

**DUNEDIN INDEPENDENT LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

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**Lyon Windram Crolla**  
**Accountants**  
**18 Greenside Lane**  
**Edinburgh**  
**EH1 3AH**

**DUNEDIN INDEPENDENT LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

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**DUNEDIN INDEPENDENT LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:** M A Emlick  
Y Irvine  
R Warrender  
G Barnett

**SECRETARY:** M A Emlick

**REGISTERED  
OFFICE:** 40-42 Charlotte Square  
Edinburgh  
EH3 7EG

**AUDITORS:** Lyon Windram Crolla  
18 Greenside Lane  
Edinburgh  
EH1 3AH

**BANKERS:** Clydesdale Bank Plc  
Business Banking Centre  
Cairngorm House  
Almondvale Boulevard  
Livingston  
EH54 6QL

**SOLICITORS:** Archibald, Campbell & Harley  
37 Queen Street  
Edinburgh  
EH2 1JX

**COMPANY  
NUMBER:** SC155032

# DUNEDIN INDEPENDENT LIMITED

## DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 May 2000.

### 1 ACTIVITIES

The company's principal activity during the year was the provision of insurance related services.

### 2 RESULTS, DEVELOPMENTS AND FUTURE PROSPECTS

The profit for the year after taxation amounted to £180,856 (1999 - £216,846). The directors do not recommend payment of a dividend (1999 - £Nil) and recommend that the sum of £180,856 be transferred to reserves. The directors are satisfied with the results for the year and will continue to seek appropriate trading opportunities.

### 3 DIRECTORS

The present membership of the board is set out on page 1. The directors who served during the year and their interests as defined by the Companies Act in the share capital of the company were as follows:

	Ordinary shares of £1 each	
	31 May 2000	31 May 1999
J L Dempster	875	875
M A Emlick	1,375	1,375
Y Irvine	250	250
R Warrender	-	-
G Barnet	-	-
	=====	=====

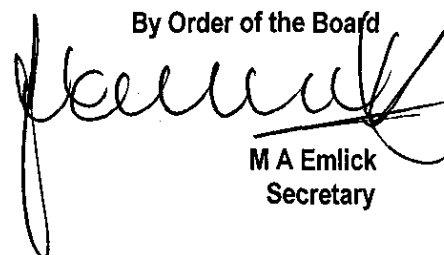
On 1 June 1999 R Warrender and G Barnet were appointed as directors of the company.

On 31 August 2000, J L Dempster resigned as a director and his shares were acquired by the company for nil consideration. His shareholding represented 35% of the allotted share capital of the company.

### 4 AUDITORS

A resolution to re-appoint Lyon Windram Crolla will be proposed at the Annual General Meeting.

26 February 2001

By Order of the Board  
  
M A Emlick  
Secretary

**DUNEDIN INDEPENDENT LIMITED**

**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 financial statements, the directors are required to:-

select suitable accounting policies and then apply them consistently;

make judgements and 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 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.



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**AUDITORS' REPORT TO THE SHAREHOLDERS  
OF  
DUNEDIN INDEPENDENT LIMITED**

We have audited the financial statements set out on pages 5 to 13 which have been prepared under the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

*As described on page 3 the company's directors are responsible for the preparation of 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 as at 31 May 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

26 February 2001

*lyon windram crolla*  
Registered Auditors

**DUNEDIN INDEPENDENT LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MAY 2000**

	Note	£	1999 £
<b>TURNOVER</b>	<b>2</b>	2,026,768	1,407,413
Cost of sales		558,428	264,625
<b>GROSS PROFIT</b>		1,468,340	1,142,788
Administrative expenses		1,215,990	863,553
<b>OPERATING PROFIT</b>		252,350	279,235
Interest receivable and similar income	<b>4</b>	5,303	4,744
Interest payable and similar charges	<b>5</b>	-	133
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>6</b>	257,653	283,846
Tax on profit on ordinary activities	<b>7</b>	76,797	67,000
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		180,856	216,846

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses in 2000 or 1999 other than those included in the profit and loss account


