

Company Registration No. SC024552 (Scotland)

GILMOUR & DEAN LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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COMPANIES HOUSE

GILMOUR & DEAN LIMITED

COMPANY INFORMATION

Directors	Gianmario Cillario Giuseppe Cillario Luciano Cillario Giovanni Paolo Di Vita Gian Franco Cillario
Secretary	Lycidas Secretaries Limited
Company number	SC024552
Registered office	Citypoint 65 Haymarket Terrace EDINBURGH EH12 5HD
Auditor	Johnston Carmichael LLP 227 West George Street GLASGOW G2 2ND

GILMOUR & DEAN LIMITED

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GILMOUR & DEAN LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business

The period ended December 2016 proved to be another highly successful period in the development of the business.

Sales rose during the period to £14,105k, an increase of 6.85% from the previous year's £13,201k. The continued development and growth of Pressure Sensitive Labels (PSL) was widely welcomed by the customer base which now has a major local presence which can support them in the supply of both their wet glue (WG) and pressure sensitive labelling requirements.

Gross profit is excellent and net profit before tax is at an acceptable level in the current year. Management is very satisfied with the financial performance for the period.

Principal risks and uncertainties

The industry in which the company operates is exposed to the current economic uncertainty surrounding the United Kingdom's forthcoming exit from the European Union. The Directors believe that the company is well placed to contend with any challenges which may occur as a result of this process.

Development and performance

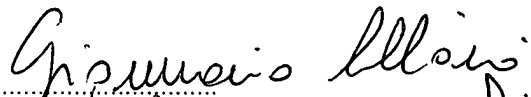
The business continues to build a strong platform for growth and profitability in future years. New customers and products were brought on stream during the year plus existing customers started to move products from WG to the new PSL production process.

All of this growth has enabled the business to recruit new personnel into the company further strengthening the skills and knowledge base required to meet customer demands. The Scotch Whisky Industry continues to see substantial investment at home and growth internationally for its products. This augurs well for the long term development of the Gilmour & Dean Eurostampa UK business.

Key performance indicators

The company recognises the importance of key financial performance indicators and management monitors these on a monthly basis. The main KPIs of the business are turnover and profitability, both of which have been discussed above.

On behalf of the board


GILMOUR & DEAN - DIRECTOR
3/7/17

GILMOUR & DEAN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company is the printing of high quality labels.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Gianmario Cillario
Giuseppe Cillario
Luciano Cillario
Giovanni Paolo Di Vita
Gian Franco Cillario

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

The auditor, Johnston Carmichael LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

GILMOUR & DEAN LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

On behalf of the board

Gilmour & Dean
GILMOUR & DEAN - H. K. F. 2016
3/7/17

GILMOUR & DEAN LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GILMOUR & DEAN LIMITED

We have audited the financial statements of Gilmour & Dean Limited for the year ended 31 December 2016 set out on pages 6 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

GILMOUR & DEAN LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GILMOUR & DEAN LIMITED

Matters on which we are required to report by exception

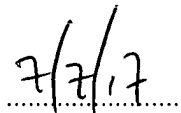
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Gavin Young (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

Chartered Accountants
Statutory Auditor



227 West George Street
GLASGOW
G2 2ND

GILMOUR & DEAN LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	3	14,105,030	13,201,201
Cost of sales		(11,083,023)	(10,993,847)
Gross profit		3,022,007	2,207,354
Administrative expenses		(2,889,480)	(1,604,920)
Other operating income		186,172	107,496
Operating profit	4	318,699	709,930
Interest payable and similar charges	7	(147,385)	(151,535)
Profit before taxation		171,314	558,395
Taxation	8	(22,245)	(96,615)
Profit for the financial year	21	149,069	461,780

The profit and loss account has been prepared on the basis that all operations are continuing operations.

