

Dunraven Finance Limited

Annual report for the year ended 31 March 2002

Registered no: 1252688



Dunraven Finance Limited

Annual report for the year ended 31 March 2002

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Dunraven Finance Limited

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Directors and secretary

Executive directors

Mrs D C Jones
Mrs A Coleman
Mr M R Henderson
Mr P A Thompson
Mr M E Lanyon
Mr G Dodd

Secretary and registered office

Mr W B Jones

Ty Rhondda
Forest View Business Park
Llantrisant
CF72 8LX

Directors' report for the year ended 31 March 2002

The directors present their report and the audited financial statements for the year ended 31 March 2002.

Principal activities

The principal activity of the company is that of financiers.

Review of business and future developments

During the year the company continued to expand its trading activities. The directors are satisfied with the progress made and are confident that the performance will be satisfactory in the foreseeable future.

Dividends and transfers to reserves

The results for the year are shown on page 5 of the financial statements. The directors recommend that no dividend is paid (2001: £Nil) and that the retained profit for the financial year be transferred to reserves.

Directors

The directors of the company at 31 March 2002, all of whom have been directors for the whole of the year ended on that date, unless otherwise stated, are listed on page 1.

Directors' interests

The directors had no interests in the shares of the company. The interests of the directors in the shares of Buy As You View Holdings plc, the ultimate holding company of Dunraven Finance Limited, are set out in the directors' report of that company.

By order of the Board



Director
9 May 2002

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of the company's affairs as at the end of the financial period and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 2002. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, and for taking reasonable steps to safeguard the assets of the company in order to prevent and detect fraud and other irregularities.

By order of the board

A handwritten signature in black ink, appearing to be 'PA' followed by a stylized flourish.

Director
9 May 2002

Independent auditors' report to the members of Dunraven Finance Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet, and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies in note 1.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

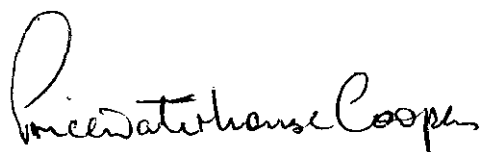
Basis of audit opinion

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 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Cardiff
9 May 2002

**Profit and loss account
for the year ended 31 March 2002**

	Notes	2002 £	2001 £
Turnover	1	16,215,868	11,714,348
Net operating expenses	2	(11,453,934)	(7,199,610)
		<hr/>	<hr/>
Operating profit		4,761,934	4,514,738
Interest payable and similar charges	5	(1,648,591)	(1,435,125)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	6	3,113,343	3,079,613
Tax on profit on ordinary activities	7	(924,890)	(934,402)
		<hr/>	<hr/>
Retained profit for the year	12	2,188,453	2,145,211
		<hr/>	<hr/>

All operations are continuing.

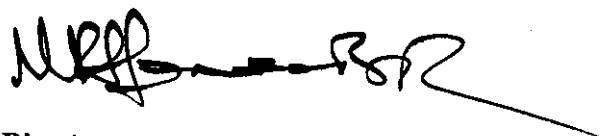
The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and retained profit for the year stated above, and their historical cost equivalents.

**Balance sheet
at 31 March 2002**

	Notes	2002 £	2001 £
Current assets			
Loans: amounts falling due after more than one year	8	37,606,868	30,327,144
Loans: amounts falling due within one year	8	16,818,312	12,426,977
		<hr/>	<hr/>
		54,425,180	42,754,121
Creditors: amounts falling due within one year	9	(16,440,392)	(12,357,756)
		<hr/>	<hr/>
Net current assets		37,984,788	30,396,365
Creditors: amounts falling due after more than one year	10	(24,599,970)	(19,200,000)
		<hr/>	<hr/>
Net assets		13,384,818	11,196,365
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	11	3	3
Profit and loss account	12	13,384,815	11,196,362
		<hr/>	<hr/>
Equity shareholders' funds	13	13,384,818	11,196,365
		<hr/>	<hr/>

The financial statements on pages 5 to 12 were approved by the board of directors on 9 May 2002 and were signed on its behalf by:



Director



Director

**Notes to the financial statements
for the year ended 31 March 2002****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cash flow

The company's ultimate parent company is Buy As You View Holdings plc and the cash flows of the company are included in the consolidated group cash flow statement of that company. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 (revised) from publishing a cash flow statement.

Turnover

Turnover represents finance income, which is recognised as it is receivable to give a constant periodic rate of return on the net cash investment in loans, derived in the United Kingdom.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Net operating expenses

	2002 £	2001 £
Administrative expenses	11,453,934	7,199,610

**Notes to the financial statements
for the year ended 31 March 2002 (continued)**

3 Directors' emoluments

	2002 £	2001 £
Aggregate emoluments	212,422	211,997
Company pension contributions to money purchase schemes	19,116	12,729
	<u>231,538</u>	<u>224,726</u>

Retirement benefits are accruing to 4 directors (2001: 4) under money purchase schemes.

