

REGISTERED NUMBER: 1160766

DOUGLAS DEAKIN YOUNG LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
30 SEPTEMBER 1999



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DOUGLAS DEAKIN YOUNG LIMITED

Report and Financial Statements
1 April 1998 to 30 September 1999

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DOUGLAS DEAKIN YOUNG LIMITED

Company Information

DIRECTORS

MRS E.L. BOTTING (Chairman)

A.T.N. WARNER (Managing)

R.H. AULT

S. GONDA

R. DAVIS

M. OWEN

SECRETARY:

R.H. AULT

REGISTERED OFFICE:

22-25a Sackville Street
London
W1X 2DH

AUDITORS:

SAMPSON WEST
Registered Auditors
Chartered Accountants

BANKERS:

NATIONAL WESTMINSTER BANK PLC

REGULATOR:

PERSONAL INVESTMENT AUTHORITY

DOUGLAS DEAKIN YOUNG LIMITED

Report of the Directors

The Directors present their annual report and audited financial statements for the eighteen month period 1 April 1998 to 30 September 1999.

1. Review of the business

The principal activities of the Company are investment management, personal financial planning, pension and taxation consultancy and providing payroll services.

Turnover for the period increased by £1,674,042. Retained profit increased by £7,238 to £799,513. This was partly due to the change in accounting period. The Directors expect the general level of activity to continue for the foreseeable future.

2. Results and Dividend

The results for the period ended 30 September 1999 are shown on page 5. In the opinion of the Directors the results for the year were satisfactory.

Dividends paid and declared in respect of the year are as shown in Note 14 on page 14.

3. Directors and their interests

The present membership of the board is set out on page 1. The persons who served as Directors during the year and their interests, as defined by the Companies Act 1985, in the shares of the Company, were as follows:

	Ordinary Shares of £1 each			
	30 September 1999		At Date of Appointment or if later: 1 April 1998	
	Beneficial	Non Beneficial	Beneficial	Non Beneficial
Mrs E.L. Botting	46,157	-	46,157	-
A.T.N. Warner	25,230	11,497	25,230	10,557
R.H. Ault	1,000	-	1,000	-
M. Hawkins (resigned 19.3.1999)	-	5,561	3,253	4,878
S. Gonda (appointed 1.4.1998)	1,650	-	200	-
R. Davis (appointed 9.7.1998)	500	-	200	-
M. Owen (appointed 1.4.1999)	280	-	-	-

4. Fixed Assets

Information relating to changes in tangible fixed assets is given in note 8 to the financial statements.

5. Charitable Contributions

During the period the Company made charitable donations of £545 (year to 31 March 1998 - £1,956).

DOUGLAS DEAKIN YOUNG LIMITED

Report of the Directors (continued)

6. Close Company Status

In the opinion of the Directors, the Company is a close company as defined by the provisions of the Income and Corporation Taxes Act 1988.

7. Year 2000 Issues

The company has examined the risks associated with the Year 2000 date change. The board is taking steps to ensure that the company's computer systems are Year 2000 compliant and, where possible, to establish that major suppliers will likewise be compliant. There are no significant costs anticipated with respect to the Year 2000 issue.

8. Potential Impact of the Introduction of the Euro

The company has considered the potential impact of the introduction of the Euro in relation to its operations and accounting systems for the foreseeable future. The directors do not anticipate that the introduction of the Euro will have any significant impact on the company during the forthcoming year and do not expect future costs in connection with this matter to be material.

9. Auditors

The company passed an Elective Resolution on 26 June 1990 in accordance with Section 386 of the Companies Act 1985 dispensing with the obligation to appoint auditors annually and accordingly Sampson West shall remain in office until the company or Sampson West otherwise determine.

