

**GRC CONSULTANTS LIMITED**

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**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED**

**30 JUNE 2001**

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**GRC CONSULTANTS LIMITED**  
**ABBREVIATED BALANCE SHEET**

as at 30 June 2001

	Notes	2001	2000
		£000	£000
<b><u>EMPLOYMENT OF FINANCE</u></b>			
<b>FIXED ASSETS</b>			
Intangible assets	2	484	550
Tangible assets	3	48	68
		<hr/>	<hr/>
		532	618
<b>CURRENT ASSETS</b>			
Work-in-progress	64	1	
Debtors	478	296	
Cash at bank	-	339	
		<hr/>	<hr/>
		542	636
<b>CREDITORS, due within one year</b>		<hr/>	<hr/>
		455	330
<b>NET CURRENT ASSETS</b>		<hr/>	<hr/>
		87	306
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/>	<hr/>
		619	924
<b><u>SOURCE OF FINANCE</u></b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	505	505
Share premium account		500	500
Profit and loss account		(386)	(81)
		<hr/>	<hr/>
Shareholders Funds		619	924
<b>ANALYSIS OF SHAREHOLDERS FUNDS</b>			
Equity		124	429
Non Equity		495	495
		<hr/>	<hr/>
		619	924
		<hr/>	<hr/>

These accounts have been abbreviated in accordance with the special provisions contained in section 246 of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board

J G Challenger

D J Webb

4 October 2001

*J. Challenger*  
*D J Webb*

} Directors

**GRC CONSULTANTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**for the year ended 30 June 2001**

**1. ACCOUNTING POLICIES**

**Accounting Convention**

The accounts have been prepared in accordance with applicable accounting standards and using the historical cost convention.

**Turnover**

Turnover represents the sales value of work done during the year.

**Foreign Currencies**

Transactions and monetary items held in foreign currencies are translated at a matched forward contract rate if applicable. Otherwise, transactions are translated at the exchange rate prevailing at the date of the transaction and monetary items outstanding at the balance sheet date are valued at the exchange rate prevailing at that date.

**Fixed Assets**

**Tangible Assets**

Depreciation is provided against the original cost of all fixed assets. Provision is made by way of equal annual instalments over the estimated useful lives of the assets, which are mainly as follows:

Equipment and vehicles	3 to 10 years
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**Intangible Assets**

Goodwill, being the excess of the fair value of consideration paid for acquired businesses over the fair value of the net assets acquired, is capitalised and amortised over its useful economic life.

**Work-in-Progress**

Work-in-progress is valued at the lower of cost and net realisable value. Cost includes direct cost and attributable overheads.

**Deferred Taxation**

Deferred taxation is accounted for, using the liability method, in respect of tax reductions arising from the incidence of capital allowances and other timing differences, except where it can be demonstrated with reasonable probability that the tax reductions will continue for the foreseeable future.

<b>2. INTANGIBLE FIXED ASSETS</b>	<b>2001</b>	<b>2000</b>
	<b>£000</b>	<b>£000</b>
Goodwill on acquisition	657	657
Written off in previous periods	(107)	(41)
Written off in the year	(66)	(66)
	<hr/>	<hr/>
At 30 June 2001	484	550
	<hr/>	<hr/>

Goodwill arising on the acquisition of the GRC Consultants business is being written off over a period of 10 years.

### 3. TANGIBLE FIXED ASSETS

Equipment and vehicles	2001	2000
	£000	£000
<b>COST</b>		
At 1 July 2000	97	82
Additions	10	33
Disposals	(17)	(18)
	<hr/>	<hr/>
At 30 June 2001	90	97
	<hr/>	<hr/>

#### DEPRECIATION

At 1 July 2000	29	10
Charge for the year	23	24
Disposals	(10)	(5)
	<hr/>	<hr/>
At 30 June 2001	42	29
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NET BOOK VALUE at 30 June 2001	48	68
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### 4. CALLED UP SHARE CAPITAL

The authorised share capital of the company is £760,000 divided into 10,000 ordinary shares of £1 each and 750,000 6.25% preference shares of £1 each. All the ordinary shares and 494,949 preference shares are allotted and fully paid.

### 5. PARENT COMPANY

The company regarded by the directors as the ultimate parent company is Shepherd Building Group Limited.

### 6. SECURED CREDITORS

At 30 June 2001, the company had a secured bank overdraft of £244,000.

**AUDITORS' REPORT TO GRC CONSULTANTS LIMITED**

**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 1 to 3, together with the full statutory accounts of the company for the year ended 30 June 2001 prepared under section 226 of the Companies Act 1985.

**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 opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, 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 full statutory accounts.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 1 to 3 are properly prepared in accordance with those provisions.

54 Bootham  
York  
YO30 7XZ

4 October 2001

*Horwath Pulleyn Heselton*

**HORWATH PULLEYN HESELTON**

Chartered Accountants  
Registered Auditors