**DUNEDIN INDEPENDENT LIMITED**

**BALANCE SHEET**

**AT 31 MAY 2000**

	Note	£	£	1999 £
<b>FIXED ASSETS</b>				
Tangible assets	8		106,331	83,230
<b>CURRENT ASSETS</b>				
Debtors	9	227,661		240,911
Investments	10	70,757		8,600
Cash at bank and in hand		383,199		271,772
		<hr/>		<hr/>
		681,617		521,283
<b>CREDITORS: Amounts falling due within one year</b>				
	11	274,699		272,120
		<hr/>		<hr/>
<b>NET CURRENT ASSETS</b>			406,918	249,163
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<hr/>	<hr/>
			513,249	332,393
			=====	=====
<b>CAPITAL AND RESERVES</b>				
Called up share capital	12		2,500	2,500
Profit and loss account	13		510,749	329,893
			<hr/>	<hr/>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	14		513,249	332,393
			=====	=====

These financial statements were approved by the Directors on 26 February 2001 and signed on their behalf by:-

  
M A Emlick  
Director

  
Y S Irvine  
Director



**DUNEDIN INDEPENDENT LIMITED**

**CASH FLOW STATEMENT**

**YEAR ENDED 31 MAY 2000**

	<b>Note</b>	<b>£</b>	<b>1999 £</b>
<b>Net cash inflow from operating activities</b>	<b>15</b>	255,898	223,598
<b>Returns on investments and servicing of finance</b>	<b>16</b>	5,303	4,611
<b>Taxation</b>		(30,000)	(57,471)
<b>Capital expenditure and financial investment</b>	<b>16</b>	(119,774)	(65,073)
Cash inflow before financing		111,427	105,665
<b>Equity dividends paid</b>		-	-
		111,427	105,665
<b>Financing</b>	<b>16</b>	-	-
<b>INCREASE IN CASH IN YEAR</b>	<b>17</b>	111,427	105,665
<b>Reconciliation of net cash flow to movement in net debt</b>			
Increase in cash in the year		111,427	105,665
Net funds at 1 June 1999		271,772	166,107
Net funds at 31 May 2000		383,199	271,772

**DUNEDIN INDEPENDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

**1 ACCOUNTING POLICIES**

**a) Accounting Convention**

The financial statements have been prepared under the historical cost convention.

**b) Tangible Fixed Assets and Depreciation**

Depreciation is provided on a straight line basis, at rates calculated to write off the cost less any estimated residual value, of each asset over its expected useful life as follows:

Office equipment	25% per annum straight line
Fixtures and fittings	20% per annum straight line

**c) Operating Leases**

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the lease.

**d) Deferred Taxation**

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

**e) Turnover**

Turnover represents commission earned during the year. Renewal commission is credited to the profit and loss account on receipt.

**f) Pension costs are charged to the profit and loss account as they become payable in accordance with the rules of the pension scheme.**

**2 TURNOVER**

Turnover arises wholly from the principal activity of the company from within the United Kingdom.

**DUNEDIN INDEPENDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

**3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	£	1999 £
<b>Staff costs (including directors)</b>		
Wages and salaries	636,367	433,560
Social security costs	61,062	39,557
Pension contributions	-	54,168
	-----	-----
	697,429	527,285
	=====	=====
	<b>No.</b>	<b>No.</b>
Average number of persons employed		
Administration	26	24
	=====	=====
 <b>Directors' Remuneration</b>	 <b>£</b>	 <b>£</b>
Emoluments	180,216	133,833
Pension Contributions	-	54,168
	-----	-----
	180,216	188,001
	=====	=====

The directors did not accrue any retirement benefits under the defined contributions scheme (1999: £54,168).

**4 INTEREST RECEIVABLE AND SIMILAR INCOME**

	£	£
Interest on bank deposits	5,303	4,744
	=====	=====

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	£	£
Bank interest	-	133
	=====	=====

**DUNEDIN INDEPENDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

**6 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	£	1999 £
<b>Profit on ordinary activities before taxation is after charging:</b>		
Depreciation on owned assets	34,516	24,573
Auditors remuneration	3,525	3,525
Hire of equipment	19,894	7,794
	=====	=====

**7 TAX ON PROFIT ON ORDINARY ACTIVITIES**

	£	£
Based on profit for the year:-		
Corporation tax at 20% (21%)	75,000	75,000
Under / (over) provision in respect of prior period	1,797	(8,000)
	-----	-----
	76,797	67,000
	=====	=====

The tax charge is disproportionate to the level of profit in the year due to the incidence of expenses disallowable for tax purposes.