10. 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 statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

On behalf of the Board:



R.H. AULT
Secretary

Dated: 31 January 2000

Douglas Deakin Young Limited
22-25a Sackville Street
London W1X 2DH

Report of the Auditors
to the Members of

DOUGLAS DEAKIN YOUNG LIMITED

We have audited the financial statements set out on pages 5 to 16 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

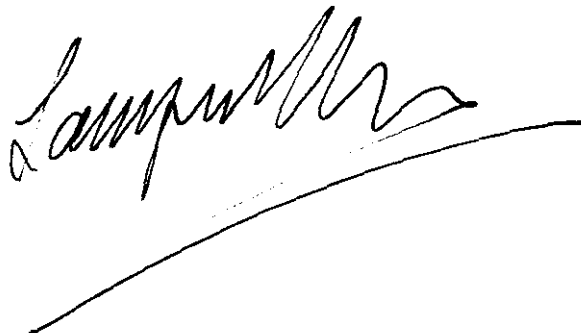
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Company's affairs at 30 September 1999 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

SAMPSON WEST
Registered Auditors
Chartered Accountants
45 Bedford Row
London WC1R 4LR

A large, stylized handwritten signature in black ink, likely belonging to a member of the audit firm Sampson West, is written over a horizontal line.

Dated: 31 January 2000

DOUGLAS DEAKIN YOUNG LIMITED

Profit and Loss Account for the Period 1 April 1998 to 30 September 1999

		18 Months 1999	Year 1998
	Notes	£	£
Turnover on continuing activities	2	3,970,468	2,296,426
Change in work in progress		7,470	(1,785)
		<u>3,977,938</u>	<u>2,294,641</u>
Other operating income	3	15,751	10,081
		<u>3,993,689</u>	<u>2,304,722</u>
Staff costs	4	(2,286,193)	(1,130,566)
		<u>1,707,496</u>	<u>1,174,156</u>
Depreciation and other amounts written off tangible fixed assets		(83,607)	(78,602)
		<u>1,623,889</u>	<u>1,095,554</u>
Other operating charges	5	(1,826,906)	(952,644)
Operating (Loss) or Profit		<u>(203,017)</u>	<u>142,910</u>
Profit on disposal of fixed asset investments		182,177	-
Income from other fixed asset investments		11,014	4,220
		<u>(9,826)</u>	<u>147,130</u>
Other interest receivable and similar income		75,865	36,042
		<u>66,039</u>	<u>183,172</u>
Interest payable and similar charges		(17,210)	(10,415)
Profit on ordinary activities before taxation		48,829	172,757
Tax on profit on ordinary activities	7	(16,590)	(50,001)
Profit on ordinary activities after taxation		<u>32,239</u>	<u>122,756</u>
Dividends paid	14	(25,000)	(100,000)
Profit for the financial period		<u>7,239</u>	<u>22,756</u>
Profit and loss account brought forward		792,274	769,518
Profit and loss account carried forward		<u><u>799,513</u></u>	<u><u>792,274</u></u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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

The accompanying notes are an integral part of these financial statements

DOUGLAS DEAKIN YOUNG LIMITED

Balance Sheet
30 September 1999

		1999	31 March 1998
	Notes	£	£
Fixed Assets			
Tangible Assets	8	124,014	164,023
Investments	9	27,674	158,605
		<u>151,688</u>	<u>322,628</u>
Current Assets			
Work in progress		18,873	11,403
Debtors	10	447,242	532,975
Cash at bank and in hand	11	1,391,635	504,856
		<u>1,857,750</u>	<u>1,049,234</u>
Creditors: Amounts falling due within one year	12	<u>(240,031)</u>	<u>(302,447)</u>
Net Current Assets		<u>1,617,719</u>	<u>746,787</u>
Total Assets less Current Liabilities		<u>1,769,407</u>	<u>1,069,415</u>
Provisions for liabilities and charges	13	<u>(867,600)</u>	<u>(174,847)</u>
		<u>901,807</u>	<u>894,568</u>
Capital and Reserves			
Called-up share capital	15	100,000	100,000
Share Premium Account		1,460	1,460
Capital Redemption Reserve		834	834
Profit and Loss Account		799,513	792,274
Equity Shareholders' funds	18	<u>901,807</u>	<u>894,568</u>

