
ROBERT DYAS HOLDINGS LIMITED

INDEX TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005

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ROBERT DYAS HOLDINGS LIMITED

DIRECTORS AND ADVISERS

A F Smith (Chairman and Chief Executive)
S Petrow (Non-executive)
L Russo (Non-executive)

COMPANY SECRETARY

J P Rowland FCIS

REGISTERED OFFICE

Cleeve Court
Cleeve Road
Leatherhead
Surrey
KT22 7SD

AUDITORS

KPMG LLP
8 Salisbury Square
London
EC4Y 8BB

BANKERS

Lloyds TSB Bank PLC
25 Monument Street
London
EC3R 8BQ

WEB SITE

www.robertdyas.co.uk

ROBERT DYAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS **FOR THE 53 WEEKS ENDED 2 APRIL 2005**

The Directors submit their report for the 53 weeks ended 2 April 2005. The Company normally prepares accounts for the period ended the nearest Saturday to 31 March each year. Accordingly, the current year is a 53 week period. The comparative period is for the 52 weeks ended 27 March 2004.

1. REVIEW OF ACTIVITIES AND FUTURE TRADING

The principal activity of the Company is the retailing of functional home and garden products to meet the local requirements of customers at 85 stores located in the South of England, of which 32 are within the M25 motorway in either good high street locations or modern shopping centres. A list of the current stores is set out on page 20. The Company has continued trading from its website which carries a range of mainly branded products.

Sales in the year were £100.4million, a 16% increase above last year (2004: £86.4 million). The Company made an operating profit of £6.9 million (2004: £3.1m) after charging exceptional items

The Company's accounts for last year (52 weeks ended 27 March 2004) were prepared on a consolidated basis including the non-trading subsidiary, Robert Dyas Limited. The Company's accounts for the 53 weeks ended 2 April 2005 are presented on an unconsolidated basis and reflect only the Company, Robert Dyas Holdings Limited. The comparatives shown in this set of accounts are those for the Company. The largest and only group in which the results of Robert Dyas Holdings Limited are consolidated is that of Riverdance Group Limited.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing these financial statements.

2. DIRECTORS

The directors who served during the year were as follows:

A F Smith	
L Russo	(Appointed 14 April 2004)
S Petrow	(Appointed 14 April 2004)

The Company adopted new Articles of Association on 23 March 2004 and it will not be necessary for Directors to retire by rotation.

3. DIRECTORS' SHARES AND INTERESTS

The Directors who held office during the financial year did not have any interests in the share capital of the Company at the balance sheet date of 2 April 2005 or at 27 March 2004.

One of the directors, A F Smith, has a beneficial interest in 800,000 ordinary shares in one of the parent companies, Riverdance Group Limited.

ROBERT DYAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 – Continued**4. DIRECTORS' RESPONSIBILITIES**

Company law requires the Directors to prepare financial statements each financial year, which give a true and fair view of the state of the Company and of the profit and loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- a. select suitable accounting policies and apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d. 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

5. PROFIT AND LOSS

	2005 £'000	2004 £'000
Retained profits for the year were:		
Profit after taxation	7,662	3,847
Dividends	-	(1,265)
Balance brought forward	<u>5,526</u>	<u>2,944</u>
Balance carried forward	<u>13,188</u>	<u>5,526</u>

6. DIVIDEND

The Directors do not recommend the payment of a dividend.

7. EMPLOYEES

The Company maintains close consultation with its employees regarding matters likely to affect their interests and is committed to providing them with relevant information and involving them in the performance and development of the Company whenever possible.

The Company is an equal opportunities employer.

The Company has a policy of giving disabled persons full and fair consideration for all job vacancies for which they offer themselves as suitable applicants, having regard to their particular aptitudes and abilities. Training and career development opportunities are available to all employees and the Company endeavours to retrain any member of staff who develops a disability during employment.

ROBERT DYAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 - Continued

8. CREDITOR PAYMENT POLICY

For all trade creditors it is the Company's policy to:

- agree the terms of payment at the start of business with that supplier;
- ensure that all suppliers are aware of the terms of payment; and
- pay in accordance with its contractual and other legal obligations.

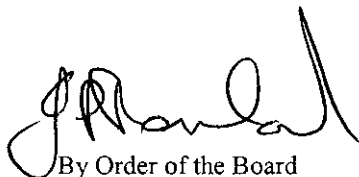
Creditor payments relating to stock purchased for resale at 2 April 2005 equated to 86 days (2004: 89 days).

