

Abbreviated Financial Statements  
for the Year Ended 31 March 2000

for

Derby Stationery Store Limited  
(now The Irongate Group Limited)



**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Contents of the Financial Statements**  
**for the Year Ended 31 March 2000**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Auditors on the Abbreviated Financial Statements</b>	<b>4</b>
<b>Abbreviated Profit and Loss Account</b>	<b>5</b>
<b>Abbreviated Balance Sheet</b>	<b>6</b>
<b>Cash Flow Statement</b>	<b>7</b>
<b>Notes to the Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Abbreviated Financial Statements</b>	<b>10</b>

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Company Information**  
**for the Year Ended 31 March 2000**

**DIRECTORS:**

I H Thomson  
Mrs J Thomson  
Mrs K T Henson  
A J Noble  
C J Smart  
M Starr  
Miss C L Johnstone  
C J Smart  
H A Forton

**SECRETARY:**

Miss C L Johnstone

**REGISTERED OFFICE:**

Kingsway Park Close  
Kingsway Industrial Park  
Derby  
DE22 3FT

**REGISTERED NUMBER:**

2566762 (England and Wales)

**AUDITORS:**

Bates Weston  
Chartered Accountants  
Registered Auditors  
The Mills  
Canal Street  
Derby  
DE1 2RJ

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Report of the Directors**  
**for the Year Ended 31 March 2000**

The directors present their report with the financial statements of the company for the year ended 31 March 2000.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of stationers and office equipment suppliers.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

The result for the year and the year end financial position were considered satisfactory and the directors consider that this will remain so in the foreseeable future.

On 1 April 2000 the company changed its name to The Irongate Group Limited.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2000.

**DIRECTORS**

The directors during the year under review were:

I H Thomson	
Mrs J Thomson	
Mrs K T Henson	- appointed 1.6.99
A J Noble	
C J Smart	- appointed 22.2.00

The beneficial interests of the directors holding office on 31 March 2000 in the issued share capital of the company were as follows:

	31.3.00	1.4.99 or date of appointment if later
<b>Ordinary £1 shares</b>		
I H Thomson	5,555	5,555
Mrs J Thomson	4,445	4,445
Mrs K T Henson	-	-
A J Noble	-	-
C J Smart	-	-

**YEAR 2000**

During the year the directors conducted an extensive review of the potential impact of the year 2000 "millenium bug" upon the company. Information technology is the responsibility of the related company Ram Print Limited and a program was implemented during the year to modify and update all systems and processes and this has been completed.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which 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 those 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.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Report of the Directors**  
**for the Year Ended 31 March 2000**

**AUDITORS**

The auditors, Bates Weston, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

*C. L. Johnstone*

Miss C L Johnstone - SECRETARY

Dated: 9 August 2000

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Report of the Auditors to**  
**Derby Stationery Store Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages five to thirteen, together with the full financial statements of the company for the year ended 31 March 2000 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision 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 financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to thirteen are properly prepared in accordance with that provision.

Bates Weston  
Chartered Accountants  
Registered Auditors  
The Mills  
Canal Street  
Derby  
DE1 2RJ

Dated: 9 August 2000

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31 March 2000**

	Notes	2000		1999	
		£	£	£	£
<b>GROSS PROFIT</b>			1,241,739		1,105,607
Administrative expenses			1,097,603		1,022,721
<b>OPERATING PROFIT</b>	3		144,136		82,886
Income from investments		1,228		-	
Interest receivable and similar income		14,584		19,146	
			15,812		19,146
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			159,948		102,032
Tax on profit on ordinary activities	4		34,422		24,506
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			125,526		77,526
Retained profit brought forward			751,333		673,807
<b>RETAINED PROFIT CARRIED FORWARD</b>			£876,859		£751,333

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

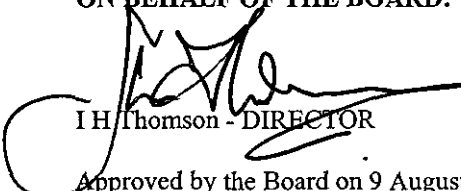
**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Abbreviated Balance Sheet**  
**31 March 2000**