The financial statements were approved by the Directors on 31 January 2000

A.T.N. Warner
Director



The accompanying notes are an integral part of these financial statements

DOUGLAS DEAKIN YOUNG LIMITED

Cash Flow Statement
for the Period 1 April 1998 to 30 September 1999

CASH FLOW STATEMENT

		1999	1998
	Notes	£	£
Net Cash inflow from operating activities		607,881	313,284
Returns on investments and servicing of finance	22	69,669	29,847
Taxation (paid)		(51,031)	(81,738)
Capital Expenditure and financial investment	22	285,260	(157,580)
		<u>911,779</u>	<u>103,813</u>
Equity dividends paid		(25,000)	(100,000)
		<u>886,779</u>	<u>3,813</u>

Reconciliation of operating profit to net cash inflow from operating activities

	1999	1998
	£	£
Operating (loss)/profit	(203,017)	142,910
Profit on Disposal of Fixed Assets	(15,750)	(10,081)
Loss/(Profit) on Disposal of Investments	-	4,523
Depreciation charges	83,607	78,602
Provision for Pension Review	692,753	168,247
Increase in Work in progress	(7,470)	1,785
Increase in debtors	61,525	(93,798)
Increase in creditors	(3,767)	21,096
Net cash inflow from operating activities	<u>607,881</u>	<u>313,284</u>

Reconciliation of net cash flow to movement in net funds

	1999	1998
	£	£
Increase in cash in the period and change in net funds	23 <u>886,799</u>	<u>3,813</u>

The accompanying notes are an integral part of these financial statements

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

1. Statement of Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Investments

Investments in subsidiaries are stated at cost less amounts written off. Other investments are stated at cost except to the extent that provision is made if, in the opinion of the Directors, there has been a permanent diminution in their underlying value.

Turnover

Turnover consists of consultancy fees and other income, excluding VAT.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost represents unbilled consultancy time based on the cost of counsellors' salaries plus attributable overheads.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of fixed assets over their estimated useful lives by equal annual instalments as follows:

Leasehold premises	-	Period of the lease
Fixtures and fittings	-	16.67%-20%
Office equipment	-	10%-25%
Motor vehicles	-	25%
Computer equipment	-	33 $\frac{1}{3}$ %

In the period in which an asset is acquired depreciation is charged by reference to the length of the accounting period. No depreciation is charged in the accounting period in which an asset is disposed of.

Taxation

Corporation Tax is provided on taxable profits at the current rate.

Provision is made for deferred taxation at the rate of Corporation Tax ruling at the year end (the liability method), except in respect of any tax reduction which can reasonably be expected to continue for the future.

Deferred income

Deferred income represents income billed in advance of completion of work where a liability to fulfil specific obligations is identified.

Pensions

The Company operates a defined contribution pension scheme in respect of certain staff members. Pension costs charged in the profit and loss account are the actual contributions paid in the period.

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

1. Statement of Accounting Policies (continued)

Leases

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at the fair value of each asset. Assets held under hire purchase contracts are depreciated over their estimated useful lives; those subject to finance leases are depreciated over the shorter of estimated useful life and the lease term.

The liability under each finance lease or hire purchase contract is categorised under creditors due within or after one year as appropriate. Finance charges applicable to lease or hire purchase contracts are charged to the profit and loss account as a constant proportion of the capital balance outstanding over the period of the contract. Rentals under operating leases are charged on a straight line basis over the lease term.

2. Turnover

The turnover and profit before taxation are attributable to the principal activities of the company which were carried on wholly within the United Kingdom.

