

SIGN HERE! LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 JULY, 1997

GILCHRIST & COMPANY

*Ch.*



**GILCHRIST & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**GLASGOW**

COMPANY NO. SC164859

# Gilchrist & Company

CHARTERED ACCOUNTANTS

A. Lindsay Gillespie  
Richard G. Cuthbert  
Colin R. J. Foley

Senior Managers: James G. Russell  
Richard M. Taylor

Consultant: Iain J. Gilchrist

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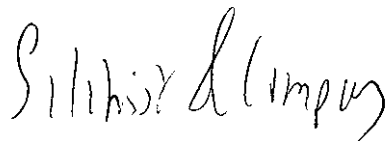
Fax: 0141-333 9979

## CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTORS

### ON THE UNAUDITED ACCOUNTS OF SIGN HERE! LIMITED

As described on the balance sheet on pages 2 and 3 you are responsible for the preparation of the accounts and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared the accounts on pages 2 to 5 from the accounting records and from information and explanations supplied to us.

GILCHRIST & COMPANY



GILCHRIST & COMPANY  
CHARTERED ACCOUNTANTS

2 September, 1997

ABBREVIATED BALANCE SHEETAT 31 JULY 1997

	<u>Notes</u>	<u>£</u>	<u>£</u>
<u>Fixed Assets</u>			
Tangible assets	2		29,901
<u>Current Assets</u>			
Stocks		3,000	
Debtors		12,933	
Cash at bank and in hand		8,622	
		<u>24,555</u>	
<u>Creditors: amounts falling due within one year</u>		<u>80,656</u>	
<u>Net current liabilities</u>			<u>(56,101)</u>
<u>Total assets less current liabilities</u>			<u>(26,200)</u>
<u>Creditors: amounts falling due after more than one year</u>			<u>-</u>
<u>Net liabilities</u>			<u>(26,200)</u>
<u>Capital and Reserves</u>			
Called up share capital	3	1,000	
Profit and loss account		(27,200)	
		<u>-</u>	
<u>Shareholders funds</u>		<u>(26,200)</u>	

The directors:

1. confirm that for the period ending 31 July, 1997 the company was entitled to the exemption under sub-section (1) of section 249A;
2. confirm that no notice requiring an audit has been deposited under sub-section(2) of section 249B in relation to the financial statements for the financial period; and

ABBREVIATED BALANCE SHEET (Cont'd)

AT 31 JULY, 1997

3. acknowledge their responsibility for:

- a. ensuring that the company keeps accounting records which comply with section 221; and
- b. preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies were approved by the board on 2 September, 1997 and signed on its behalf by:-

C A Biggart, Director *Carl A. Biggart*

G A Feingold, Director *Gary A. Feingold*

GILCHRIST & COMPANY

The notes on pages 4 and 5 form part of these abbreviated financial statements.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTSAT 31 JULY, 19971. Accounting PoliciesAccounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations, all of which are continuing.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No.1 on the grounds that it is entitled to the exemptions available in sections 246 and 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:-

Plant and machinery	- 25% pa on a straight line basis
Furniture and fittings	- 15% pa on a straight line basis
Office equipment	- 20% pa on a straight line basis

Stocks

Stocks are stated at the lower of cost and net realisable value as follows:-

Cost incurred in bringing each product to its present location and condition:-

Raw materials	- purchase cost on a first-in, first-out basis
Work-in-progress	- cost of direct materials and labour plus attributable overheads and based on the normal level of activity.

Net realisable value is based on estimated selling price less estimated costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences, except for those which are not expected to reverse in the future.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTSAT 31 JULY 1997 (Cont'd)1. Accounting Policies (cont'd)

## Leased assets (cont'd)

Lease payments are analysed between capital and interest using the actuarial method. The interest is charged to the profit and loss account. The capital part reduces the amounts payable to the lessor. All other leases are treated as "operating leases". Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

2. Tangible Fixed Assets

	<u>Total</u> £
Cost or valuation:	
Additions	38,985
Disposals	-
31 July, 1997	<u>38,985</u>
Depreciation:	
Charge for the period	9,084
Disposals	-
31 July, 1997	<u>9,084</u>
Net book value:	
31 July, 1997	<u>29,901</u>

3. Called up share capital

	<u>Authorised</u> <u>1997</u> <u>No.</u>	<u>Allotted, issued</u> <u>and fully paid</u> <u>1997</u> <u>£</u>
Ordinary shares of £1 each	<u>100,000</u>	<u>1,000</u>