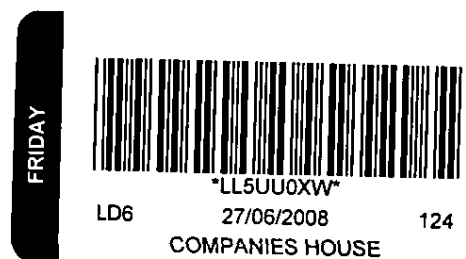


# **Riva Group Limited**

Financial statements

For the 18 month period ended 30 June 2007



**Company No. 01384967**

## Officers and professional advisers

<b>Company registration number</b>	01384967
<b>Registered office</b>	Riva Group Limited Torex Houghton Hall Park Houghton Regis Dunstable Bedfordshire LU5 5YG
<b>Directors</b>	K Isaacson G Cooksley
<b>Secretary</b>	K Isaacson
<b>Auditors</b>	Grant Thornton UK LLP Chartered Accountants Registered Auditors Grant Thornton House 202 Silbury Boulevard Central Milton Keynes MK9 1LW
<b>Solicitor</b>	Ashurst LLP Broadwalk House 5 Appold Street London EC2A 2HA

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## Report of the director

The director presents his report and the financial statements of the company for the 18 month period ended 30 June 2007

### Principal activities

The company did not trade during the period

On 19 June 2007, Riva Group Limited was indirectly acquired by Torex Retail Holdings Limited, a UK based company. Following this acquisition a decision was taken by the company directors to change the year end from 31 December 2006 to 30 June 2007, to align it with that of the company's new ultimate parent.

### Directors

The directors who served the company during the period were as follows

M C Pearman  
N D Horn  
M G J Meade  
R N W Mitchell  
M Leek  
K W Taylor

G Cooksley was appointed as a director on 5 July 2007  
K Isaacson was appointed as a director on 5 July 2007  
M Greenough was appointed as a director on 5 July 2007 and resigned on 17 October 2007  
M Leek was appointed as a director on 4 December 2006 and resigned on 17 October 2007  
R N W Mitchell was appointed as a director on 4 December 2006 and resigned on 31 May 2007  
K W Taylor was appointed as a director on 13 February 2007 and resigned on 19 June 2007  
N D Horn resigned as a director on 4 December 2006  
M G J Meade resigned as a director on 16 January 2006  
M C Pearman resigned as a director on 4 December 2006

The interests of the directors in the share capital and share options of the ultimate controlling party are disclosed in the accounts of Torex Retail Holdings Limited

### Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

**Directors' responsibilities (continued)**

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**


Grant Thornton UK LLP were appointed as auditors to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985. A resolution to re-appoint Grant Thornton UK LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



Graeme Cooksley  
Director

Date 19.06.08



## Report of the independent auditors

We have audited the financial statements of Riva Group Limited for the period ended 30 June 2007 which comprise the accounting policies, profit and loss account, balance sheet and notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

## Report of the independent auditors (continued)

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
CENTRAL MILTON KEYNES

**20 June 2008**

## Accounting policies

### **Basis of accounting policies**

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

The principal accounting policies remain unchanged from the previous year and are set out below

### **Consolidation**

Under the provisions of s228 of the Companies Act 1985 the company is exempt from the requirement to prepare consolidated accounts. These financial statements present information about the company as an individual undertaking and not about its group

### **Cash flow statement**

The company is required to prepare a cash flow statement under the provisions of the Financial Reporting Standard No 1 (Revised 1996). The company did not maintain a bank account in the period and had no cash flows. It therefore has not presented a cash flow statement

Material non cash movements have been disclosed in the notes to the financial statements

### **Investments**

Investments are initially recognised at cost and are subsequently reviewed for impairment

### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

## Profit and loss account

		18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
	Note		
Administrative expenses - exceptional item	1	—	(6,589)
<b>Operating loss</b>		—	(6,589)
Tax on loss on ordinary activities	3	—	—
<b>Loss for the financial period</b>	9	—	(6,589)

The company did not trade in the period

The company has no recognised gains or losses other than the results for the period as set out above

The accompanying accounting policies and notes form part of these financial statements.

## Balance sheet

	Note	30 June 2007 £'000	31 Dec 2005 £'000
<b>Fixed assets</b>			
Investments	4	806	806
		<u>806</u>	<u>806</u>
<b>Current assets</b>			
Debtors	5	12,594	12,594
		<u>12,594</u>	<u>12,594</u>
<b>Creditors: amounts falling due within one year</b>	6	(10,526)	(10,526)
<b>Net current assets</b>		<u>2,068</u>	<u>2,068</u>
<b>Net assets</b>		<u>2,874</u>	<u>2,874</u>
<b>Capital and reserves</b>			
Called-up equity share capital	8	5,708	5,708
Capital redemption reserve	9	1,382	1,382
Share premium account	9	1,477	1,477
Special reserves	9	818	818
Profit and loss account	9	(6,511)	(6,511)
<b>Shareholders' funds</b>	10	<u>2,874</u>	<u>2,874</u>

These financial statements were approved by the directors on **19 June 2008** and are signed on their behalf by



Graeme Cooksley  
 Director

**The accompanying accounting policies and notes form part of these financial statements.**

## Notes to the financial statements

### 1 Exceptional items

	18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
Impairment of fixed asset investments	–	5,312
Impairment of amounts due from group undertakings	–	1,277
	<u>–</u>	<u>6,589</u>

