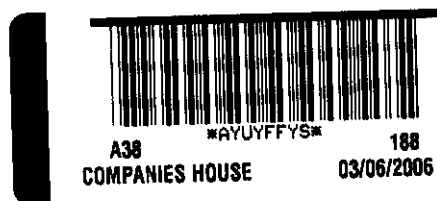


Company Registration No. 02188798 (England and Wales)

KASTO LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2005



KASTO LIMITED

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KASTO LIMITED

INDEPENDENT AUDITORS' REPORT TO KASTO LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, 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 abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit 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 accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Watson Associates

Accountants &
Registered Auditor



12-4-06

30/34 North Street
Hailsham
East Sussex
BN27 1DW

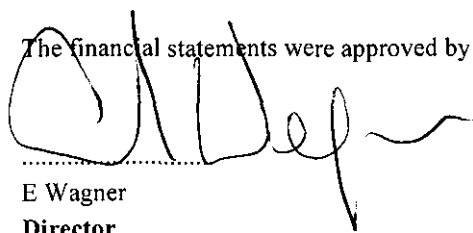
KASTO LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	2		81,386		69,354
Investments	2		2		2
			<u>81,388</u>		<u>69,356</u>
Current assets					
Stocks		369,752		152,260	
Debtors		1,301,037		455,291	
Cash at bank and in hand		170,726		389,510	
		<u>1,841,515</u>		<u>997,061</u>	
Creditors: amounts falling due within one year		<u>(2,215,271)</u>		<u>(1,444,377)</u>	
Net current liabilities			<u>(373,756)</u>		<u>(447,316)</u>
Total assets less current liabilities			<u>(292,368)</u>		<u>(377,960)</u>
Capital and reserves					
Called up share capital	3		400,006		400,006
Profit and loss account			(692,374)		(777,966)
Shareholders' funds			<u>(292,368)</u>		<u>(377,960)</u>
Equity interests			(692,368)		(777,960)
Non-equity interests			400,000		400,000
			<u>(292,368)</u>		<u>(377,960)</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 12 April 2006



E Wagner
Director

KASTO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements are prepared on the basis that the company is a going concern, with financial support provided by its parent company.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Straight line over the term of the lease
Plant and machinery	25% p.a. on straight line
Fixtures, fittings & equipment	10% p.a on straight line (computer and exhibition equipment - 25% p.a. on straight line)

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Keuro Besitz GmbH, a company incorporated in Germany, and is included in the consolidated accounts of that company.

KASTO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
Cost			
At 1 January 2005	136,110	2	136,112
Additions	23,597	-	23,597
	<hr/>	<hr/>	<hr/>
At 31 December 2005	159,707	2	159,709
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2005	66,756	-	66,756
Charge for the year	11,565	-	11,565
	<hr/>	<hr/>	<hr/>
At 31 December 2005	78,321	-	78,321
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2005	81,386	2	81,388
	<hr/>	<hr/>	<hr/>
At 31 December 2004	69,354	2	69,356
	<hr/>	<hr/>	<hr/>

Rivers (UK) Limited is dormant.

3 Share capital

	2005	2004
	£	£
Authorised		
500,000 Ordinary shares of £1 each	500,000	500,000
400,000 Preference shares of £1 each	400,000	400,000
	<hr/>	<hr/>
	900,000	900,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
6 Ordinary shares of £1 each	6	6
400,000 Preference shares of £1 each	400,000	400,000
	<hr/>	<hr/>
	400,006	400,006
	<hr/>	<hr/>

The rights attached to the preference shares are set out in the Articles of Association. They include the right to receive a preferential net cash dividend calculated as a percentage of the par value of each share at 1% above base rate until 31 December 2003 and at 4% above base rate thereafter.