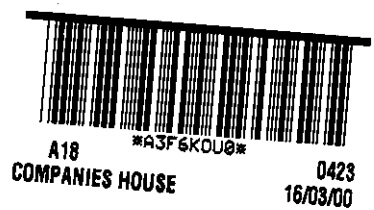


AIM DISTRIBUTION TRUST PLC

INTERIM ACCOUNTS

1 APRIL 1999 TO 18 FEBRUARY 2000

COMPANY NUMBER 3150868



AIM DISTRIBUTION TRUST PLC

STATEMENT OF TOTAL RETURN
(incorporating the revenue account)

	Notes	PERIOD ENDED 18 FEBRUARY 2000			YEAR ENDED 31 MARCH 1999		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Gains/(losses) on investments	10	-	17,316,427	17,316,427	-	(2,258,591)	(2,258,591)
Income	2	638,452	-	638,452	928,381	-	928,381
Investment management fees	3	(70,628)	(1,080,636)	(1,151,264)	(69,646)	(208,943)	(278,589)
Other expenses	4	(105,589)	(26,135)	(131,724)	(100,570)	-	(100,570)
Return on ordinary activities before finance costs and taxation		462,235	16,209,656	16,671,891	758,165	(2,467,534)	(1,709,369)
Interest payable and similar charges	6	(135)	-	(135)	-	-	-
Return on ordinary activities before taxation		462,100	16,209,656	16,671,756	758,165	(2,467,534)	(1,709,369)
Taxation on ordinary activities	7	(55,939)	18,749	(37,190)	(145,968)	(21,300)	(167,268)
Return attributable to equity shareholders		406,161	16,228,405	16,634,566	612,197	(2,488,834)	(1,876,637)
Dividends in respect of equity shares	8	(268,859)	-	(268,859)	(604,934)	-	(604,934)
Transfer to/(from) reserves		137,302	16,228,405	16,365,707	7,263	(2,488,834)	(2,481,571)
		Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence
Return per ordinary share	9	2.42	96.58	99.00	3.64	(14.79)	(11.15)

The notes on pages 4 to 8 form part of these accounts.

The revenue column of this statement is the revenue account of the Company.
All revenue and capital items in the above statement derive from continuing operations.

The accounts have been prepared using the accounting standards and policies adopted at the year end.

AIM DISTRIBUTION TRUST PLC

BALANCE SHEET

	Notes	AS AT 18 FEBRUARY 2000 £	AS AT 31 MARCH 1999 £
Fixed assets			
Investments	10	30,666,494	17,560,673
Current assets			
Debtors	12	782,691	485,959
Cash at bank	13	4,744,408	1,083,627
		<u>5,527,099</u>	<u>1,569,586</u>
Creditors - amounts falling due within one year			
Creditors	14	1,244,226	244,132
Dividends		-	302,467
Capital dividend		3,360,739	-
		<u>4,604,965</u>	<u>546,599</u>
Net current assets		<u>922,134</u>	<u>1,022,987</u>
Total assets less current liabilities		<u>31,588,628</u>	<u>18,583,660</u>


Capital and reserves

Called up share capital	18	4,200,924	4,200,924
Share premium account	18	-	12,476,013
Special reserve	18	12,453,568	-
Capital reserve - realised	18	1,661,660	874,599
Capital reserve - unrealised	18	13,053,464	950,414
Capital redemption reserve	18	-	-
Revenue reserve	18	219,012	81,710
Equity shareholders' funds		<u>31,588,628</u>	<u>18,583,660</u>
Net Asset Value per Ordinary share	19	187.99p	110.59p

The notes on pages 4 to 8 form part of these accounts.

The above financial information for the period ended 18 February 2000 does not constitute statutory financial statements as defined in Section 240 of the Companies Act 1985. The statutory accounts for the year to 31 March 1999, which contained an unqualified auditors report, have been lodged with the Registrar of Companies and did not contain a statement required under Section 237(2) or (3) of the Companies Act 1985.