3. Other operating income

	1999	1998
	<u>£</u>	<u>£</u>
Profit on sale of tangible fixed assets	15,571	10,081
	<u>15,571</u>	<u>10,081</u>

4. Staff Costs

Particulars of employees (including Directors) and their remuneration are shown below:

	1999	1998
	<u>£</u>	<u>£</u>
Wages and salaries	1,950,995	943,345
Social security costs	182,875	84,596
Other pension costs	152,323	102,625
	<u>2,286,193</u>	<u>1,130,566</u>

The average monthly number of persons (including Directors) employed by the Company during the period was as follows:

	1999	1998
	<u>Number</u>	<u>Number</u>
Employment Business Staff	13	15
Technical and management	10	10
Administration and accounts	13	12
Other	1	1
	<u>37</u>	<u>38</u>

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

5. Other operating charges

	1999	1998
	<u>£</u>	<u>£</u>
Operating lease - property	61,200	33,600
Pension review	538,012	182,024
Amounts paid to auditors:		
- audit fees	48,000	18,000
- fees for other services	5,621	8,777
Other operating charges	1,174,073	710,243
	<u>1,826,906</u>	<u>952,644</u>

6. Directors remuneration

Remuneration paid in respect of directors of the Company was as follows:

	1999	1998
	<u>£</u>	<u>£</u>
For services as directors (excluding pension contributions)	<u>519,724</u>	<u>289,409</u>
Money purchase pension contributions	<u>92,337</u>	<u>66,126</u>

In addition to the remuneration disclosed above, an ex gratia payment of £10,000 was made to Mr M Hawkins on his leaving office on 19 March 1999.

The remuneration of the highest paid director was as follows:

	1999	1998
	<u>£</u>	<u>£</u>
Highest paid director - emoluments	<u>143,766</u>	<u>84,811</u>
Highest paid director - pension contribution	<u>58,757</u>	<u>47,669</u>

	1999	1998
	<u>Number</u>	<u>Number</u>
Number of directors eligible and for whom money purchase pension contributions were made	<u>6</u>	<u>5</u>

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

7. Tax on profit on ordinary activities

The charge for taxation appearing in the profit and loss account is comprised as follows:

	1999	1998
	£	£
UK Corporation Tax		
Current period charge at an average rate of 20% (1998 - 21%)	14,388	50,985
Prior year overprovision	-	(1,775)
Tax attributable to franked investment income	2,202	791
	<u>16,590</u>	<u>50,001</u>

No potential liability existed at the balance sheet date in respect of deferred taxation (1998 - £nil).

8. Tangible Fixed Assets

	Short Leasehold Premises	Office Equipment	Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
1 April 1998	2,368	196,120	90,027	119,690	408,205
Additions	-	80,301	17,881	14,905	113,087
Disposals	-	(132,103)	-	(60,996)	(193,099)
30 September 1999	<u>2,368</u>	<u>144,318</u>	<u>107,908</u>	<u>73,599</u>	<u>328,193</u>
Depreciation					
1 April 1998	1,052	120,911	63,514	58,705	244,182
Charges	396	44,691	12,147	26,373	83,607
Disposals	-	(85,919)	-	(37,691)	(123,610)
30 September 1999	<u>1,448</u>	<u>79,683</u>	<u>75,661</u>	<u>47,387</u>	<u>204,179</u>
Net Book Value					
30 September 1999	<u>920</u>	<u>64,635</u>	<u>32,247</u>	<u>26,212</u>	<u>124,014</u>
31 March 1998	<u>1,316</u>	<u>75,209</u>	<u>26,513</u>	<u>60,985</u>	<u>164,023</u>

Capital Commitments

At the balance sheet date the Company had no capital commitments (1998 - £9,236).

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

9. Fixed Asset Investments

The following list comprises subsidiary companies held at 30 September 1999, each of which is wholly owned, registered in England and Wales, and was dormant throughout the period.