**8 TANGIBLE FIXED ASSETS**

	Office Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 June 1999	57,137	78,479	135,616
Additions	26,080	31,537	57,617
Disposals	-	-	-
	-----	-----	-----
At 31 May 2000	83,217	110,016	193,233
	-----	-----	-----
<b>Depreciation</b>			
At 1 June 1999	25,132	27,254	52,386
Charge for the year	15,916	18,600	34,516
Eliminated on disposal	-	-	-
	-----	-----	-----
At 31 May 2000	41,048	45,854	86,902
	-----	-----	-----
<b>Net book value</b>			
At 31 May 1999	32,005	51,225	83,230
	=====	=====	=====
At 31 May 2000	42,169	64,162	106,331
	=====	=====	=====

**DUNEDIN INDEPENDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

**9 DEBTORS**

	£	1999 £
Accrued income	193,238	170,876
Prepayments	1,469	3,000
Directors loan	30,649	52,730
Other debtors	2,305	14,305
	-----	-----
	227,661	240,911
	=====	=====

The directors' loans are interest free and have no fixed repayment terms. During the year Mark Emlick, one of the directors, borrowed up to £134,508 from the company and made repayments in the year. The balance on his loan account at the year end was £30,649 due to the company. .

**10 INVESTMENTS**

	£	£
Cost at 1 June 1999	8,600	-
Additions in the year at cost	62,157	8,600
	-----	-----
Cost at 31 May 2000	70,757	8,600
	=====	=====

The investments are quoted on a recognised stock exchange. As at the date of signing, the aggregate value of shares is greater than cost.

**11 CREDITORS: Amounts falling due within one year**

	£	£
Trade creditors	45,441	19,609
Accruals	83,310	157,444
Corporation tax	121,797	75,000
Other taxation and social security	21,644	12,447
Directors' loans	2,507	7,620
	-----	-----
	274,699	272,120
	=====	=====

Yuill Irvine, one of the directors, borrowed up to £49,511 from the company. The balance on his loan account at the year end was £489 in credit. John Laurie Dempster, one of the directors, borrowed up to £7,981 from the company. The balance on his loan account at the year end was £2,018 in credit.

**DUNEDIN INDEPENDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

**12 CALLED UP SHARE CAPITAL**

	£	1999 £
<b>Authorised</b>		
100,000 ordinary shares of £1 each	100,000	100,000
	=====	=====
<b>Allotted and Fully Paid</b>		
2,500 ordinary shares of £1 each	2,500	2,500
	=====	=====

**13 RESERVES**

	£	£
<b>Profit and loss account</b>		
Balance at 1 June 1999	329,893	113,047
Profit for the financial year	180,856	216,846
	-----	-----
Balance at 31 May 2000	510,749	329,893
	=====	=====

**14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	£	£
Profit for the financial year	180,856	216,846
	-----	-----
	180,856	216,846
Opening shareholders' funds	332,393	115,547
	-----	-----
Closing shareholders' funds	513,249	332,393
	=====	=====

**15 RECONCILIATION OF OPERATING PROFIT TO OPERATING ACTIVITIES**

	£	£
Operating profit	252,350	279,235
Depreciation charge	34,516	24,573
Decrease/(increase) in debtors	13,250	(83,715)
(Decrease)/increase in creditors	(44,218)	3,505
	-----	-----
Net cash inflow from operating activities	255,898	223,598
	=====	=====

**DUNEDIN INDEPENDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MAY 2000**

**16 ANALYSIS OF CASH FLOWS**

	£	1999 £
<b>Returns on investments and servicing of finance</b>		
Interest received	5,303	4,744
Interest paid	-	(133)
	-----	-----
Net cash flow from returns on investments and servicing of finance	5,303	4,611
	=====	=====
<b>Capital expenditure and financial investments</b>		
Purchase of tangible fixed assets	(57,617)	(56,473)
Purchase of investments	(62,157)	(8,600)
	-----	-----
Net cash flow for capital expenditure and financial Investments	(119,774)	(65,073)
	=====	=====
<b>Financing</b>	-	-
	=====	=====

**17 ANALYSIS OF NET FUNDS**

	At 1 June 1999 £	Cash inflow £	At 31 May 2000 £
Cash at bank and in hand	271,772	111,427	383,199
	=====	=====	=====