up share capital	4	41,000	41,000
Share premium account		9,000	9,000
Profit and loss account		158,469	22,996
Equity shareholders' funds		<u>208,469</u>	<u>72,996</u>

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board of directors on 17th December 1999 and were signed on its behalf by:

J Govett
Director



J McAulay
Director



Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Depreciation of tangible fixed assets

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost of the tangible fixed assets over their estimated useful economic lives:

Fixtures and fittings	-	10% - 33% straight line
Plant and machinery	-	10% - 50% straight line
Motor vehicles	-	25% straight line

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes a proportion of attributable production overheads.

Notes (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period.

2 Tangible fixed assets

	Total
	£
Cost	
At start of year	843,115
Additions	251,808
Disposals	(30,176)
	<hr/>
At end of year	1,064,747
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Depreciation	
At start of year	255,176
Charge for year	231,170
Disposals	(11,065)
	<hr/>
At end of year	475,281
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Net book value	
At 30 September 1999	589,466
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At 30 September 1998	587,939
	<hr/>

Notes (continued)

3 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Hire purchase obligations	91,469	130,622

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	1999 £	1998 £
Within one year	153,674	203,610
In the second to fifth years	174,870	150,844
Less future finance charges	(53,521)	(37,446)
	275,023	317,008

The above liabilities are secured over the assets to which they relate.

4 Called up share capital

	1999 £	1998 £
<i>Authorised</i>		
Ordinary shares of £1 each	41,000	41,000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	41,000	41,000

5 Related party transactions

During the year the company traded with a fellow subsidiary undertaking, Rialto Europe Limited as set out below:

	Net sales and recharges £	Debtor as at 30 September 1999 £
Rialto Europe Limited	285,524	285,524