Douglas Deakin Young (Trustee Corporation) Limited
DDY Nominees Limited
DDY GP Nominees Limited
DDY SCP Nominees Limited
DDY ISA Nominees Limited

Consolidated accounts have not been produced on the grounds of materiality. None of the subsidiary companies has traded since incorporation and each subsidiary has net assets equal to the cost of the company's investment therein.

Fixed asset investments were comprised as follows:

	Unlisted		Listed		Subsidiaries		Total	
	1999	1998	1999	1998	1999	1998	1999	1998
	£	£	£	£	£	£	£	£
At Cost								
At 1 April 1998	25,000	25,000	133,605	60,752	100	100	158,705	85,852
Additions in year	34,936	-	63,890	115,063	-	-	98,826	115,063
Disposals in year	(59,936)	-	(169,821)	(42,210)	-	-	(229,757)	(42,210)
At 30 September 1999	-	25,000	27,674	133,605	100	100	27,774	158,705
Amounts Provided								
At 1 April 1998 and At 30 September 1999	-	-	-	-	100	100	100	100
Net Book Value								
30 September 1999	-		27,674		-		27,764	
31 March 1998		25,000		133,605		-		158,605

The market value of Listed Investments at 30 September 1999 was £18,316 (31 March 1998 - £176,773). All the listed investments were dealt on a UK recognised stock exchange.

The unlisted investment at the beginning of the period represented the cost of shareholdings in Lawshare Ltd being 10,000 £1 "A" Ordinary Shares, 2,500 £1 "A" Non Voting Ordinary Shares and 5,000 £1 "B" Ordinary Shares. Lawshare Ltd is a company incorporated in England & Wales and trades as a stockbroker. The company's interest in Lawshare Ltd represented 12.5% of each of the "A", "A" Non Voting and "B" classes of share capital in issue.

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

10. Debtors

	1999	1998
	£	£
Trade debtors	86,407	104,662
Other debtors	45,310	124,564
Taxation recoverable	112	24,321
Prepayments	65,662	37,475
Accrued Income	106,251	241,953
Insurance claim recoverable	143,500	-
	<u>447,242</u>	<u>532,975</u>

11. Cash at bank and in hand

The cash at bank and in hand stated in the Balance Sheet of £1,391,635 (1998 - £504,856) excludes cash held on behalf of clients.

12. Creditors: Amounts falling due within one year

	1999	1998
	£	£
Trade creditors	38,285	46,278
Other creditors:		
– Income in advance	6,000	6,000
– Corporation tax payable	10,304	50,985
– Advance corporation tax payable	-	17,969
– VAT	55,005	50,609
– Social Security and PAYE	66,017	62,808
Accruals and deferred income	64,420	67,798
	<u>240,031</u>	<u>302,447</u>

13. Provisions for liabilities and charges

	Total	Pension Reviews	Indemnity Commission
	£	£	£
At 1 April 1998	174,847	173,247	1,600
Charge to Profit & Loss Account	692,753	692,753	-
At 30 September 1999	<u>867,600</u>	<u>866,000</u>	<u>1,600</u>

The pension review provision is in respect of potential claims for the mis-selling of personal pensions. The provision has been estimated from current data available on Phase I reviews and on the assumption that the amount of compensation for each Phase II case will be lower than that of Phase I cases, but that the rate of non compliance will be the same. The provision also includes an estimate of anticipated internal and external costs of investigation.

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

13. Provisions for liabilities and charges (cont)

The resulting transfers of economic benefits are anticipated to take place between one and three years time. All future cash flows have been discounted at what the directors consider to be an appropriate rate. Included within debtors is a related insurance recovery of £143,500, which will reduce the amounts payable by the company.