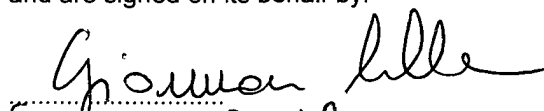
GILMOUR & DEAN LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	9	5,549,591		6,312,480	
Current assets					
Stocks	10	2,284,547		2,046,662	
Debtors	11	3,960,802		3,549,062	
Cash at bank and in hand		37,461		17,308	
		<u>6,282,810</u>		<u>5,613,032</u>	
Creditors: amounts falling due within one year	12	<u>(5,937,005)</u>		<u>(7,592,161)</u>	
Net current assets/(liabilities)			345,805		(1,979,129)
Total assets less current liabilities			<u>5,895,396</u>		<u>4,333,351</u>
Creditors: amounts falling due after more than one year	13		(3,019,677)		(1,716,774)
Provisions for liabilities	17		(307,900)		(285,655)
Deferred income	18		(157,500)		(69,672)
Net assets			<u>2,410,319</u>		<u>2,261,250</u>
Capital and reserves					
Called up share capital	20		100,000		100,000
Profit and loss reserves	21		2,310,319		2,161,250
Total equity			<u>2,410,319</u>		<u>2,261,250</u>

The financial statements were approved by the board of directors and authorised for issue on 3/7/17 and are signed on its behalf by:


 GILMOUR & DEAN LIMITED
 Director

Company Registration No. SC024552

GILMOUR & DEAN LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2015		100,000	1,699,470	1,799,470
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	461,780	461,780
Balance at 31 December 2015		100,000	2,161,250	2,261,250
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	149,069	149,069
Balance at 31 December 2016		100,000	2,310,319	2,410,319

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Gilmour & Dean Limited is a limited company domiciled and incorporated in Scotland. The registered office is Citypoint, 65 Haymarket Terrace, Edinburgh, EH12 5HD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Unicorn Graphics Limited. These consolidated financial statements are available from its registered office, Citypoint, 65 Haymarket Terrace, Edinburgh, EH12 5HD.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	4 to 12 years
Motor vehicles	4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the profit and loss account.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account unless the relevant asset is carried at a revalued amount, in which case the impairment profit or loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment profit or loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Work in progress is valued at the lower of cost and net realisable value, and includes direct expenditure and an appropriate proportion of fixed and variable overheads.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the profit and loss account. Reversals of impairment losses are also recognised in the profit and loss account.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Fair value measurement of financial instruments

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stock valuation

Stock is valued by deducting margins earned from selling prices. Judgement is also applied to elements of excess stock, and whether these items retain value. Excess stock older than one year is fully written off, whilst excess stock less than one year old is written down by 75%.

Finished goods stock which is older than one year is written off with the loss recognised in the profit and loss account. Items may be excluded from write off if the directors believe that there is reasonable certainty that the item will be sold.

Useful lives of tangible assets

The estimated useful lives of assets are outlined in note 1.4, and are based on historical experience and the periods over which management believe that future economic benefits will be derived.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Sale of goods	14,105,030	13,201,201
	<u> </u>	<u> </u>
 Other significant revenue		
Grants received	186,172	107,496
	<u> </u>	<u> </u>
 Turnover analysed by geographical market		
	2016 £	2015 £
United Kingdom	12,000,647	11,502,819
EU	2,104,383	1,695,357
USA	-	3,025
	<u> </u>	<u> </u>
	14,105,030	13,201,201
	<u> </u>	<u> </u>

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	490,307	(144,749)
Government grants	(186,172)	(107,496)
Fees payable to the company's auditor for the audit of the company's financial statements	11,350	10,950
Depreciation of owned tangible fixed assets	821,325	593,668
Depreciation of tangible fixed assets held under finance leases	41,672	111,970
Cost of stocks recognised as an expense	5,896,810	6,381,105
Impairment of stocks recognised or reversed	247,476	203,057
Operating lease charges	103,885	105,311
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Direct factory staff	92	77
Other administrative staff	24	22
	<u> </u>	<u> </u>
	116	99
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	3,955,905	3,081,530
Social security costs	322,244	256,758
Pension costs	64,603	51,559
	<u> </u>	<u> </u>
	4,342,752	3,389,847
	<u> </u>	<u> </u>