	2002 £	2001 £
Highest paid director		
Aggregate emoluments and benefits	75,642	87,152
Company pension contributions to money purchase schemes	8,577	8,577
	<u>84,219</u>	<u>95,729</u>

4 Employee information

The average weekly number of persons (including executive directors) employed by the company during the year was 9 (2001: 9)

	2002 £	2001 £
Staff costs (for the above persons)		
Wages and salaries	2,207,116	2,156,255
Social security costs	265,254	270,564
Pension costs	282,316	277,608
	<u>2,754,686</u>	<u>2,704,427</u>

5 Interest payable and similar charges

	2002 £	2001 £
On bank loans and overdrafts	<u>1,648,591</u>	<u>1,435,125</u>

**Notes to the financial statements
for the year ended 31 March 2002 (continued)**

6 Profit on ordinary activities before taxation

	2002	2001
	£	£
Profit on ordinary activities before taxation is stated after charging:-		
Auditors' remuneration	7,500	6,500
	<u> </u>	<u> </u>

7 Tax on profit on ordinary activities

	2002	2001
	£	£
Current tax:		
UK Corporation tax on profits of the period	926,000	940,000
Adjustment in respect of previous periods	(1,110)	(5,598)
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	924,890	934,402
	<u> </u>	<u> </u>

The current tax charge for the period is lower (2001: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2002	2001
	£	£
UK Corporation tax on profit on ordinary activities before tax at 30%	934,003	923,884
Effects of:		
- Other timing differences	(9,000)	-
- Expenses not deductible for tax purposes	997	16,116
Adjustments in respect of earlier years	(1,110)	(5,598)
	<u> </u>	<u> </u>
Current tax charge for the period	924,890	934,402
	<u> </u>	<u> </u>

8 Loans

During the period assets with a capital value of £22,544,519 (2001: £19,216,852) were supplied under hire purchase contracts.

**Notes to the financial statements
for the year ended 31 March 2002 (continued)****9 Creditors: amounts falling due within one year**

	2002 £	2001 £
Bank loans and overdrafts (see below)	4,379,289	1,821,769
Amounts owed to fellow subsidiary company	11,489,131	9,423,681
Corporation tax payable	289,425	603,997
Taxation and social security	166,114	284,246
Other creditors	116,433	224,063
	<hr/>	<hr/>
	16,440,392	12,357,756
	<hr/>	<hr/>

Bank loans and overdrafts of £13,029,229 (2001 : £5,206,784) are secured by a fixed charge over certain loan agreements and a floating charge over the assets of Dunraven Finance Limited.

Bank loans and overdrafts of £15,950,030 (2001 : £15,814,985) are secured by a fixed charge over certain loan agreements.

Interest is payable on bank borrowings at between 1% and 1.75% over base rate.

**Notes to the financial statements
for the year ended 31 March 2002 (continued)**

10 Creditors: amounts falling due after more than one year

	2002 £	2001 £
Bank loans and overdrafts (see note 9)	24,599,970	19,200,000

Bank loans and overdrafts are repayable as follows:

	2002 £	2001 £
In one year or less	4,379,289	1,821,769
Between one and two years	10,200,000	8,800,000
Between two and five years	13,399,970	10,400,000
In more than five years	1,000,000	-
	<u>28,979,259</u>	<u>21,021,769</u>

11 Called up share capital

	2002 £	2001 £
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
3 ordinary shares of £1 each	3	3

12 Profit and loss account

	£
At 1 April 2001	11,196,362
Retained profit for the year	2,188,453
At 31 March 2002	<u>13,384,815</u>

**Notes to the financial statements
for the year ended 31 March 2002 (continued)****13 Reconciliation of movements in shareholders' funds**

	2002 £	2001 £
Profit for the financial year	2,188,453	2,145,211
Opening shareholders' funds	11,196,365	9,051,154
	<hr/>	<hr/>
Closing shareholders' funds	13,384,818	11,196,365
	<hr/>	<hr/>

14 Contingent liabilities

	2002 £	2001 £
Amount of guarantees in respect of bank overdrafts and loans of other group companies	668,993	1,573,844
	<hr/>	<hr/>

15 Related party transactions

In accordance with the exemptions afforded by Financial Reporting Standard No. 8 there is no disclosure in these financial statements of transactions with entities that are part of the Buy As You View Holdings plc Group.

16 Ultimate parent company

The directors regard Buy As You View Holdings plc, a company registered in England and Wales, as the ultimate parent company. According to the register kept by the company, Buy As You View Holdings plc had a 100% interest in the equity capital of Dunraven Finance Limited at 31 March 2002.