### 2 Directors' remuneration

No directors received any remuneration from the company during the period. Details of remuneration received by former directors of the company from the former ultimate parent company, Torex Retail plc (in administration) are as follows:

	18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
Total emoluments excluding pension contributions	1,117	–
Value of company contributions to defined contribution schemes	64	–
Compensation for loss of office	239	–
	<u>1,420</u>	<u>–</u>

	18 month period to 30 June 2007 No.	Year ended 31 Dec 2005 No.
Number of directors who received shares in respect of qualifying services	–	–
Number of directors who exercised share options	5	4
Number of directors accruing benefits under defined benefit schemes	–	–

	18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
In respect of the highest paid director		
Total emoluments excluding pension contributions	386	–
Value of company contributions to defined contribution schemes	37	–
Compensation for loss of office	164	–
	<u>587</u>	<u>–</u>

### 3 **Taxation on ordinary activities**

#### (a) Analysis of charge in the period

Current tax	18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
UK corporation tax based on the loss for the period at 30% (2005 30%)	—	—
Total current tax	—	—
Adjustments in respect of prior periods	—	—
Tax on loss on ordinary activities	—	—

#### (b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is nil

Current tax	18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
Loss on ordinary activities before taxation	—	(6,589)
Loss on ordinary activities multiplied by standard rate of taxation 30% (2005 30%)	—	(1,977)
Expenses not deductible for tax purposes	—	1,977
Total current tax (note 3(a))	—	—

### 4 **Fixed asset investments**

	Shares in subsidiary undertakings £'000
Cost and Net Book Value At 31 Dec 2005 and 30 June 2007	806

The company owns 100% of the share capital in Anker Systems Limited, a company incorporated in England

### 5 **Debtors**

	30 June 2007 £'000	31 Dec 2005 £'000
Amounts due from group undertakings	12,594	12,594

**6 Creditors: amounts falling due within one year**

	<b>30 June 2007</b>	<b>31 Dec 2005</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	<b>10,526</b>	<b>10,526</b>

**7 Related party transactions**

During the period the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 30 June 2007 are as follows

	<b>Balance at 1 January 2006 and 30 June 2007</b>
	<b>£'000</b>
<b>Fellow group undertakings</b>	
Torex Retail (Non Trading Holdings) Limited	<b>9,079</b>
Anker (UK) Limited	<b>3,515</b>
ADS Anker Data Systems Limited	<b>(2,150)</b>
ADS Anker Limited	<b>(883)</b>
ADS Retail Systems Limited	<b>(4,352)</b>
Anker Systems Limited	<b>(1,447)</b>
Riva Electronics Limited	<b>(1,694)</b>

**8 Share capital**

Authorised share capital

	<b>30 June 2007</b>	<b>31 Dec 2005</b>
	<b>£'000</b>	<b>£'000</b>
50,590,000 Ordinary shares of £0.1 each	<b>5,059</b>	<b>5,059</b>
198,300,000 Non-voting deferred shares of £0.01 each	<b>1,983</b>	<b>1,983</b>
Total authorised share capital	<b>7,042</b>	<b>7,042</b>

Allotted, called up and fully paid

	<b>30 June 2007</b>		<b>31 Dec 2005</b>	
	<b>No</b>	<b>£'000</b>	<b>No</b>	<b>£'000</b>
37,250,000 Ordinary shares of £0.1 each	<b>37,250,000</b>	<b>3,725</b>	37,250,000	3,725
198,300,000 Non-voting deferred shares of £0.01 each	<b>198,300,000</b>	<b>1,983</b>	198,300,000	1,983
	<b>235,550,000</b>	<b>5,708</b>	<b>235,550,000</b>	<b>5,708</b>

**9 Reserves**

	Capital redemption reserve £'000	Share premium £'000	Special reserve £'000	Profit and loss account £'000
Balance brought forward	1,382	1,477	818	(6,511)
Movement for the financial period	—	—	—	—
Balance carried forward	<u>1,382</u>	<u>1,477</u>	<u>818</u>	<u>(6,511)</u>

The Special reserve was created pursuant to a Court Order dated 10 June 1991 and is to be treated as non-distributable

**10 Reconciliation of movements in shareholders' funds**

	18 month period to 30 June 2007 £'000	Year ended 31 Dec 2005 £'000
Loss for the financial period	—	(6,589)
Opening shareholders' funds	<u>2,874</u>	<u>9,463</u>
Closing shareholders' funds	<u>2,874</u>	<u>2,874</u>

**11 Ultimate Controlling Party**

On 19 June 2007 Torex Retail Holdings Limited acquired substantially all of the subsidiaries of Torex Retail plc (in administration) including Riva Group Limited. In the opinion of the Directors, the ultimate controlling party of the company is currently Torex Retail Holdings Limited.

Torex Retail plc (in administration), last produced consolidated financial statements for the year ended 31 December 2005.

At the balance sheet date, the ultimate parent undertaking of the largest and smallest group of undertakings for which group financial statements are prepared and of which the company is a member was Torex Retail Holdings Limited, which is incorporated in England and Wales. Copies of the financial statements of Torex Retail Holdings Limited can be obtained from Torex Retail Holdings Limited, Houghton Hall Business Park, Houghton Regis, Dunstable, Bedfordshire, LU5 5YG.