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# ABERDEEN PREFERRED INCOME TRUST PLC

Interim Accounts

for the period

1<sup>st</sup> March 2001

to

31<sup>st</sup> May 2001



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COMPANIES HOUSE

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25/05/01

## **Statement of Directors' Responsibilities in Respect of the Interim Accounts**

Section 272 of the Companies Act 1985 requires the Directors to prepare interim accounts for the period 1<sup>st</sup> March 2001 to 31<sup>st</sup> May 2001 for the purpose of determining the amount the Company may distribute by way of interim dividend. The interim accounts are required to give a true and fair view of the state of the Company's affairs and profit or loss for the period and to be properly prepared in terms of Section 272 of the Companies Act 1985 subject to matters which are not material for determining whether the proposed distribution would contravene the relevant requirements of the Companies Act 1985.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. 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.

**Aberdeen Preferred Income Trust PLC**  
**REVENUE ACCOUNT**  
**FOR THE PERIOD 28 FEBRUARY 2001 TO 31 MAY 2001**

	Notes	£'000
<b>Income from investments</b>		
Franked investment income		6,670
Unfranked investment income		5,827
		<u>12,497</u>
<b>Other income</b>		
Bank interest & Underwriting commission		127
		<u>12,624</u>
<b>Administrative expenses</b>		(732)
<b>Revenue before interest payable and taxation</b>		<u>11,892</u>
Interest payable and similar charges		(1,834)
<b>Revenue from ordinary activities before taxation</b>		<u>10,058</u>
Taxation	2	(1,426)
<b>Revenue from ordinary activities after taxation</b>		<u>8,632</u>
<b>Ordinary Dividends</b>		
First interim - 1.6p per share		(2,701)
Second interim - 1.6p per share		(2,701)
Third interim - 1.6p per share		(2,701)
	11	<u>529</u>
<b>Earnings per share : - Ordinary Shares</b>	3	<u><u>5.11 p</u></u>

**Aberdeen Preferred Income Trust PLC**  
**BALANCE SHEET**  
**AS AT 31 MAY 2001**

	Notes	£,000
<b>Fixed assets</b>		
Investments	4	409,932
<b>Current assets</b>		
Cash at bank		3,103
Debtors	5	17,709
		<u>20,812</u>
<b>Current liabilities</b>		
Creditors: amounts falling due within one year	6	(140,843)
		<u>(140,843)</u>
<b>Net current assets</b>		<u>(120,031)</u>
<b>Total assets less current liabilities</b>		<u>289,901</u>
<b>Creditors: amounts falling due after one year</b>	7	(181,935)
<b>Total net assets</b>		<u><u>107,966</u></u>
<b>Capital and reserves</b>		
Called up share capital	8	16,883
Share premium account	9	15,066
Other non-distributable reserves	10	74,960
Revenue reserve	11	1,057
<b>Total shareholders' funds</b>		<u><u>107,966</u></u>

Approved by the Board of Directors on 20 June 2001 and signed on its behalf by:



**Director**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 28 FEBRUARY 2001 TO 31 MAY 2001

1. Accounting policies

The accounting policies adopted by the Company in the preparation of the financial statements to 31 May 2001 are as follows:

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of fixed asset investments. The accounts have been prepared in accordance with applicable Accounting Standards, except insofar as these relate to matters which are not material for the purpose of determining the Company's distributable profits.

(b) Valuation of investments

Quoted investments are valued according to the prices issued by the London Stock Exchange being the closing mid-market price. For all investments other than FTSE 100 constituents and FTSE 100 reserve list constituents for which the last trade prices are used. Realised surpluses or deficits on the disposal of investments and permanent impairments in the value of investments are taken to capital reserve - realised, and unrealised surpluses and deficits on the valuation of investments are taken to capital reserve- unrealised as explained in note 1 (f).

(c) Income

Dividends receivable on equity shares are brought into account on the ex-dividend date. Dividends receivable on equity shares where no dividend date is quoted are brought into account when the Company's right to receive payment is established. The fixed return on a debt security is recognised on a time apportioned basis so as to reflect the effective yield on the debt security.

