

Company Number 349960

RAFI (G.B.) LIMITED

ABBREVIATED ACCOUNTS

31ST DECEMBER 1994

CHANTREY VELLACOTT



AUDITORS' REPORT TO THE DIRECTORS OF RAFI (G.B.) LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of Rafi (G.B.) Limited for the year ended 31st December 1994. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 3 and the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part III of Schedule 8 to that Act in respect of the year ended 31st December 1994 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

On 7th August 1995 we reported as auditors of Rafi (G.B.) Limited to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1994 and our audit report was as follows:

'We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, 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

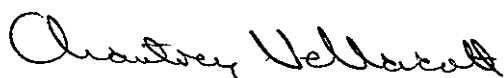
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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.

AUDITORS' REPORT TO THE DIRECTORS OF RAFI (G.B.) LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



CHANTREY VELLACOTT

Chartered Accountants
Registered Auditor

CROYDON

7th August 1995

CHANTREY VELLACOTT

RAFI (G.B.) LIMITED

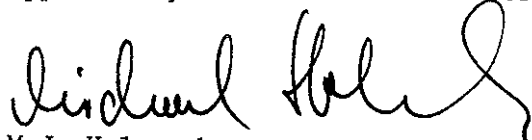
ABBREVIATED BALANCE SHEET

31ST DECEMBER 1994

	Notes	£	1994	£	£	1993	£
FIXED ASSETS							
Tangible assets	2		679,499			729,602	
CURRENT ASSETS							
Stocks		160,811		242,737			
Debtors	3	217,762		299,674			
Cash at bank and in hand		104,472		58,372			
		<u>483,045</u>		<u>600,783</u>			
CREDITORS: Amounts falling due within one year	4	(253,705)		(2,246,670)			
NET CURRENT ASSETS/(LIABILITIES)			<u>229,340</u>			<u>(1,645,887)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			908,839			(916,285)	
CREDITORS: Amounts falling due after more than one year	4		(824,742)			(778,452)	
			<u>£84,097</u>			<u>£(1,694,737)</u>	
CAPITAL AND RESERVES							
Called up share capital	5	1,771,000		1,000			
Profit and loss account		(1,686,903)		(1,695,737)			
		<u>£84,097</u>		<u>£(1,694,737)</u>			

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 with respect to individual financial statements. In the opinion of the directors, the company is entitled to those exemptions as a small company specified in Sections 246 and 247 of the Act.

Approved by the Board of Directors on 7th August 1995.



M.J. Holeczek
Director

The notes on pages 4 to 6 form part of these abbreviated accounts

RAFI (G.B.) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1994

1. ACCOUNTING POLICIES

a) Basis of accounting

These accounts have been prepared under the historical cost basis of accounting and under the going concern basis which assumes the continuing financial support of the Holding Company. They are also in accordance with approved accounting standards.

b) Tangible fixed assets

Depreciation is not charged on Freehold Land.

Depreciation is charged on other assets over their estimated useful lives as follows:

Freehold Buildings	- 2.5% p.a. of cost
Motor vehicles	- 25.0% p.a. of written down value
Plant and Machinery	- 20.0% p.a. of written down value
Fixtures and Fittings	- 10.0% p.a. of cost

c) Leased assets

Assets held under finance leases are included in the balance sheet at cost less depreciation in accordance with the Company's normal accounting policies.

Finance charges are charged to the profit and loss account over the term of the lease under the straight-line method.

Rentals applicable to operating leases, under which substantially all the benefits and risks of ownership remain with the lessor, are charged to the profit and loss account as incurred.

d) Stocks

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

e) Taxation

Deferred taxation is provided under the liability method in respect of timing differences between profits as computed for taxation purposes and profits as stated in the financial statements except where it can be demonstrated that with reasonable probability the taxation benefit will continue in the future.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction and are dealt with through the profit and loss account.

Assets and liabilities are translated into sterling at the rates of exchange ruling on 31st December 1994 .

g) Pensions

The company's contributions are charged against profits in the year in which contributions are made.

RAFI (G.B.) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1994

2. FIXED ASSETS

	<u>Tangible Fixed Assets</u> £
<u>Cost or valuation</u>	
At 1st January 1994	1,009,940
Additions	2,699
Disposals	(113,313)
At 31st December 1994	899,326
<u>Depreciation</u>	
At 1st January 1994	280,338
Provision for year	33,003
Adjustments for disposals	(93,514)
At 31st December 1994	219,827
<u>Net book value</u>	
At 31st December 1994	£679,499
At 31st December 1993	£729,602

3. DEBTORS

Included in debtors is an amount of £0 (£2,081) owed by a director. This represents an interest free loan to Y. Mifsud. The maximum amount outstanding during the year was £2,268.

4. CREDITORS

Creditors include the following:

	<u>1994</u> £	<u>1993</u> £
Bank overdraft	-	1,974
Short term bank loan	-	1,770,000

The bank overdraft and loan are guaranteed by the ultimate holding company.

RAFI (G.B.) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1994

5. CALLED UP SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Authorised, allotted, called up, and fully paid		
10,000 Ordinary Shares of 10p each	1,000	1,000
1,770,000 Redeemable Shares of £1 each	1,770,000	-
	<u>£1,771,000</u>	<u>£1,000</u>

During the year, the company issued 1,770,000 Redeemable Shares of £1 in order to strengthen the company's capital base.

6. ULTIMATE PARENT COMPANY

The ultimate parent company is Rafi GmbH & Co., which is incorporated in Germany.