9. CHARITABLE AND POLITICAL DONATIONS

During the year the Company made charitable donations of £22,421 (2004: £540). No political donations were made during the year (2004: £nil).

10. AUDITORS

KPMG LLP have expressed their willingness to accept reappointment as auditors and a resolution will be proposed at the Annual General Meeting to appoint them as auditors and to authorise the Directors to fix their remuneration.



By Order of the Board
J P Rowland

21 June 2005

Cleeve Court
Cleeve Road
Leatherhead
Surrey
KT22 7SD

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ROBERT DYAS HOLDINGS LIMITED

We have audited the financial statements on pages 6 to 19.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Directors' Report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

Basis of audit 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 2 April 2005 and of the profit of the Company for the 53 weeks ended 2 April 2005 and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP
KPMG LLP
Registered Auditor
Chartered Accountants

8 Salisbury Square
London
EC4Y 8BB

21 June 2005

ROBERT DYAS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 53 WEEKS ENDED 2 APRIL 2005

		<u>53 Weeks ended</u> <u>2 April 2005</u>		<u>52 Weeks ended</u> <u>27 March 2004</u>	
	Notes	£'000	£'000	£'000	£'000
TURNOVER	2		100,428		86,354
Cost of sales			<u>(55,949)</u>		<u>(48,174)</u>
GROSS PROFIT			44,479		38,180
Selling and distribution expenses		(29,362)		(25,396)	
Administrative expenses		<u>(8,210)</u>		<u>(9,710)</u>	
			<u>(37,572)</u>		<u>(35,106)</u>
OPERATING PROFIT			6,907		3,074
<i>Analysed as:</i>					
Operating Profit before exceptional and pre-opening costs	4		7,493		5,609
Payments relating to Directors' loss of office	4,5		-		(2,162)
Employers National Insurance arising on exercise of Directors' Share Options	4		-		(212)
Pre-opening costs	1,5,4		<u>(586)</u>		<u>(161)</u>
Operating Profit			6,907		3,074
Profit on surrender of lease	4		531		-
Interest receivable and similar income	6	516		414	
Interest payable and similar charges	7	<u>(53)</u>		<u>(40)</u>	
			463		374
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			7,901		3,448
Taxation	8		<u>(239)</u>		<u>399</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			7,662		3,847
Dividends	9		-		<u>(1,265)</u>
RETAINED PROFIT	19		<u>7,662</u>		<u>2,582</u>
EARNINGS PER SHARE	10				
Basic Earnings per share			54.3p		30.4p
Adjusted for exceptional costs			<u>(3.8)p</u>		<u>18.7p</u>
Adjusted basic earnings per share			<u>50.5p</u>		<u>49.1p</u>
Diluted Earnings per share			54.3p		28.1p
Adjusted for exceptional costs			<u>(3.8)p</u>		<u>17.4p</u>
Adjusted diluted earnings per share			<u>54.3p</u>		<u>45.5p</u>

Total Recognised Gains and Losses

The Company has no recognised gains or losses other than the profit for the period.

The profit on ordinary activities before taxation relates entirely to continuing activities in each period.

The notes on pages 8 to 19 form part of these financial statements.

ROBERT DYAS HOLDINGS LIMITED

BALANCE SHEET AT 2 APRIL 2005

		<u>2 April 2005</u>		<u>27 March 2004</u>	
	Notes	£'000	£'000	£'000	£'000
<u>FIXED ASSETS</u>					
Tangible assets	11		9,922		7,848
Investments	12		<u>8,181</u>		<u>8,181</u>
			18,103		16,029
<u>CURRENT ASSETS</u>					
Stocks	13	12,119		9,704	
Debtors	14	11,265		5,196	
Cash at bank and in hand		<u>8,327</u>		<u>8,888</u>	
		31,711		23,788	
<u>CREDITORS:</u> amounts falling due within one year	15	(28,351)		(26,235)	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			3,360		(2,447)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			21,463		13,582
<u>CREDITORS:</u> amounts falling due after more than one year					
Loan Notes	16	(1,474)		(1,738)	
Bank Deposits		<u>1,474</u>		<u>1,738</u>	
<u>PROVISION FOR LIABILITIES & CHARGES</u>					
Deferred Taxation	17		(580)		(361)
<u>NET ASSETS</u>			<u>20,883</u>		<u>13,221</u>
<u>CAPITAL & RESERVES</u>					
Called up share capital	18		706		706
Share premium	19		6,989		6,989
Profit and loss account	19		<u>13,188</u>		<u>5,526</u>
<u>EQUITY SHAREHOLDERS' FUNDS</u>			<u>20,883</u>		<u>13,221</u>

The financial statements were approved by the Board on 21 June 2005 and signed on its behalf by:

A F Smith

DIRECTORS

S Petrow

The notes on pages 8 to 19 form part of these financial statements.