(d) Expenses and interest payable

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue account except as follows:

- expenses which are incidental to the acquisition of an investment are included within the cost of the investment.
- expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment.
- expenses are charged to capital reserve-realised where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management fee, debenture interest, bank loan and overdraft interest have been allocated 40% to capital reserve - realised and 60% to revenue account.

(e) Taxation

The charge for taxation is based on the net revenue for the period. Provision is made for deferred taxation, using the liability method on all material timing differences, to the extent that it is probable that a liability will crystallise. The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue on the same basis as the particular item to which it relates at 30%

(f) Capital reserve

Capital reserve - realised

The following are accounted for in this reserve :

- gains and losses on the realisation of investments;
- realised exchange differences of a capital nature;
- expenses and finance costs, together with the related taxation effect, charged to this reserve in accordance with the above policies;
- realised gains and losses on transactions undertaken to hedge an exposure of a capital nature.

Capital reserve - unrealised

The following are accounted for in this reserve :

- increases and decreases in the valuation of investments held at the period end;
- unrealised exchange differences of a capital nature;
- unrealised gains and losses on transactions undertaken to hedge an exposure of a capital nature.

2. Taxation

Corporation Tax

Tax attributable to capitalised expenses

£'000

(352)

(1,074)

(1,426)

3. Earnings per share

The earnings per Ordinary share are calculated on the net basis, on earnings of £8,632,000 and 168,834,529 shares, being the weighted average number of shares in issue at 31 May 2001.

4. Fixed asset investments

Valuation at 28 February 2001

Unrealised depreciation at 28 February 2001

Book cost at 28 February 2001

Acquisitions at cost

Disposals at cost

Book cost at 31 May 2001

Unrealised depreciation at 31 May 2001

£'000

448,952

(46,731)

495,683

77,509

(80,532)

492,660

(82,728)

Valuation at 31 May 2001

409,932

5. Debtors: amounts falling due within one year

£'000

Prepayments and accrued income	7,464
Taxation recoverable	3,379
Sales for future settlement	6,755
Other debtors	111
	<u>17,709</u>

6. Creditors: amounts falling due within one year

£'000

Bank Overdraft	0
Amounts due to subsidiary undertaking	110,365
Proposed dividends	5,402
Purchases for future settlement	21,485
Other accruals	3,591
	<u>140,843</u>

7. Creditors: amounts falling due after one year

£'000

RPI Debenture Stock 2007:		
Debenture Stock	18,396	
Premium on redemption	<u>2,343</u>	
		20,739
Euro Bank loan 2005		49,551
Bank loan 2002		51,000
Bank loan 2007		30,000
Unsecured loan 2023		18,826
Settlements due under subscription		<u>11,819</u>
		<u>181,935</u>

8. Called up share capital

£'000

Authorised Ordinary shares of 10p each

AAM to complete

Allotted, called up and fully paid :  
At 31 May 2001

168,834,529 Ordinary shares 10p each

16,883

9. Share premium account

At 29 February 2001

15,076

Debenture and finance costs

(10)

15,066

10. Reserves

	Special reserve £'000	Merger reserve £'000	Capital reserve - unrealised £'000	Capital reserve - realised £'000	Total £'000
At 29 February 2001	182,844	12,687	(46,731)	(26,999)	121,801
Gains/(losses) on fixed asset investments			(35,997)	(7,207)	(43,204)
Expenses allocated to capital				(1,577)	(1,577)
Tax allocation thereon				495	495
Net capital dividend				-	-
Transfer to share premium account				10	10
Settlements under subscription				(2,492)	(2,492)
Premium on redemption of Debenture stock				(73)	(73)
At 31 May 2001	<u>182,844</u>	<u>12,687</u>	<u>(82,728)</u>	<u>(37,843)</u>	<u>74,960</u>

11. Revenue reserve

£'000

At 28 February 2001

528

Revenue reserve

529

At 31 May 2001

1,057