These accounts were approved by the Board of Directors on 3 March 2000 and were signed on its behalf by: -


..... RFC Zamboni (Chairman)

AIM DISTRIBUTION TRUST PLC

PERIOD ENDED
18 FEBRUARY 2000YEAR ENDED
31 MARCH 1999

STATEMENT OF CASH FLOWS

	Notes	£	£
Operating activities			
Investment income received		661,125	685,926
Bank deposit interest received		64,793	159,506
Underwriting commission received		-	-
Investment management fees paid, allocated to revenue		(44,840)	(57,087)
Expenses paid, allocated to revenue		(100,234)	(86,570)
Net cash inflow from operating activities	20	<u>580,844</u>	<u>701,775</u>
Servicing of finance			
Interest paid		(135)	-
Net cash outflow from servicing of finance		<u>(135)</u>	<u>-</u>
Taxation			
Income tax paid		(69,055)	(20,769)
Total taxation paid		<u>(69,055)</u>	<u>(20,769)</u>
Capital expenditure and financial investment			
Purchases of investments		(5,914,120)	(7,576,261)
Disposal of investments		9,775,220	7,039,447
Expenses allocated to capital		(140,647)	(211,065)
Net cash inflow/(outflow) from investing activities		<u>3,720,453</u>	<u>(747,879)</u>
Equity dividends paid		<u>(571,326)</u>	<u>(604,876)</u>
Net cash inflow/(outflow) before financing		<u>3,660,781</u>	<u>(671,749)</u>
Financing			
Issue of ordinary shares		-	101,998
Repurchase of ordinary shares		-	(78,039)
Expenses of share issue		-	(5,088)
		<u>-</u>	<u>18,871</u>
Net cash inflow/(outflow) after financing	21	<u>3,660,781</u>	<u>(652,878)</u>
Increase/(decrease) in cash		<u>3,660,781</u>	<u>(652,878)</u>

The notes on pages 4 to 8 form part of these accounts.

AIM DISTRIBUTION TRUST PLC

1. NOTES TO THE ACCOUNTS
at 18 FEBRUARY 2000

Accounting Policies

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed assets at Directors' valuation and in accordance with applicable Accounting Standards in the United Kingdom and in accordance with the Statement of Recommended Practice for Financial statements of Investment Trust Companies.

The principal accounting policies, all of which have been applied consistently throughout the period, are set out below.

(a) True and Fair Override

The Company ceased to be an investment company within the meaning of s266 of the Companies Act 1985 on 25th February 2000.

However, it remains a venture capital trust for taxation purposes under s842AA of the Income and Corporation Taxes Act 1988.

As such, the Directors consider it appropriate to continue to present the accounts in accordance with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" ("the SORP").

Under SORP, the financial performance of the Company is presented in a statement of total return in which the revenue column is the profit and loss account of the Company. The revenue column excludes certain capital items which, since the Company is no longer an investment company, the Companies Act and/or FRS3 would ordinarily require to be included in the profit and loss account: profits and losses on disposal of investments, calculated by reference to their previous carrying amount, of £17,316,427 (1999: Losses £ 2,258,591); management fees and expenses charged to capital £1,106,771 (1999: £ 208,943) less tax relief thereon of £18,749 (1999: charge £ 21,300). In the opinion of the Directors the inclusion of these items in the profit and loss account would obscure and distort both the revenue and capital performance of the Company, and would not show clearly the revenue profits emerging to be distributable by way of dividend. The Directors therefore consider that these departures from the law and accounting standards are necessary to give a true and fair view. The departures have no effect on total return or on the balance sheet.

(b) Investments

Investments are treated as fixed assets and are shown in the balance sheet at Directors' valuation. Listed investments, including those traded on the Alternative Investment Market ('AIM'), are valued at mid market price at the balance sheet date. The Directors are conscious of the fact that because shares are traded on AIM this does not guarantee their liquidity. The nature of AIM investments is such that the prices can be volatile and realisation may not achieve current book value especially when such sale represents a significant proportion of that Company's market capital. Nevertheless on the grounds that the investments are not intended for immediate realisation they regard mid market price as the most objective and appropriate method of valuation.

Unlisted fixed interest securities are at Director's valuation based on the assumption that they will be held to maturity. To the extent that such securities are purchased at a premium to nominal value, the premium is transferred from capital to revenue over the remaining life of the security in such a way as to maintain a consistent return for the Trust over the period the securities are held. If there is no fixed period of investment for a security no adjustment is made in respect of any premium paid.

Realised surpluses or deficits on the disposal of investments are taken to capital reserve - realised, and unrealised surpluses and deficits on the revaluation of investments are taken to capital reserve - unrealised.