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005**1. ACCOUNTING POLICIES****1.1. Accounting Convention**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The accounting policies have been consistently applied.

1.2 Cashflow

Under FRS 1 the Company is exempt from the requirement to prepare a cashflow statement on the grounds that a parent undertaking includes the Company in its own published financial statements.

1.3. Turnover

Turnover is stated net of returns, after deducting discounts and markdowns, and is exclusive of value added tax.

1.4. Depreciation and Impairment Review

Freehold and long leasehold properties are depreciated over 50 years.

Provisions for impairment are made in accordance with Financial Reporting Standard 11.

Short leasehold properties are amortised on a straight line basis over the periods of the individual leases.

Other fixed assets are depreciated over their estimated useful lives on the following bases:-

Motor vehicles	25%	Straight Line
Fixtures, fittings and equipment	7.5% - 33.33%	Straight Line

1.5. Pre-opening Costs

Revenue costs, normally consisting of merchandising staff salaries, occupancy costs and related costs prior to the commencement of trade, at new stores and refurbishments are expensed in the year in which they are incurred.

1.6. Stocks

Stocks comprise goods for resale and are valued at the lower of purchase cost and estimated selling price.

1.7. Deferred Taxation

Provision for deferred taxation on the excess of the book values of assets and liabilities over their corresponding values for taxation purposes is made in full in accordance with Financial Reporting Standard 19. A deferred tax asset is regarded as recoverable and therefore recognised only when it is regarded as more likely than not that there will be sufficient future taxable profits. Deferred tax is not discounted.

1.8. Operating Leases

Rentals paid are charged to the profit and loss account on an accruals basis.

The benefits of any rent free periods are expensed over the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate.

1.9. Foreign Exchange

The Company adopts a conservative approach to treasury matters and no speculative positions are taken on foreign exchange transactions. Invoices denominated in foreign currency are recorded at the rate of exchange ruling at the date of the transaction. Foreign currency bank balances are recorded at the rate of exchange prevailing on the balance sheet date.

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 - Continued

1. **ACCOUNTING POLICIES - Continued**

1.10. **Investments**

Investments in subsidiaries are stated at cost.

1.11. **Hire Purchase and Finance Lease Contracts**

Assets obtained under hire purchase and finance lease contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital element of the contract payment is included under creditors. The interest element of the contract obligations is charged to the profit and loss account over the period of the contract.

1.12. **Pension Scheme**

The Company operates a pension scheme. This is in two sections, one conferring defined benefits and the other requiring defined contributions. The assets are held separately from those of the Company in an independently administered fund. Contributions relating to the defined benefit section are charged to the profit and loss account so as to spread the cost of pensions over members' working lives with the Company. Contributions to the defined contribution section are charged to the profit and loss account as they become payable. The Company has accounted for pensions in accordance with SSAP 24, and has adopted the phased transitional disclosures required under FRS 17.

2. **TURNOVER**

Retail turnover represents the total amount receivable for goods sold exclusive of value added tax and is derived from the Company's principal activity in the United Kingdom.

3. **EMPLOYEE INFORMATION**

The average number of persons employed by the Company, including Directors, during the period was as follows:

	<u>2005</u>	<u>2004</u>
Selling and distribution	1,013	940
Administration	<u>102</u>	<u>87</u>
	<u>1,115</u>	<u>1,027</u>

	<u>2005</u>	<u>2004</u>
	<u>£'000</u>	<u>£'000</u>

The aggregate payroll costs of these persons were as follows:

	<u>2005</u>	<u>2004</u>
	<u>£'000</u>	<u>£'000</u>
Wages and salaries	12,373	13,897
Social security costs	993	1,463
Other pension costs	<u>291</u>	<u>241</u>
	<u>13,657</u>	<u>15,601</u>

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 - Continued**4. PROFIT ON ORDINARY ACTIVITIES**

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Profit is stated after charging / (crediting):		
Directors' remuneration (note 5)	199	3,416
Auditors' remuneration		
Incumbent Auditor		
- audit fee	42	38
- other fees	25	19
Previous Auditor		
- audit fee	-	6
- other fees	-	12
Depreciation	1,955	1,772
Operating leases - land and buildings	7,895	6,938
- motor vehicles/equipment	290	234
Exceptional items:		
Payments relating to Directors' loss of office:		
Paid to Directors	-	1,916
Related employers National Insurance	-	<u>246</u>
	-	2,162
Employers National Insurance arising on exercise of share options	-	212
Pre-opening costs	586	161
Profit on surrender of lease	(531)	-

The audit fee disclosed covers both the Company and its subsidiary, Robert Dyas Limited.

