

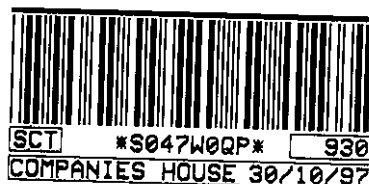
# Dunedin Capital Partners Ltd

(formerly Dunedin Ventures Limited)

## Report and Accounts

28 February 1997

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DIRECTORS' REPORT

The directors present their report and accounts for the year ended 28 February 1997.

**CHANGE OF NAME**

Dunedin Ventures Limited changed its name to Dunedin Capital Partners Limited on 7 October 1996.

**RESULTS**

The profit and loss account for the year is set out on page 5.

**REVIEW OF ACTIVITIES**

The company specialises in the management of unquoted investments. The level of business in the year was satisfactory and this is expected to continue for the foreseeable future.

**FIXED ASSETS**

The changes in fixed assets during the period are summarised in note 7.

**DIVIDEND**

The directors recommend a final ordinary dividend of £580 per share making a total dividend for the year of £3,350 (1996: £9,000) per ordinary share.

**DIRECTORS**

The directors of the company at 28 February 1997 were as follows:-

Mr S E C Miller (Chairman)  
Miss H Bagan  
Mr B Finlayson  
Mr J E Jeffrey  
Mr R Marshall

In accordance with the Articles of Association none of the directors retires by rotation.

Mr C R Thomson resigned as a director on 25 March 1996. Mr R D Muckart resigned as a director on 14 May 1996.

**DIRECTORS' INTERESTS**

No director has any direct interest in the share capital of the company.

**AUDITORS**

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board

*Gaene Murray*

Secretary  
Edinburgh

18 June 1997

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts 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 accounts 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.

**REPORT OF THE AUDITORS**

to the members of Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

We have audited the accounts on pages 5 to 10, which have been prepared under the historical cost convention on the basis of the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

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

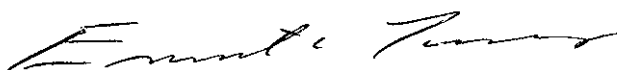
**Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 28 February 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants  
Registered Auditor  
Edinburgh

18 June 1997

# Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

## PROFIT AND LOSS ACCOUNT for the year ended 28 February 1997

	<i>Notes</i>	<i>1997</i> £	<i>1996</i> £
<b>TURNOVER</b>	1	1,363,830	1,387,921
Less: Administrative expenses		1,068,012	872,379
<b>OPERATING PROFIT</b>	2	295,818	515,542
Gain on disposal of investments		31,482	-
Interest receivable		39,171	85,843
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		366,471	601,385
Tax on profit on ordinary activities	5	136,084	198,457
<b>PROFIT FOR THE FINANCIAL YEAR</b>		230,387	402,928
Dividend on equity shares	6	335,000	900,000
<b>LOSS RETAINED FOR THE FINANCIAL YEAR</b>		(104,613)	(497,072)
<b>RETAINED PROFITS AT 1 MARCH 1996</b>		277,621	774,693
Loss for the financial year		(104,613)	(497,072)
<b>RETAINED PROFITS AT 28 FEBRUARY 1997</b>		173,008	277,621

All gains and losses arising during the year have been recognised in the profit and loss account and derive from continuing operations of the company.

# Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

## BALANCE SHEET at 28 February 1997

	Notes	1997 £	1996 £
<b>FIXED ASSETS</b>			
Tangible assets	7	55,715	-
Unlisted investments		19,384	15,075
		<u>75,099</u>	<u>15,075</u>
<b>CURRENT ASSETS</b>			
Debtors	8	119,069	711,923
Cash at bank and in hand		973,438	-
		<u>1,092,507</u>	<u>711,923</u>
<b>CREDITORS: amounts falling due within one year</b>	9	991,737	449,277
<b>NET CURRENT ASSETS</b>		<u>100,770</u>	<u>262,646</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>175,869</u>	<u>277,721</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	10	2,761	-
		<u>173,108</u>	<u>277,721</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	100	100
Profit and loss account		173,008	277,621
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>173,108</u>	<u>277,721</u>

Approved by the board on 18th June 1997

*[Signature]*

Director

# Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

## NOTES TO THE ACCOUNTS

at 28 February 1997

### 1. ACCOUNTING POLICIES

#### *Basis of preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards and statements of recommended practice.

#### *Taxation*

The charge for taxation takes into account the timing differences in the accounting and taxation treatment of certain items to the extent that they are expected to reverse in the future.

Deferred taxation is provided on the liability method and takes into account recoverable Advance Corporation Tax.

#### *Turnover*

Turnover represents fee income for investment management services all of which derives from continuing operations arising in the United Kingdom.