(c) Revenue

Dividends receivable on quoted equity shares and undated non - equity shares are brought into account on the ex-dividend date.

Fixed returns on non - equity shares are recognised on a time apportionment basis so as to reflect the effective yield on the shares.

Fixed return on fixed interest securities is recognised on a time apportionment basis from the date of purchase so as to reflect the effective yield on the securities.

(d) Expenses

All expenses are accounted for on an accruals basis and are charged through the revenue account except the management fees which is allocated between capital and revenue account on the basis of 75% to capital and 25% to revenue.

The capital dividend incentive fee is all charged to Capital.

2. INCOME

	PERIOD ENDED 18 FEBRUARY 2000 £	YEAR ENDED 31 MARCH 1999 £
Income from investments		
Dividends	368,358	593,252
Interest	182,354	187,499
	<u>550,712</u>	<u>780,751</u>
Other income		
Deposit interest	87,740	147,630
Underwriting commission	-	-
	<u>87,740</u>	<u>147,630</u>
Total income	<u>638,452</u>	<u>928,381</u>

AIM DISTRIBUTION TRUST PLC
NOTES TO THE ACCOUNTS
at 18 FEBRUARY 2000

3. INVESTMENT MANAGEMENT FEE

	PERIOD ENDED 18 FEBRUARY 2000			YEAR ENDED 31 MARCH 1999		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Annual management fee	6,010	18,029	24,039	6,633	19,901	26,534
Management incentive fee	64,618	193,856	258,474	63,013	189,042	252,055
Capital dividend incentive fee	-	868,751	868,751	-	-	-
	70,628	1,080,636	1,151,264	69,646	208,943	278,589

The Company's investments are managed by Johnson Fry AIM VCT Managers Limited of which the Company owns 2 'A' ordinary shares representing all of that class of shares and 2% of the total share capital. Consolidated accounts have not been prepared as the amounts involved are immaterial.

The manager is appointed for at least five years from 23 February 1996. The agreement appointing the manager can only be terminated after 23 February 2001 and only by either the Company or the manager giving 12 months' notice.

The management fee is set at £25,000 per annum subject to annual increases in line with the Retail Price Index and subject to a reduction of £5,000 per annum where subscription for Ordinary shares is, in aggregate, less than £10 million.

In addition there was a management incentive fee equal to one third of the dividend plus related tax credit where applicable until September 1999. From October 1999, the Manager is paid an annual management fee of 1.5% of gross assets less current liabilities, calculated quarterly in arrears. In addition, the Manager is paid an incentive fee of 25% of any cash distributions (excluding any associated tax credits) on an annual basis, on amounts of cash distributions above 4.5p per share per annum.

4. OTHER EXPENSES

	PERIOD ENDED 18 FEBRUARY 2000			YEAR ENDED 31 MARCH 1999		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Auditors remuneration (including irrecoverable VAT) for:						
audit	12,541	-	12,541	11,579	-	11,579
other services to the Company	9,860	-	9,860	-	-	-
Directors' emoluments (note 5)	51,133	-	51,133	48,250	-	48,250
Registrar fees	8,218	-	8,218	8,924	-	8,924
Other expenses	23,837	26,135	49,972	31,817	-	31,817
	105,589	26,135	131,724	100,570	-	100,570

5. DIRECTORS' EMOLUMENTS

	PERIOD ENDED 18 FEBRUARY 2000				YEAR ENDED 31 MARCH 1999	
	Fees £	Irrecoverable VAT £	Employers' NI £	Total £	Total £	
RFC Zamboni (Chairman)	13,275	-	1,100	14,375	13,750	
Sir Aubrey Brocklebank	10,620	1,859	-	12,479	11,750	
SA Goldsmith	10,620	-	1,180	11,800	11,000	
CC Powell	10,620	1,859	-	12,479	11,750	
	45,135	3,718	2,280	51,133	48,250	

The fees in respect of Sir Aubrey Brocklebank and Mr CC Powell were paid to third parties.