Exceptional items consist of:

Pre-opening costs incurred for the ten new stores opened and one relocation completed during the year amounted to £586,000 (2004: three new stores and two refurbishments amounting to £161,000) and have been charged in arriving at operating profit.

On 25 November 2004 the leasehold property at Lakeside was surrendered to the landlord.

Due to the scale, scope and nature of these costs, the exceptional items have been shown on the face of the Profit and Loss Account on page 6

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 weeks ended 2 April 2005 – Continued

5. **DIRECTORS' REMUNERATION**

	<u>2005</u> £'000	<u>2004</u> £'000
Remuneration paid by the Company	169	3,339
Pension contributions	<u>30</u>	<u>77</u>
	<u>199</u>	<u>3,416</u>

The comparative figure for 2004 includes a payment for loss of office made to Directors on 23 March 2004 of £1,916,000.

Highest paid Director

Remuneration	<u>£168,950</u>	<u>£1,265,677</u>
Contributions to defined contribution scheme	<u>£30,000</u>	<u>£31,521</u>

Number of Directors to whom pensions are accruing:	Number	Number
Defined contribution schemes	1	3

6. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	<u>2005</u> £'000	<u>2004</u> £'000
Rent receivable	127	146
Interest receivable	358	258
Sundry income	<u>31</u>	<u>10</u>
	<u>516</u>	<u>414</u>

7. **INTEREST PAYABLE AND SIMILAR CHARGES**

	<u>2005</u> £'000	<u>2004</u> £'000
Interest on guaranteed loan notice 2008	<u>53</u>	<u>40</u>

8. **TAXATION**

Analysis of charge / (credit) in period:

	<u>2005</u> £'000	<u>2004</u> £'000
UK Corporation tax:		
Current tax on income for the period	127	(296)
Adjustments in respect of prior periods	<u>(107)</u>	<u>(144)</u>
	20	(440)
Deferred taxation (note 17)	<u>219</u>	<u>41</u>
	<u>239</u>	<u>(399)</u>

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 weeks ended 2 April 2005 – Continued**8. TAXATION – Continued**

The tax assessed for the period is lower than the standard rate of corporation tax (30%). The differences are shown below:

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Profit on ordinary activities before tax	<u>7,901</u>	<u>3,448</u>
Current tax at 30% (2004: 30%)	2,370	1,034
Effects of:		
Group relief	(2,180)	-
Depreciation on non-qualifying assets, for which no tax relief is available	141	129
Relief for employee share acquisition under paragraph 16(1) Schedule 23 FA 2003	-	(1,408)
Capital allowances in excess of depreciation	(222)	-
Other short term timing differences	3	-
Other permanent disallowables	15	(51)
Adjustment to tax charge in respect of previous periods	<u>(107)</u>	<u>(144)</u>
Current tax charge / (credit)	<u>20</u>	<u>(440)</u>

9. DIVIDENDS

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Equity dividends on Ordinary shares:		
Interim dividend - nil (2004: 10p per share)	<u>-</u>	<u>1,265</u>

10. EARNINGS PER SHARE

Earnings per share is calculated on the profit on ordinary activities after taxation of £7,662,000 (2004: £3,847,000), divided by the weighted average number of Ordinary shares in issue during the year of 14,122,160 (2004: 12,675,139). Diluted earnings per share is calculated on the profit on ordinary activities after taxation divided by the aggregate of the weighted average number of Ordinary shares in issue and the number of Ordinary shares which were the subject of share options, in total 14,122,160 (2004: 13,686,685). There were no Ordinary shares which were the subject of share options in the year (2004: 1,011,546).

