

Registered number SC269598

**Chameleon Trust plc**  
**Unaudited interim accounts**  
**Year ended 31 May 2008**

*(prepared for the purposes of Section 838 of the Companies Act 2006)*



**Chameleon Trust plc**  
**Income Statement**  
**Year ended 31 May 2008**

	Notes	Revenue return £'000	Capital return £'000	Total £'000
Losses from investments held at fair value through profit or loss			(3,616)	(3,616)
Investment income		392		392
Other operating income		29	1	30
<b>Gross revenue and capital losses</b>		<u>421</u>	<u>(3,615)</u>	<u>(3,194)</u>
Management fees		(46)	(92)	(138)
Other administrative expenses		(184)		(184)
<b>Net return/(loss) on ordinary activities before finance costs and taxation</b>		<u>191</u>	<u>(3,707)</u>	<u>(3,516)</u>
Finance costs				
<b>Net return/(loss) on ordinary activities before taxation</b>		<u>191</u>	<u>(3,707)</u>	<u>(3,516)</u>
Taxation on net return on ordinary activities				
<b>Net return/(loss) on ordinary activities after taxation</b>		<u>191</u>	<u>(3,707)</u>	<u>(3,516)</u>
<b>Return/(loss) per share</b>	2	1 46p	(28 36)p	(26 89)p

The total column of this statement represents the profit and loss of the Company

All items in the above statement derive from continuing operations

The Company has no recognised gains or losses other than those disclosed in the income statement

**Chameleon Trust plc**  
**Reconciliation of Movements in Shareholders' Funds**  
**Year ended 31 May 2008**

	Share capital £ 000	Share premium account £ 000	Capital redemption reserve £ 000	Capital reserves £'000	Revenue reserve £ 000	Distributable reserve £ 000	Total £ 000
At 31 May 2007	131	3 936	11	3 893	42	9 025	17 038
Net (loss)/return for the period	-	-	-	(3 707)	191	-	(3 516)
Repurchase of shares	-	-	-	-	-	(615)	(615)
Expenses of repurchases	-	-	-	-	-	(5)	(5)
Dividends paid (note 6)	-	-	-	-	(43)	-	(43)
At 31 May 2008	131	3 936	11	186	190	8 405	12 859

**Chameleon Trust plc**  
**Balance Sheet**  
**as at 31 May 2008**

	Notes	£'000
<b>Fixed assets</b>		
Investments held at fair value through profit or loss	3	<u>11,547</u>
<b>Current assets</b>		
Debtors	4	110
Cash at bank		<u>1,282</u>
		1,392
<b>Creditors</b> amounts falling due within one year	5	<u>(81)</u>
<b>Net current liabilities</b>		1,311
<b>Total net assets</b>		<u><u>12,858</u></u>
<b>Capital and reserves</b>		
Called up share capital		131
Share premium account		3,936
Capital redemption reserve		11
Capital reserves		185
Revenue reserve		190
Distributable reserve		8,405
<b>Equity shareholders' funds</b>		<u><u>12,858</u></u>

The unaudited interim accounts were approved by the Directors on 18 August 2008 and signed on their behalf by

  
Andrew Mickel  
**Director**

## 1 Accounting Policies

### (a) Basis of preparation

For the accounting period beginning on 1 June 2006 the Company had the option to prepare its Financial Statements in accordance with International Financial Reporting Standards ('IFRS'), as adopted by the International Accounting standards Board ('IASB'). The Board has elected to continue to adopt UK Generally Accepted Accounting Principles ('UK GAAP') and therefore adopt the new Financial Reporting Standards issued as part of the programme to converge UK GAAP with IFRS

The accounts have been prepared under the historical cost convention, as modified to include the revaluation of investments in accordance with the the Companies Act 1985, applicable Accounting Standards and with the Statement of Recommended Practice for "Financial Statements of Investment Trust Companies" issued by the Association of Investment Companies revised December 2005 (The revised SORP)

### (b) Income

Income from equity shares is brought into the Revenue Return of the Income Statement on the ex-dividend date. Where no ex-dividend date is available, dividends receivable on or before the year end are treated as revenue for the year. Provision is made for any dividends not expected to be received. The fixed returns on debt securities and non-equity shares are recognised on a time apportionment basis so as to reflect the effective yield on the debt securities and shares. Provision is made for any fixed income not expected to be received. Interest receivable from cash and deposits and interest payable are accrued to the end of the year.

### (c) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged to the Revenue Return of the Income Statement 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 realised capital reserves where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this the management fee has been allocated 1/3 to revenue and 2/3 to realised capital reserves to reflect the Company's investment policy and prospective income and capital growth.

### (d) Taxation

Deferred taxation 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 right to pay less tax in the future have occurred at the Balance Sheet date. Deferred tax is not provided on permanent differences. Deferred tax assets are only recognised to the extent that it is considered more likely than not that there will be future taxable profits from which the future reversal of underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements which are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the Balance Sheet date.

### (e) Valuation of Investments

Listed Investments have been designated by the Board as held at fair value through the profit or loss and accordingly are valued at fair value deemed to be bid market prices for quoted investments.

Changes in the fair value of investments held at fair value through the profit or loss and gains and losses on disposal are recognised in the Income Statement as "Gains or losses on investments held at fair value through profit or loss". Also included within this caption are transaction costs in relation to the purchase or sale of investments including the difference between the purchase price of an investment and the bid price at the date of purchase. All purchases and sales are accounted for on a trade date basis.

## 2 Return per share

The returns per share is based on 13,073,115 weighted average number of ordinary shares.

## 3 Investments held at fair value through profit or loss

	£'000
Valuation at start of year	16,851
Unrealised appreciation	(27)
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Book cost at start of year	16,824
Acquisitions at cost	13,584
Disposals at cost	(15,270)
Realised losses	(1,629)
SORP amortisation	(1)
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Book cost at 31 May 2008	13,508
Unrealised depreciation at 31 May 2008	(1,961)
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Valuation at 31 May 2008	11,547

## 4 Debtors

Prepayments and accrued income	110
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	110

## 5 Creditors amounts falling due within one year

Accruals	(81)
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	(81)

## 6 Dividends

The dividends of £43,000 paid were regarded for Section 842 of the Income and Corporation Taxes Act 1988 as payable in the year ended 31 May 2007. No further distribution has been made from the fund at this time.

The proposed dividend for the year ended 31 May 2008 is 1.10p per ordinary share, to be paid on 22 September 2008 to all members on the Register at close of business on 29 August 2008.