6 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	153,846	-
Company pension contributions to defined contribution schemes	6,154	-
	<u> </u>	<u> </u>
	160,000	-
	<u> </u>	<u> </u>

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

7 Interest payable and similar charges

	2016	2015
	£	£
Interest on bank overdrafts and loans	117,662	100,724
Interest on finance leases and hire purchase contracts	8,795	16,146
Interest payable to group undertakings	20,928	34,665
	<u>147,385</u>	<u>151,535</u>

8 Taxation

	2016	2015
	£	£
Deferred tax		
Origination and reversal of timing differences	38,115	115,519
Changes in tax rates	(15,870)	(18,904)
	<u>22,245</u>	<u>96,615</u>

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	£	£
Profit before taxation	<u>171,314</u>	<u>558,395</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	34,263	113,075
Tax effect of expenses that are not deductible in determining taxable profit	10,578	16,881
Adjustment to deferred tax in respect of changes to tax rates	(22,596)	(33,341)
	<u>22,245</u>	<u>96,615</u>

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Tangible fixed assets

	Plant and Motor vehicles machinery		Total
	£	£	£
Cost			
At 1 January 2016	9,328,397	54,564	9,382,961
Additions	84,807	15,301	100,108
Disposals	-	(38,150)	(38,150)
At 31 December 2016	9,413,204	31,715	9,444,919
Depreciation and impairment			
At 1 January 2016	3,021,388	49,093	3,070,481
Depreciation charged in the year	858,917	4,080	862,997
Eliminated in respect of disposals	-	(38,150)	(38,150)
At 31 December 2016	3,880,305	15,023	3,895,328
Carrying amount			
At 31 December 2016	5,532,899	16,692	5,549,591
At 31 December 2015	6,307,009	5,471	6,312,480

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2016 £	2015 £
Plant and machinery	300,309	807,096
Depreciation charge for the year in respect of leased assets	41,672	111,970

10 Stocks

	2016 £	2015 £
Raw materials and consumables	474,760	585,780
Work in progress	313,637	299,083
Finished goods and goods for resale	1,496,150	1,161,799
	2,284,547	2,046,662

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

11 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	1,889,674	1,667,601
Amounts due from fellow group undertakings	1,630,604	1,505,624
Other debtors	15,193	3,536
Prepayments and accrued income	425,331	372,301
	<u>3,960,802</u>	<u>3,549,062</u>

Trade debtors are secured under an invoice finance arrangement.

12 Creditors: amounts falling due within one year

	Notes	2016	2015
		£	£
Bank loans and overdrafts	14	2,410,207	1,968,434
Obligations under finance leases	15	81,886	220,455
Other borrowings	14	342,415	721,378
Trade creditors		1,809,749	3,946,399
Other taxation and social security		500,374	491,322
Other creditors		2,326	3,235
Accruals and deferred income		790,048	240,938
		<u>5,937,005</u>	<u>7,592,161</u>

Hire purchase contracts are secured on the assets to which they relate.

13 Creditors: amounts falling due after more than one year

	Notes	2016	2015
		£	£
Bank loans and overdrafts	14	2,785,163	1,150,386
Obligations under finance leases	15	34,514	116,388
Other borrowings	14	200,000	450,000
		<u>3,019,677</u>	<u>1,716,774</u>

Hire purchase contracts are secured on the assets to which they relate.