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 weeks ended 2 April 2005 – Continued

11. TANGIBLE FIXED ASSETS

	<u>Leasehold</u> <u>Land and Buildings</u>	<u>Fixtures, Fittings & Equipment</u>	<u>Total</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<u>Cost</u>			
At 27 March 2004	2,514	15,765	18,279
Additions	349	3,698	4,047
Disposals	<u>(61)</u>	<u>(973)</u>	<u>(1,034)</u>
At 2 April 2005	<u>2,802</u>	<u>18,490</u>	<u>21,292</u>
<u>Depreciation</u>			
At 27 March 2004	1,483	8,948	10,431
Charged in period	128	1,827	1,955
Disposals	<u>(61)</u>	<u>(955)</u>	<u>(1,016)</u>
At 2 April 2005	<u>1,550</u>	<u>9,820</u>	<u>11,370</u>
<u>Net Book Value</u>			
At 2 April 2005	<u>1,252</u>	<u>8,670</u>	<u>9,922</u>
At 27 March 2004	<u>1,031</u>	<u>6,817</u>	<u>7,848</u>

Leasehold Land and Buildings Comprise:

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Long leases	180	184
Short leases	<u>1,072</u>	<u>847</u>
	<u>1,252</u>	<u>1,031</u>

Long leases are those properties with lease terms of greater than 50 years.

12. INVESTMENTS

Shares in subsidiary undertakings	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
<u>Cost and Net Book Value:</u>		
At beginning of period	8,181	8,181
Additions	<u>-</u>	<u>-</u>
At end of period	<u>8,181</u>	<u>8,181</u>

On 23 January 2001, Robert Dyas Holdings Limited purchased 100% of the Ordinary share capital in Robert Dyas Limited, incorporated in England and Wales.

13. STOCKS

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Goods for resale	<u>12,119</u>	<u>9,704</u>

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 weeks ended 2 April 2005 – Continued

14. DEBTORS

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Trade debtors	463	79
Other debtors	1,700	2,522
Prepayments and accrued income	3,412	2,595
Amounts owed from group companies	<u>5,690</u>	<u>-</u>
	<u>11,265</u>	<u>5,196</u>

15. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Third party creditors:		
Trade creditors	12,329	10,902
Corporation tax	127	-
Other taxation and social security	1,792	3,748
Accruals and deferred income	4,354	1,607
Other creditors	<u>27</u>	<u>16</u>
	18,629	16,273
Amounts owed to group companies	-	240
Amounts owed to subsidiary undertakings	<u>9,722</u>	<u>9,722</u>
	<u>28,351</u>	<u>26,235</u>

16. CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Guaranteed Loan Notes 2008

The Loan Notes at 70p nominal value are guaranteed by Singer & Friedlander Limited (Singer) both for the principal payable and interest thereon. Interest is payable on the Loan Notes at 1.5% below the base rate of Singer.

Movement in the year:	Number of Loan Notes	£
Balance at 27 March 2004	2,482,900	1,738,030
Redeemed	<u>(377,396)</u>	<u>(264,177)</u>
Balance at 2 April 2005	<u>2,105,504</u>	<u>1,473,853</u>

The amount deposited with Singer by the Company at 2 April 2005 amounted to £1,473,853. This is held in a separate account to enable the repayment of the Loan Notes and interest arising to be made.

The matching of the Loan Notes against the bank deposit as a linked presentation has been made in accordance with Financial Reporting Standard 5 – Substance of Transactions.

The Loan Notes are redeemable by the Company on 2 February 2008 or earlier, by request in accordance with their terms. On 1 April 2004, 49,000 Loan Notes totalling £34,300 were redeemed. On 1 October 2004, 115,420 Loan Notes totalling £80,794 were redeemed. On 1 April 2005 a further 212,976 Loan Notes totalling £149,083 were redeemed.

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 – Continued

17. PROVISION FOR LIABILITIES AND CHARGES

Deferred Tax

The Company has provided fully for deferred taxation in accordance with Financial Reporting Standard 19, in the current year at 30%. The provision comprises accelerated capital allowances and other short term timing differences.

	<u>2005</u> £'000	<u>2004</u> £'000
Movement in the year:		
At beginning of period	361	320
Transfer to profit and loss account (note 8)	<u>219</u>	<u>41</u>
	<u>580</u>	<u>361</u>

18. CALLED UP SHARE CAPITAL

	<u>2005</u> £'000	<u>2004</u> £'000
Authorised:		
Equity interests 20,000,000 Ordinary shares of 5p each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
Equity interests 14,122,160 Ordinary shares of 5p each	<u>706</u>	<u>706</u>

19. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<u>Share Capital</u> £'000	<u>Share Premium</u> £'000	<u>Profit & loss account</u> £'000	<u>Total</u> £'000
Balance at 27 March 2004	706	6,989	5,526	13,221
Profit for the period	—	—	<u>7,662</u>	<u>7,662</u>
Balance at 2 April 2005	<u>706</u>	<u>6,989</u>	<u>13,188</u>	<u>20,883</u>