The directors believe that the company will be able to meet its obligations from cash reserves, and that the company therefore remains a going concern

14. Dividends

	1999	1998
	£	£
Ordinary Shares:		
Interim - 25p per £1 share (1998 - 25p)	25,000	25,000
Final - 0 p per £1 share (1998 - 75p)	-	75,000
	<u>25,000</u>	<u>100,000</u>

15. Called Up Share Capital

	1999	1998
	£	£
Authorised Share Capital:		
1,000,000 Ordinary Shares of £1	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid		
100,000 Ordinary Shares of £1	<u>100,000</u>	<u>100,000</u>

16. Financial Commitments

Operating leases: in respect of land and buildings

	1999	1998
	£	£
Amounts payable during the next year and expiring within 2 to 5 years	<u>40,800</u>	<u>33,600</u>

17. Pension Commitments

The company operates a defined contribution pension scheme in respect of certain staff members. The cost of pension contributions is charged to the profit and loss account of the period in which they are paid. The amount charged for pension contributions in the current period was £152,322 (1998 - £102,625).

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

18. Reconciliation of Movements in Shareholders' Funds

	1999	1998
	£	£
Profit for the Financial Period	32,239	122,756
Dividends Paid	(25,000)	(100,000)
Net Addition to Shareholders Funds	7,239	22,756
Opening Shareholders Funds	894,568	871,812
Closing Shareholders Funds	901,807	894,568
Equity Interests	901,807	894,568

19. Movement on Reserves

	Profit & Loss Account	Called up Share Capital	Share Premium Account	Capital Redemption Reserve
	£	£	£	£
At 1 April 1998	792,274	100,000	1,460	834
Profit for Period	7,239	-	-	-
At 30 September 1999	799,513	100,000	1,460	834

20. Related Party Control Relationships

The company is effectively jointly controlled by A.T.N. Warner and E.L. Botting who are both directors.

21. Transactions with Directors and Related Parties

Details of transactions with directors and related parties during the period were as follows:

- (i) Lawshare Limited was a related party for part of the period in that the company held an interest amounting to 12.5% of the issued share capital, A T N Warner is a director of both companies and stock exchange purchases and sales undertaken by the company on behalf of its clients are predominantly transacted through Lawshare Limited. During the period ended 30 September 1999 the value of stock exchange transactions effected on behalf of clients was £67,638,000 (year to 31 March 1998 - £57,938,777). At 30 September 1999 the net amount owed by the company to Lawshare Limited in respect of purchases and sales undertaken by the company on behalf of its clients was £243,980 (1998 - £208,135). Included in turnover is £699,147 (year to 31 March 1998 - £549,625) commission received in respect of stock exchange purchases and sales undertaken on behalf of clients being net of £239,103 (year to 31 March 1998 - £162,638) commission paid to Lawshare Limited.

DOUGLAS DEAKIN YOUNG LIMITED

Notes to the Financial Statements
for the Period 1 April 1998 to 30 September 1999

21. Transactions with Directors and Related Parties (continued)

- (ii) The company sold motor vehicles to Mrs Botting, Mr Warner and Mr Davis, all of whom are directors, for £7,695, £8,110 and £6,075 respectively. The sale prices represented the market value of the vehicles and were all paid in full before the period end.
- (iii) The company offered its holding in Lawshare Limited (see above) to the directors at market value in proportion to their shareholdings in Douglas Deakin Young Limited. All the directors took up this offer to the full extent of their entitlement.

22. Gross Cash Flows

	1999	1998
	£	£
Returns on investments and servicing of finance		
Dividends received	11,014	4,220
Interest received	75,865	36,042
Interest paid	(17,210)	(10,415)
	<u>69,669</u>	<u>29,847</u>
Capital Expenditure		
Payments to acquire tangible fixed assets	(211,913)	(230,968)
Receipts from sales of tangible fixed assets and fixed asset investments	497,173	73,388
	<u>285,260</u>	<u>(157,580)</u>

23. Analysis of changes in net debt

	31 March 1998	cash flows	Non-cash transactions		30 September 1999
	£	£	New Debt	Other Changes	£
Cash and bank	<u>504,856</u>	<u>886,779</u>	<u>-</u>	<u>-</u>	<u>1,391,635</u>