The remuneration of the highest paid Director was £14,375

No other emoluments or pension contributions were paid by the Company to, or on behalf of, any Director.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	PERIOD ENDED 18 FEBRUARY 2000			YEAR ENDED 31 MARCH 1999		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
On bank overdraft	135	-	135	-	-	-
	135	-	135	-	-	-

7. TAXATION

	PERIOD ENDED 18 FEBRUARY 2000			YEAR ENDED 31 MARCH 1999		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
UK corporation tax @ 21%	-	-	-	-	-	-
Tax attributable to franked investment income	37,190	-	37,190	110,804	-	110,804
Tax attributable to Investment Managers fees	18,749	(18,749)	-	34,548	(34,548)	-
Irrecoverable ACT written off	-	-	-	-	55,848	55,848
Underprovision for tax in previous year	-	-	-	616	-	616
	55,939	(18,749)	37,190	145,968	21,300	167,268

AIM DISTRIBUTION TRUST PLC

NOTES TO THE ACCOUNTS
at 18 FEBRUARY 2000

8. DIVIDENDS	PERIOD ENDED 18 FEBRUARY 2000 £	YEAR ENDED 31 MARCH 1999 £
Dividends on equity shares :		
16,803,698 (1999 : 16,803,698) ordinary - interim paid of 1.6p (1999 : 1.8p) per share	268,859	302,467
16,803,698 (1999 : 16,803,698) ordinary - second interim proposed of 0.00p (1999 : 1.8p) per share	-	302,467
	<u>268,859</u>	<u>604,934</u>

9. RETURN PER SHARE

Ordinary shares

Basic revenue return per ordinary share is based on the net revenue on ordinary activities after taxation and net revenue attributable to the ordinary shareholders of £406,161 (1999: £612,197) divided by 16,803,698 (1999: 16,824,874), being the weighted average number of ordinary shares in issue during the period.

Basic capital return per ordinary share is based on net capital profit for the period of £16,228,405 (1999: losses £2,488,834), divided by 16,803,698 (1999: 16,824,874) ordinary shares, being the weighted average number of shares in issue during the period.

10. INVESTMENTS	AS AT 18 FEBRUARY 2000 £	AS AT 31 MARCH 1999 £
Investments listed on the London Stock Exchange	6,770,039	8,225,901
Investments of companies traded on AIM	23,896,455	9,334,772
Unlisted investments	-	-
	<u>30,666,494</u>	<u>17,560,673</u>
	Total £	
Opening book cost	16,610,258	15,512,398
Opening unrealised appreciation	950,415	3,763,352
Opening valuation	<u>17,560,673</u>	<u>19,275,750</u>
Movements in the period:		
Acquisitions at cost	5,916,007	7,576,110
Amortisation - realised	(6,474)	(570)
Amortisation - unrealised	28,628	(19,686)
Sales		
- proceeds	(10,148,767)	(7,012,340)
- realised gains on sales	5,213,377	554,346
Increase/(decrease) in unrealised appreciation	<u>12,103,050</u>	<u>(2,812,937)</u>
Closing valuation	<u>30,666,494</u>	<u>17,560,673</u>
Closing book cost	17,613,029	16,610,258
Closing unrealised appreciation	<u>13,053,465</u>	<u>950,415</u>
	<u>30,666,494</u>	<u>17,560,673</u>

AIM DISTRIBUTION TRUST PLC

NOTES TO THE ACCOUNTS
at 18 FEBRUARY 2000

10. INVESTMENTS cont.

	PERIOD ENDED 18 FEBRUARY 2000	YEAR ENDED 31 MARCH 1999
	£	£
Realised gains on sales	5,213,377	554,346
Increase/(decrease) in unrealised appreciation	12,103,050	(2,812,937)
	<u>17,316,427</u>	<u>(2,258,591)</u>

11. SIGNIFICANT INTERESTS

The Company has a holding of 3% or more that is material in the context of the financial statements in the following investments :

Name of undertaking	Percentage held	Name of undertaking	Percentage held
Xpertise Group	10.68	Recycling Services Group, Ord 25p	4.66
Premier Direct Group, Ord 5p	8.62	XS Leisure Ord 1p	3.89
Cityjobs.Com Ord 1p	8.55	Dawn Til Dusk Holdings, Ord 10p	3.63
Fieldens, Ord 50p	7.00	(in receivership)	
Connaught, Ord 10p	5.57	Coffee Republic, Ord 5p	3.55
Tardis Communications Ord 5p	5.55	Adval Group, Ord 1p	3.43
Keystone Software Ord 5p	4.72	Blooms of Bressington Holdings 50p	3.25