20. OPERATING LEASES

Commitments to pay rents during the next year under operating leases on land, buildings and equipment are as follows:

	<u>2005</u> £'000	<u>2005</u> £'000	<u>2004</u> £'000	<u>2004</u> £'000
	Land & Buildings	Equipment	Land & Buildings	Equipment
On leases expiring within:				
One year	266	45	—	24
Two to five years	1,902	163	1,976	171
Over five years	<u>6,270</u>	<u>—</u>	<u>5,522</u>	<u>—</u>
	<u>8,438</u>	<u>208</u>	<u>7,498</u>	<u>195</u>

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 – Continued**21. PENSIONS**

The Company has continued to account for pensions in accordance with SSAP 24 and the disclosures given in (a) are those required by that standard. FRS 17 "Retirement Benefits" was issued in November 2000 but will not be mandatory for the Company until the year ending 31 March 2006. Prior to this, phased transitional disclosures are required. These disclosures, to the extent not given in (a), are set out in note (b) below.

(a) Pension scheme

The Company operates one main pension scheme for its employees, the Robert Dyas Limited Pension and Life Assurance Scheme ('the Pension Scheme'). The Pension Scheme was converted from a defined benefit structure to a defined contribution structure in respect of pensionable employment from 1 April 2000, but retained some defined benefit liabilities in respect of benefits accrued to 31 March 2000.

The Pension Scheme's assets are held separately from the assets of the Company and are administered by trustees and managed professionally.

The latest valuation of the Pension Scheme was made at 1 April 2002 by Mr N P Hacking, Fellow of the Institute of Actuaries. The valuation results disclose a past service surplus of £115,000 on the on-going basis, representing a funding level of 102%. The main actuarial assumptions used for the valuation were that future investment returns would average 8% per annum up to retirement age and 5% per annum thereafter. The market value of the Pension Scheme's assets was £5,869,000 as at 1 April 2002. The next formal actuarial valuation of the Pension Scheme is being carried out as at 1 April 2005 but the results are not yet available.

The total pension cost in respect of the above pension scheme for the Company for the year ended 2 April 2005 was £255,000 (2004: £164,000). £16,000 was outstanding at the year end which was paid on 10 April 2005.

(b) FRS 17 Retirement Benefits

The valuation used for FRS17 disclosures has been based on an actuarial review of the Pension Scheme as at 2 April 2005 carried out by Mr N P Hacking, Fellow of the Institute of Actuaries. This actuarial review takes account of the requirements of FRS17 in order to assess the liabilities of the Pension Scheme at 2 April 2005. Pension Scheme assets are stated at their market value as at that date. The defined benefit part of the Pension Scheme is closed, and therefore, under the projected unit method, the current service cost will increase as the members of the scheme approach retirement.

The financial assumptions used to calculate Pension Scheme liabilities under FRS 17 were:

	<u>At 2 April</u>	<u>At 27 March</u>	<u>At 29 March</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>
Rate of increase in salaries	n/a	n/a	n/a
Rate of inflation	2.50%	2.50%	2.25%
Rate of increase in pensions in payment	3.00%	3.00%	3.00%
Rate of revaluation of pensions in deferment	2.50%	2.50%	2.25%
Discount rate	5.60%	5.60%	5.75%

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 – Continued
21. PENSIONS - Continued

The assets of the Pension Scheme and the expected rates of return were:

	<u>2 April 2005</u>		<u>27 March 2004</u>		<u>29 March 2003</u>	
	Expected Long Term Return	Value	Expected Long Term Return	Value	Expected Long Term Return	Value
	%	£'000	%	£'000	%	£'000
Equities	7.50	6,204	7.50	5,285	8.50	3,885
Bonds	5.50	818	5.50	559	5.50	416
Other	5.50	<u>(2)</u>	5.50	<u>18</u>	5.50	<u>7</u>
Total market value		7,020		5,862		4,308
Present value of Pension Scheme liabilities		<u>(8,748)</u>		<u>(7,951)</u>		<u>(6,701)</u>
Deficit in the Pension Scheme		(1,728)		(2,089)		(2,393)
Related deferred tax asset		<u>518</u>		<u>627</u>		<u>718</u>
Net Pension Scheme liability on FRS17 basis		<u>(1,210)</u>		<u>(1,462)</u>		<u>(1,675)</u>

(b) FRS 17 Retirement Benefits - continued

Had FRS 17 been adopted in full the following amounts would have been included in the financial statements.

