

Registered no: 1399882

Gilroy Corporate Communications Limited

**Abbreviated financial statements
for the year ended 31 October 1999**



Gilroy Corporate Communications Limited

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**Report of the auditors to the directors of Gilroy
Corporate Communications Limited under section
247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages 2 to 8 together with the annual financial statements of Gilroy Corporate Communications Limited for the year ended 31 October 1999.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated financial statements prepared in accordance with sections 246 (5) and (6) of the Companies Act 1985 and whether the abbreviated financial statements are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the annual financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared from those financial statements. The scope of the work for the purpose of this report does not include examining or dealing with events after the date of our report on the annual financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246 (5) and (6) of the Companies Act 1985 and the abbreviated financial statements to be delivered are properly prepared in accordance with those provisions.

PricewaterhouseCoopers

13th December, 1999

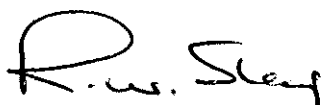
PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Reading

**Balance sheet
at 31 October 1999**

	Notes	1999 £	1998 £
Fixed assets			
Tangible assets	2	331,354	394,760
Investments	3	100	100
		<u>331,454</u>	<u>394,860</u>
Current assets			
Stocks		56,240	64,275
Debtors	4	354,993	474,293
Cash at bank and in hand		30,408	67,064
		<u>441,641</u>	<u>605,632</u>
Creditors: amounts falling due within one year	5	(497,451)	(696,765)
Net current liabilities		<u>(55,810)</u>	<u>(91,133)</u>
Total assets less current liabilities		<u>275,644</u>	<u>303,727</u>
Creditors: amounts falling due after more than one year	5	(57,549)	(124,872)
Provision for liabilities and charges	6	-	(1,420)
Net assets		<u>218,095</u>	<u>177,435</u>
Capital and reserves			
Called up share capital	7	5,000	5,000
Profit and loss account		213,095	172,435
Equity shareholders' funds		<u>218,095</u>	<u>177,435</u>

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

The abbreviated financial statements on pages 2 to 8 were approved by the board of directors on 8 December 1999 and were signed on its behalf by:



R W Sleap
Director

**Notes to the abbreviated financial statements
for the year ended 31 October 1999****1 Principal accounting policies**

A summary of the more important accounting policies, which have been applied consistently, is set out below.

Exemption from preparation of consolidated financial statements

The financial statements contain information about Gilroy Corporate Communications Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirement to prepare group accounts as the group it heads qualifies as a small group.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

FRS 8

The disclosure requirements under FRS 8 are dealt with in note 8.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition. Land and buildings are stated at valuation.

Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets less their estimated residual value over their expected useful economic lives on a straight line basis, at the following annual rates:

	%
Plant and machinery	25-33 1/3
Fixtures and fittings	25
Motor vehicles	10-25
Leasehold buildings	2

Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding.

Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In the case of printed products, cost includes all direct expenditure including labour costs. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Pension scheme arrangements

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from the assets of the company. Contributions to the pension fund are taken to the profit and loss account when they are payable.

The company provides no other post retirement benefits to its employees.

2 Tangible fixed assets

	£
Cost or valuation	
At 1 November 1998	571,007
Additions	43,221
Disposals	(67,738)
	<hr/>
At 31 October 1999	546,490
	<hr/>
Depreciation	
At 1 November 1998	176,247
Charge for the year	93,857
Eliminated in respect of disposals	(54,968)
	<hr/>
At 31 October 1999	215,136
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Net book value	
At 31 October 1999	331,354
	<hr/>
Net book value	
At 31 October 1998	394,760
	<hr/>

The net book value of tangible fixed assets includes amounts of £71,407 in respect of fixed assets held under hire purchase contracts (1998: £145,381).

3 Fixed asset investments

	Interests in subsidiary undertakings £
Cost	
At 1 November 1998 and 31 October 1999	2,392
	<hr/>
Amounts written off	
At 1 November 1998 and 31 October 1999	2,292
	<hr/>
Net book value	
At 31 October 1998 and 31 October 1999	100
	<hr/>

Interests in subsidiary undertakings

Name of undertaking	Country of incorporation	Description of shares held	Proportion of nominal value of issued shares held directly by company
J R Graphics Limited	Great Britain	Ordinary £1 shares	100%
Gilroy Limited	Great Britain	Ordinary £1 shares	100%

Neither J R Graphics Limited nor Gilroy Limited traded during the year.

4 Debtors

	1999 £	1998 £
Amounts falling due within one year	<u>354,993</u>	<u>474,293</u>

Included in trade debtors is £129,168 (1998: £172,703) due from Trotman Gilroy Limited, see note 8.

5 Creditors

Creditors include bank loans of £80,648 (1998: £112,975) which are secured by legal charges over the assets of the company. Creditors include loans from the company's pension scheme amounting to £Nil (1998: £38,194).

6 Deferred taxation

	£
At 1 November 1998	1,420
Transfer to profit and loss account	(1,420)
	<u>-</u>
At 31 October 1999	<u>-</u>

Deferred taxation provided in the financial statements, and the amount unprovided of the potential liability/(asset), are as follows:

	Amount provided		Amount unprovided	
	1999	1998	1999	1998
	£	£	£	£
Tax effect of timing differences because of:				
Excess of depreciation over capital allowances	-	-	(4,692)	-
Excess of capital allowances over depreciation	-	1,420	-	-
	<u>-</u>	<u>1,420</u>	<u>-</u>	<u>-</u>

7 Called up share capital

	1999	1998
	£	£
Authorised		
5,000 ordinary shares of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid		
5,000 ordinary shares of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

8 Directors' interests in transactions and other related party transactions

R W Sleaf is a director and until 16 April 1998 was a majority shareholder of J R Graphics Limited. R W Sleaf is also a director and equal shareholder of Trotman Gilroy Limited. T North is married to A L North. During the year the company had the following transactions with these companies and individuals.

	1999	1998
	£	£
Sales - JR Graphics Limited	-	26,306
- Trotman Gilroy Limited	956,790	631,583
Management fee - JR Graphics Limited	-	3,000
	<u>956,790</u>	<u>660,889</u>
Purchases - T North	1,348	-
- JR Graphics Limited	-	79,411
	<u>1,348</u>	<u>79,411</u>

The sales and purchases transactions were for the supply of goods and services in the normal course of the business.

9 Ultimate controlling party

The directors regard R W Sleaf as the ultimate controlling party of Gilroy Corporate Communications Limited by virtue of his 80% interest in the equity capital of the company.