12. DEBTORS- amounts falling due within one year

	AS AT 18 FEBRUARY 2000	AS AT 31 MARCH 1999
	£	£
Sales for future settlement	373,547	-
Dividends receivable	25,598	202,507
Accrued loan interest	46,646	75,362
Taxation recoverable	307,480	202,557
Prepayments	1,186	246
Accrued income	28,234	5,287
	<u>782,691</u>	<u>485,959</u>

13. CASH AT BANK

	AS AT 18 FEBRUARY 2000	AS AT 31 MARCH 1999
	£	£
Cash at bank	4,744,408	1,083,627
Short term deposits	-	-
	<u>4,744,408</u>	<u>1,083,627</u>

14. CREDITORS - amounts falling due within one year

	AS AT 18 FEBRUARY 2000	AS AT 31 MARCH 1999
	£	£
Purchases for future settlement	1,887	-
Taxation	72,480	72,480
Bank interest	-	-
Capital dividend incentive fee	868,751	-
Other creditors	301,108	171,652
	<u>1,244,226</u>	<u>244,132</u>

15. PROVISION FOR LIABILITIES AND CHARGES

No provision for liabilities and charges is considered necessary at the Company's period end. There were no amounts unprovided in respect of deferred taxation.

AIM DISTRIBUTION TRUST PLC

NOTES TO THE ACCOUNTS
at 18 FEBRUARY 2000

16. SHARE CAPITAL

	Authorised £	Authorised No. of shares	Issued and fully paid £	Issued and fully paid No. of shares
Ordinary shares of 25p each				
At 31 March 1999	6,000,000	24,000,000	4,200,924	16,803,698
Shares issued during the period				
Shares cancelled during period				
At 18 February 2000	6,000,000	24,000,000	4,200,924	16,803,698

17. COMMITMENTS

At 18 February 2000 there were outstanding commitments in respect of investments carrying an obligation for future subscriptions amounting to £ nil (1999: £ nil).

18. RESERVES

	Share premium account £	Special reserve £	Capital reserve (realised) £	Capital reserve (unrealised) £	Revenue reserve £	Share capital £
Beginning of period	12,476,013	-	874,599	950,414	81,710	4,200,924
Transfer between reserves *	(12,476,013)	12,476,013	-	-	-	-
Transfer between reserves	-	-	(3,360,739)	-	-	-
Repurchase of Ordinary Shares	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-
Share cancellations	-	-	-	-	-	-
Net gains on realisation of investments	-	-	5,213,377	-	-	-
Movement in unrealised appreciation	-	-	-	12,103,050	-	-
Costs charged to capital	-	(22,445)	(1,084,326)	-	-	-
Tax relief on costs charged to capital	-	-	18,749	-	-	-
Share issue costs	-	-	-	-	-	-
Retained for the period	-	-	-	-	137,302	-
End of period	-	12,453,568	1,661,660	13,053,464	219,012	4,200,924

* The transfer between reserves arises from the Court approval on 15th September 1999 to enable the Company to purchase its own shares.

	Capital redemption reserve £	Capital repayment reserve £
Beginning of period	-	-
Transfer between reserves	3,360,739	-
Transfer between reserves	(3,360,739)	3,360,739
Capital dividend	-	(3,360,739)
	-	-

Capital dividend on equity shares : 16,803,698 (1999 : 16,803,696) ordinary - proposed capital dividend of 20.00p (1999 : nil) per share

19. NET ASSET VALUE PER SHARE

Net asset value per share at 18 February 2000 has been calculated by reference to net assets of £31,588,628 (1999: £18,583,660) and 16,803,698 (1999 : 16,803,698) ordinary shares

20. CASHFLOW FROM REVENUE ACTIVITIES

	AS AT 18 FEBRUARY 2000 £	AS AT 31 MARCH 1999 £
Net revenue before interest payable and taxation	462,235	758,165
Tax deductible at source from investment income	(73,058)	(213,477)
Amortisation charge	(22,154)	25,085
Decrease in accrued income	182,678	105,442
Increase in accrued expenses	32,083	26,542
(Increase)/decrease in other debtors	(940)	18
	580,844	701,775

21. RECONCILIATION OF NET CASH FLOW TO NET FUNDS

	£	£
Net cash inflow/(outflow)	3,660,781	(652,878)
Change in net funds	3,660,781	(652,878)
Balance at 1 April 1999	1,083,627	1,736,505
Balance at 18 February 2000	4,744,408	1,083,627