	<u>2 April</u>	<u>27 March</u>	<u>29 March</u>
	<u>2005</u>	<u>2004</u>	<u>2003</u>
	£'000	£'000	£'000
Net Assets			
Net assets excluding pension liability	20,883	13,221	10,639
Pension liability	<u>(1,210)</u>	<u>(1,462)</u>	<u>(1,675)</u>
Net Assets including pension liability	<u>19,673</u>	<u>11,759</u>	<u>8,964</u>
Reserves			
Profit & Loss excluding pension liability	13,188	5,526	2,944
Pension liability	<u>(1,210)</u>	<u>(1,462)</u>	<u>(1,675)</u>
Profit & Loss reserve including pension liability	<u>11,978</u>	<u>4,064</u>	<u>1,269</u>

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 – Continued

21. **PENSIONS - Continued**

	<u>Period Ended</u> <u>2 April 2005</u> <u>£'000</u>	<u>Period Ended</u> <u>27 March 2004</u> <u>£'000</u>
<u>Amount charged to Operating Profit</u>		
Current Service Cost	188	129
Past Service Cost	-	-
Settlements & Curtailments	-	-
<u>Total Operating Charge</u>	<u>188</u>	<u>129</u>
<u>Amount charged to Other Finance Income</u>		
Expected return on assets	442	364
Interest on scheme liabilities	<u>(454)</u>	<u>(392)</u>
<u>Net return</u>	<u>(12)</u>	<u>(28)</u>
<u>Amount recognised in STRGL</u>		
Actual less expected return on assets	295	914
Experience gains/(losses) on liabilities	11	(218)
Effect of change in assumptions on liabilities	<u>-</u>	<u>(399)</u>
<u>Total Gain/ (Loss) recognised in STRGL</u>	<u>306</u>	<u>297</u>
<u>Movement during the year</u>		
Deficit in scheme at start of year	(2,089)	(2,393)
Current service cost	(188)	(129)
Cash contribution	255	164
Past service costs	-	-
Other finance income	(12)	(28)
Actuarial gain/ (loss)	<u>306</u>	<u>297</u>
<u>Deficit in Scheme at end of year</u>	<u>(1,728)</u>	<u>(2,089)</u>

History of experience gains & losses

	<u>Period Ended</u> <u>2 April 2005</u> <u>£'000</u>	<u>Period Ended</u> <u>27 March 2004</u> <u>£'000</u>
Difference between expected and actual returns on Scheme assets:		
Amount	295	914
% of assets at end of year	4.2%	15.6%
Experience gains/(losses) on Scheme liabilities:		
Amount	11	(218)
% of liabilities at end of year	0.1%	(2.7%)
Total actuarial gain/(loss):		
Amount	306	297
% of liabilities at end of year	3.5%	3.7%

ROBERT DYAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 2 APRIL 2005 – Continued**22. GUARANTEES AND CONTINGENT LIABILITIES**

A tax refund of £1,365,509 in respect of tax payments previously made on account was received back from the Inland Revenue on 27 November 2004. The terms of the agreement by which the entire issued share capital of the Company was purchased by Riverdance Acquisition Limited on 23 March 2004 included an event, subject to an agreed tax computation for 2004 and criteria being met, that the refund would become payable to the previous shareholders of the Company. Accordingly, the liability has been recognised in the accounts of the Company and reflected in the cost of acquisition in the accounts of Riverdance Acquisition Limited.

The Company is party to a group VAT registration with its subsidiary and its parent companies, Riverdance Acquisition Limited, Riverdance Holding Limited and Riverdance Group Limited and as such has joint and several liabilities for amounts due to HM Customs and Excise. The amount due at 2 April 2005 was £1,525,748 (2004: £1,235,348).

The Company has granted a fixed and floating charge over its assets in favour of Lloyds TSB plc in respect of the Company's obligations under the banking facility agreements of both the Company and the parent company, Riverdance Acquisition Limited. At 2 April 2005 amounts outstanding and covered by this arrangement totalled £33,622,000.

23. CAPITAL AND FINANCIAL COMMITMENTS

At 2 April 2005, the Company's capital and financial commitments other than those disclosed in Note 20 Operating Leases and Note 16 Loan Notes were as follows:

	2005	2004
	£'000	£'000
Authorised by the Board and contracted for but not provided for in the financial statements	<u>344</u>	<u>287</u>

24. RELATED PARTY DISCLOSURES

Advantage has been taken of the exemption available in FRS 8 from disclosing transactions with the group companies as these are included in the Riverdance Group Limited accounts.