Amounts included above which fall due after five years are as follows:

Payable by instalments	102,792	782,247
	<u>102,792</u>	<u>782,247</u>

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

14 Loans and overdrafts

	2016 £	2015 £
Bank loans	3,342,393	1,532,793
Bank overdrafts	1,852,977	1,586,027
Loans from group undertakings	542,415	1,171,378
	<u>5,737,785</u>	<u>4,290,198</u>
Payable within one year	2,752,622	2,689,812
Payable after one year	<u>2,985,163</u>	<u>1,600,386</u>

The long-term loans are secured by a bond and floating charge over the assets of the company and those of its immediate parent undertaking.

Bank loans are repayable over 5 to 10 years at a market rate of interest.

Loans from fellow group undertakings are charged at a market rate of interest.

15 Finance lease obligations

	2016 £	2015 £
Future minimum lease payments due under finance leases:		
Within one year	81,886	220,455
In two to five years	34,514	116,388
	<u>116,400</u>	<u>336,843</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Finance leases are secured against the assets to which they relate.

16 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	17 307,900	285,655
	<u>307,900</u>	<u>285,655</u>

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2016 £	Liabilities 2015 £
Balances:		
ACAs	388,830	406,367
Tax losses	(78,722)	(118,212)
Other timing differences	(2,208)	(2,500)
	<u>307,900</u>	<u>285,655</u>
Movements in the year:		2016 £
Liability at 1 January 2016		285,655
Charge to profit or loss		22,245
Liability at 31 December 2016		<u>307,900</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so.

18 Government grants

	2016 £	2015 £
Arising from government grants	157,500	69,672
	<u>157,500</u>	<u>69,672</u>

19 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	64,603	51,559
	<u>64,603</u>	<u>51,559</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

20 Share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

21 Profit and loss reserves

The profit and loss account comprises accumulated comprehensive income.

22 Financial commitments, guarantees and contingent liabilities

Letters of guarantee exist between Gilmour & Dean Limited and its holding company, Unicorn Graphics Limited, in respect of bank and other borrowings of £nil (2015: £576).

The directors are currently reviewing the National Insurance obligations relating to an overseas individual carrying out duties in the UK. Any financial obligation on the company is uncertain, as is the quantum, as payments would have been made in other EU countries in this regard. As such, no liability has been recorded in the financial statements

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	28,537	34,457
Between two and five years	25,365	22,852
	<u>53,902</u>	<u>57,309</u>

24 Related party transactions

The company has taken advantage of the the exemption within FRS102, Section 33 paragraph 33.1A, to not disclose key management personnel compensation.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

24 Related party transactions

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2016	2015	2016	2015
	£	£	£	£
Entities with control, joint control or significant influence over the company	27,044	53,887	(748,434)	(1,728,915)
Other related parties	-	-	-	(4,869)
	<u>27,044</u>	<u>53,887</u>	<u>(748,434)</u>	<u>(1,733,784)</u>

	Management charges		Interest on group loans	
	2016	2015	2016	2015
	£	£	£	£
Entities with control, joint control or significant influence over the company	<u>(30,000)</u>	<u>(80,000)</u>	<u>(20,928)</u>	<u>(31,538)</u>

In addition to the above, the company incurred fees of £21,898 in relation to fees in respect of a guarantee from an entity with control over the company.

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2016	2015
	£	£
Entities with control, joint control or significant influence over the company	542,415	1,171,378
	<u>542,415</u>	<u>1,171,378</u>

The company has taken advantage of the exemption within FRS 102 Section 33 paragraph 33.1A from the requirement to disclose transactions with other wholly owned companies in the same group.

GILMOUR & DEAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

25 Controlling party

The immediate parent undertaking is Unicorn Graphics Limited, a company registered in Scotland and of the same address as Gilmour & Dean Limited.

The ultimate parent undertaking at the balance sheet date was Eurostampa S.p.A., a company registered in Italy.

Eurostampa S.p.A. is the largest group and Unicorn Graphics Limited is the smallest group for which group accounts are prepared. Copies of the group accounts can be obtained by writing to the registered office.