#### *Depreciation*

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life as follows:

Leasehold improvements	-	over 10 years
Fixtures and fittings	-	over 5 years
Computer equipment	-	over 2 years

### 2. OPERATING PROFIT

This is stated after charging:-

	1997 £	1996 £
Management charge payable to Edinburgh Fund Managers (former ultimate parent undertaking)	259,511	857,633
Auditors' remuneration - audit services	3,300	-
- non audit services	7,190	-
Depreciation of owned assets	1,851	-
	<u>262,752</u>	<u>857,633</u>

### 3. STAFF COSTS

	1997 £	1996 £
Wages and salaries	554,790	-
Social security costs	51,163	-
Other pension costs	52,753	-
	<u>658,706</u>	<u>-</u>

The average weekly number of employees during the period was made up as follows:

	1997 No.	1996 No.
Administration	8	-
	<u>8</u>	<u>-</u>

During 1996 the management charge from Dunedin Fund Managers, the former parent undertaking, included the company's share of staff costs.

# Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

## NOTES TO THE ACCOUNTS at 28 February 1997

### 4. DIRECTORS' REMUNERATION

	1997 £	1996 £
Fees	-	-
Other emoluments (including pension contributions)	496,393	396,786
	<u>496,393</u>	<u>396,786</u>

The emoluments (excluding pension contributions) of the directors fell within the following ranges:

	1997 No.	1996 No.
£ 5,001 - £ 10,000	-	1
£ 35,001 - £ 40,000	-	1
£ 70,000 - £ 75,000	-	1
£ 75,001 - £ 80,000	2	1
£ 80,000 - £ 85,000	-	1
£ 85,001 - £ 90,000	1	-
£ 95,001 - £ 100,000	-	1
£ 100,001 - £ 105,000	1	-
£ 105,001 - £ 110,000	1	-

The emoluments excluding pension contributions, of the chairman were £87,687 (1996:£82,250). The emoluments, excluding pension contributions, of the highest paid director were £109,321 (1996: £95,735).

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is made up as follows:

	1997 £	1996 £
Based on the profit for year:		
Corporation tax	118,352	198,457
Group relief receivable	14,971	-
Deferred taxation (note 10)	2,761	-
	<u>136,084</u>	<u>198,457</u>

### 6. DIVIDEND

	1997 £	1996 £
Ordinary final dividend paid of £580 per share - proposed	58,000	-
Ordinary interim dividend paid of £2,770 per share - paid	277,000	900,000
	<u>335,000</u>	<u>900,000</u>

# Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

## NOTES TO THE ACCOUNTS at 28 February 1997

### 7. TANGIBLE FIXED ASSETS

	<i>Leasehold improvements</i> £	<i>Fixtures and fittings</i> £	<i>Computer equipment</i> £	<i>Total</i> £
Cost or valuation:				
At 1 March 1996	-	-	-	-
Additions	46,884	10,383	299	57,566
At 28 February 1997	46,884	10,383	299	57,566
Depreciation:				
At 1 March 1996	-	-	-	-
Provided during the year	1,160	666	25	1,851
At 28 February 1997	1,160	666	25	1,851
Net book value at 28 February 1997	45,724	9,717	274	55,715
Net book value at 1 March 1996	-	-	-	-

### 8. DEBTORS

	<i>1997</i> £	<i>1996</i> £
Due from former parent company	-	684,558
Trade debtors	6,148	17,183
Other Debtors	69,250	-
Prepayments and accrued income	43,671	10,182
	119,069	711,923

### 9. CREDITORS

	<i>1997</i> £	<i>1996</i> £
Trade creditors	16,419	9,168
Due to ultimate parent undertaking	167,087	-
Due to former parent undertaking	-	51,433
Corporation tax	112,825	198,457
Other taxes and social security costs	168,496	-
Accruals & deferred income	293,910	190,219
Proposed dividend	58,000	-
Subordinated loan from parent undertaking	175,000	-
	991,737	449,277

# Dunedin Capital Partners Limited (formerly Dunedin Ventures Limited)

## NOTES TO THE ACCOUNTS

at 28 February 1997

### 10. PROVISIONS FOR LIABILITIES AND CHARGES

The movement in deferred taxation during the current period is as follows:

	1997
	£
At 1 March 1996	-
Charge for the year (note 5)	2,761
	<u>2,761</u>

Deferred taxation provided in the accounts is as follows:

	<i>Provided</i>
	£
Capital allowances in advance of depreciation	2,761

### 11. CALLED UP SHARE CAPITAL

	1997	1996
	£	£
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 12. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	1997	1996
	£	£
At 1 March 1996	277,721	774,793
Loss for the year	(104,613)	(497,072)
	<u>173,108</u>	<u>277,721</u>

### 13. OTHER FINANCIAL COMMITMENTS

At 28 February the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and</i>		<i>Land and</i>	
	<i>Buildings</i>	<i>Other</i>	<i>Buildings</i>	<i>Other</i>
	1997	1997	1996	1996
Operating leases which expire:				
in two to five years	-	-	-	-
in over five years	10,208	-	-	-
	<u>10,208</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 14. PARENT UNDERTAKINGS

The parent undertaking in whose accounts the company is consolidated is DVL Holdings Limited, registered in Scotland. Copies of DVL Holdings Limited's accounts can be obtained from Napier House, 27 Thistle Street, Edinburgh, EH2 1BT.