A management fee of £500,000 has been charged to Administrative expenses in respect of strategic consultancy provided by the ultimate parent company, Change Capital Partners LLP. The transaction was at arm's length. The amount outstanding at the period end was £250,000.

25. CONTROLLING PARTY

The Company is a wholly owned subsidiary of Riverdance Acquisition Limited which is ultimately owned by Change Capital Partners LLP.

The largest and only group in which the results of Robert Dyas Holdings Limited are consolidated is that of Riverdance Group Limited. The inaugural financial statements for Riverdance Group Limited have been prepared for the period ended 2 April 2005.

ROBERT DYAS HOLDINGS LIMITED

LIST OF STORES**CITY OF LONDON**

6 Byward Street, London EC3
16-19, 1 Canada Square E14
167 Fleet Street, London EC4
82 Gracechurch Street, EC3
4 High Holborn, WC1
18-20 Moorfields, EC2Y
6 Queen Street, EC4

CENTRAL LONDON

15-17 Artillery Row, SW1
125-127 Baker Street, W1U
188 Earls Court Road, SW5
201 Kensington High Street, W8
97 St. Martin's Lane, WC2
123 Tottenham Court Road, W1

OTHER STORES

Banbury 2 High Street
Banstead 42 High Street
Barnet 106 High Street
Basingstoke 2 Old Basing Mall
Bexleyheath 116 Broadway
Bognor Regis 21 London Road
Boscombe 10/11 Sovereign Centre
Bournemouth Unit 3 West Mall, Castlepoint
Brentwood 96-97 High Street
Brighton 74 Western Road
Bristol Units 18/19 Galleries Centre
Camberley 32 High Street
Cheltenham 206 High Street
Chichester 80 North Street
Chippenhams 30 Borough Parade Shopping Centre
Chiswick 326 Chiswick High Road
Christchurch 22 Saxon Square
Cobham 12 High Street
Colchester 45-47 High Street
Crawley 92/93 County Mall
Dorchester 53 South Street
Dorking 20-28 High Street
Ealing 113-115 Pitshanger Lane
Ealing Broadway 5 The Broadway
Eastbourne 18 The Arndale Centre
East Grinstead 61-63 London Road
Eastleigh 4/5 The Swan Centre
Epsom 9 High Street
Fareham 78-80 West Street
Farnham 42 Downing Street
Finchley Road 183 Finchley Road
Fleet 26-27 The Hart Centre (opened 13 April 2005)
Godalming 21-23 High Street
Guildford 25-27 White Lion Walk
Harrow 318 Station Road
Harlow Unit 2, Harvey Centre Approach
Hastings Unit 5, Priory Meadow Shopping Centre
Havant 10/11 The Meridian Shopping Centre
Haywards Heath 81-83 South Road

OTHER STORES continued

High Wycombe 30 White Hart Street
Henley-on-Thames 26-28 Bell Street
Horsham 21-21A West Street
Lakeside 266 Thurrock Lakeside Shopping Centre
Leamington Spa 23 Parade (opened 8 April 2005)
Maidenhead 24 Nicholson's Walk
Maidstone 28-32 Gabriels Hill
Newbury 83/84 Northbrook Street
North Finchley 730-732 High Road
Orpington 174-176 High Street
Oxford St. Michael's Hall, Shoe Lane
Petersfield 10-11 Rams Walk
Poole 124/126 High Street
Putney 45 Putney High Street
Reading 75-76 Broad Street
Redhill 36 The Belfry Centre (opened 28 May 2005)
Richmond 1-3 Lower George Street
Salisbury 30 The Maltings
Slough 78-79 Queensmere Centre
Southampton 54 Above Bar Street
Southsea 25-27 Palmerston Road
Staines 4 Friends Walk
Stratford 29 High Street
St Albans 45-47 St Peters Street
Sutton St. Nicholas Centre, St Nicholas Way
Swindon 34 Regent Street (opened 26 May 2005)
Thame 108 High Street (opened 29 April 2005)
Tonbridge 26-28 High Street
Waterlooville Units 10 & 11, Dukes Walk
Walton-on-Thames 40 High Street
Wimbledon 61 The Broadway
Winchester 3 Upper Brook Street
Windsor 35-36 Peascod Street
Witney 21-27 Market Square
Woking 34 Wolsley Walk
Wokingham 19/21 Market Place
Woodley 57-59 Crockhamwell Road
Worthing 28-30 South Street