		2000		1999	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	5		188,527		191,335
Investments	6		18,172		16,422
			<u>206,699</u>		<u>207,757</u>
<b>CURRENT ASSETS:</b>					
Stocks	7	112,710		101,138	
Debtors	8	955,833		813,184	
Cash at bank		533,804		408,841	
		<u>1,602,347</u>		<u>1,323,163</u>	
<b>CREDITORS:</b> Amounts falling due within one year	9	922,187		769,587	
		<u>922,187</u>		<u>769,587</u>	
<b>NET CURRENT ASSETS:</b>			<u>680,160</u>		<u>553,576</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£886,859</u>		<u>£761,333</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	10		10,000		10,000
Profit and loss account			876,859		751,333
			<u>886,859</u>		<u>751,333</u>
<b>SHAREHOLDERS' FUNDS:</b>	12		<u>£886,859</u>		<u>£761,333</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

**ON BEHALF OF THE BOARD:**

  
I H Thomson - DIRECTOR

Approved by the Board on 9 August 2000

The notes form part of these financial statements



**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Cash Flow Statement**  
**for the Year Ended 31 March 2000**

		2000		1999	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		148,426		114,753
Returns on investments and servicing of finance	2		15,812		19,225
Taxation			(24,629)		(29,947)
Capital expenditure and financial investment	2		(14,646)		(120,672)
			124,963		(16,641)
Financing	2		-		886
Increase/(Decrease) in cash in the period			<u>£124,963</u>		<u>£(15,755)</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase/(Decrease) in cash in the period		124,963		(15,755)	
Cash outflow from decrease in debt		-		886	
Change in net funds resulting from cash flows			124,963		(14,869)
Movement in net funds in the period			124,963		(14,869)
Net funds at 1 April			408,841		423,710
Net funds at 31 March			<u>£533,804</u>		<u>£408,841</u>

The notes form part of these financial statements

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 March 2000**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2000 £	1999 £
Operating profit	144,136	82,886
Depreciation charges	38,712	47,889
Loss on sale of fixed assets	1,582	6,114
Loan	-	2,892
(Increase)/Decrease in stocks	(11,572)	21,378
(Increase)/Decrease in debtors	(142,649)	5,162
Increase/(Decrease) in creditors	118,217	(51,568)
<b>Net cash inflow from operating activities</b>	<b>148,426</b>	<b>114,753</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2000 £	1999 £
<b>Returns on investments and servicing of finance</b>		
Interest received	14,584	19,228
Interest paid	-	(3)
Dividends received	1,228	-
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>15,812</b>	<b>19,225</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(15,896)	(118,733)
Cash payments - investment purch	(1,750)	(13,764)
Sale of tangible fixed assets	3,000	11,825
<b>Net cash outflow for capital expenditure</b>	<b>(14,646)</b>	<b>(120,672)</b>
<b>Financing</b>		
Loan repayments	-	886
<b>Net cash inflow from financing</b>	<b>-</b>	<b>886</b>

The notes form part of these financial statements

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 March 2000**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.99 £	Cash flow £	At 31.3.00 £
Net cash:			
Cash at bank	408,841	124,963	533,804
	<u>408,841</u>	<u>124,963</u>	<u>533,804</u>
 Total	 <u>408,841</u>	 <u>124,963</u>	 <u>533,804</u>
<b>Analysed in Balance Sheet</b>			
 Cash at bank	 408,841		533,804
	<u>408,841</u>		<u>533,804</u>

The notes form part of these financial statements

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31 March 2000**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 20% on reducing balance
Computer equipment	- 25% on reducing balance

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions paid for the year are charged in the profit and loss account.

**Fixed asset investments**

Fixed asset investments are valued at cost less provisions for permanent diminution in valuations.

**2. STAFF COSTS**

	2000	1999
	£	£
Wages and salaries	373,590	351,055
Social security costs	38,614	35,692
Other pension costs	4,795	6,008
	<hr/>	<hr/>
	416,999	392,755
	<hr/>	<hr/>

The average monthly number of employees during the year was as follows:

	2000	1999
Directors	1	1
Administration	5	4
Selling	12	16
	<hr/>	<hr/>
	18	21
	<hr/>	<hr/>

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31 March 2000**

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	2000	1999
	£	£
Depreciation - owned assets	38,712	47,889
Loss on disposal of fixed assets	1,582	6,114
Auditors' remuneration	3,820	3,780
	<u>          </u>	<u>          </u>
Directors' emoluments	87,737	61,463
Directors' pension contributions to money purchase schemes	2,350	4,100
	<u>          </u>	<u>          </u>

The number of directors to whom retirement benefits were accruing was as follows:

	1	1
	<u>          </u>	<u>          </u>
Money purchase schemes	1	1

**4. TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	2000	1999
	£	£
UK corporation tax	34,299	24,506
Tax attributable to franked investment income	123	-
	<u>          </u>	<u>          </u>
	34,422	24,506
	<u>          </u>	<u>          </u>

UK corporation tax has been charged at 21% (1999 - 21%).

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£
<b>COST:</b>				
At 1 April 1999	875	276,462	404	277,741
Additions	-	38,280	2,206	40,486
Disposals	-	(11,985)	-	(11,985)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2000	875	302,757	2,610	306,242
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>DEPRECIATION:</b>				
At 1 April 1999	506	85,799	101	86,406
Charge for year	123	37,981	608	38,712
Eliminated on disposals	-	(7,403)	-	(7,403)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2000	629	116,377	709	117,715
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET BOOK VALUE:</b>				
At 31 March 2000	246	186,380	1,901	188,527
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 1999	369	190,663	303	191,335
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31 March 2000**

**6. FIXED ASSET INVESTMENTS**

	£
<b>COST:</b>	
At 1 April 1999	16,422
Additions	1,750
	<hr/>
At 31 March 2000	18,172
	<hr/>
<b>NET BOOK VALUE:</b>	
At 31 March 2000	18,172
	<hr/>
At 31 March 1999	16,422
	<hr/>
	<hr/>
	2000
	£
Unlisted investments	18,172
	<hr/>
	18,172
	<hr/>
	<hr/>
	1999
	£
	16,422
	<hr/>
	16,422
	<hr/>
	<hr/>

**7. STOCKS**

	2000	1999
	£	£
Goods for resale	112,710	101,138
	<hr/>	<hr/>

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Trade debtors	915,833	773,184
Amount owed by related company	40,000	40,000
	<hr/>	<hr/>
	955,833	813,184
	<hr/>	<hr/>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Trade creditors	779,686	681,109
Other creditors	37,138	7,735
Social security and other taxes	66,635	50,597
Taxation	34,299	24,506
Accrued expenses	4,429	5,640
	<hr/>	<hr/>
	922,187	769,587
	<hr/>	<hr/>

**10. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
		£	£
10,000	Ordinary	10,000	10,000
		<hr/>	<hr/>

**Derby Stationery Store Limited**  
**(now The Irongate Group Limited)**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31 March 2000**

**11. RELATED PARTY DISCLOSURES**

The company is under the overall control of Mr I H Thomson who is also the major shareholder and a director of Ram Print Limited and a former director and shareholder of Ram Print Scotland Limited.

During the year the company sold goods to Ram Print Limited at cost of £301,495 (1999 - £362,727), purchased goods at cost of £44,523 (1999 - £15,779) and was charged management charges of £500,000 (1999 - £450,000). At the year end the sales ledger balance from Ram Print Limited was £44,976 (1999 - £66,276) whilst the purchase ledger balance outstanding to Ram Print Limited was £269,126 (1999 - £206,405). The balance outstanding in respect of an interest free loan was £40,000 (1999 - £40,000).

The company Ram Print Scotland Limited was charged a consultancy fee of £9,200 (1999 - £nil).

**12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2000 £	1999 £
Profit for the financial year	125,526	77,526
Net addition to shareholders' funds	125,526	77,526
Opening shareholders' funds	761,333	683,807
Closing shareholders' funds	<u>886,859</u>	<u>761,333</u>
Equity interests	<u>886,859</u>	<u>761,333</u>