AIM DISTRIBUTION TRUST PLC

INTERIM ACCOUNTS

1 APRIL 2000 TO 31 MARCH 2001

COMPANY NUMBER 3150868

AIM DISTRIBUTION TRUST PLC

## STATEMENT OF REVENUE AND CAPITAL RETURNS

| | | YEAR ENDED 31 MARCH 2001 | | | YEAR ENDED 31 MARCH 2000 | |
|---|---|---|---|---|---|---|
| | **Revenue £** | **Capital £** | **Total £** | **Revenue £** | **Capital £** | **Total £** |
| (Losses)/gains on investments | - | (11,792,147) | (11,792,147) | - | 19,847,157 | 19,847,157 |
| Income | 599,715 | - | 599,715 | 746,442 | - | 746,442 |
| Investment management fees | (100,067) | (807,155) | (907,222) | (87,041) | (1,255,907) | (1,342,948) |
| Other expenses | (167,466) | - | (167,466) | (121,762) | - | (121,762) |
| **Return on ordinary activities before finance costs and taxation** | 332,182 | (12,599,302) | (12,267,120) | 537,639 | 18,591,250 | 19,128,889 |
| Interest payable and similar charges | (667) | - | (667) | (135) | - | (135) |
| **Return on ordinary activities before taxation** | 331,515 | (12,599,302) | (12,267,787) | 537,504 | 18,591,250 | 19,128,754 |
| Taxation on ordinary activities | (13,983) | - | (13,983) | (23,891) | 23,891 | - |
| **Return attributable to equity shareholders** | 317,532 | (12,599,302) | (12,281,770) | 513,613 | 18,615,141 | 19,128,754 |
| Dividends in respect of equity shares | (292,402) | (1,503,783) | (1,796,185) | (537,718) | (3,360,739) | (3,898,457) |
| **Transfer to reserves** | 25,130 | (14,103,085) | (14,077,955) | (24,105) | 15,254,402 | 15,230,297 |
| | Revenue pence | Capital pence | Total pence | Revenue pence | Capital pence | Total pence |
| **Return per ordinary share** | 1.90 | (75.27) | (73.37) | 3.06 | 110.78 | 113.84 |

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.
In order to enable the Trust to make a capital distribution, the Trust has revoked its investment company status and is accordingly unable to take advantage of the accounting exemptions that status permits. The results of the Trust set out on page 2 have been prepared in accordance with the requirements of Schedule IV of the Companies Act. In order to enable investors to compare the results of the Trust against those of other Venture Capital Trusts and Investment Trusts and also to show the taxation basis of returns, a statement of revenue and capital returns is set out on this page. This statement does not form part of the financial statements.
Reference to revenue and capital in the notes to these financial statements reflect the basis on which taxation is calculated and the treatment applied in determining the amounts available for revenue dividend distribution.

**Return per ordinary share.**

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 £317,532 (2000: £513,613) divided by 16,739,931 (2000: 16,803,234), being the weighted average number of ordinary shares in issue during the period.
Basic capital return per ordinary share is based on net capital loss for the period of £12,599,302 (2000: gain £18,615,141),divided by 16,739,931 (2000: 16,803,234) ordinary shares, being the weighted average number of shares in issue during the period.

AIM DISTRIBUTION TRUST PLC

## PROFIT AND LOSS ACCOUNT

| | Notes | YEAR ENDED 31 MARCH 2001 | | YEAR ENDED 31 MARCH 2000 | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| Revenue received on investments | 2 | | 599,715 | | 746,442 |
| Investment management fees | 3 | (907,222) | | (1,342,948) | |
| Other expenses | 4 | (167,466) | | (121,762) | |
| Net revenue | | | (1,074,688) | | (1,464,710) |
| | | | (474,973) | | (718,268) |
| Gains/(losses) on investments | 10 | | 610,654 | | 6,559,448 |
| Profit before interest and tax | | | 135,681 | | 5,841,180 |
| Interest payable and similar charges | 6 | | (667) | | (135) |
| Profit before tax | | | 135,014 | | 5,841,045 |
| Tax on ordinary activities | 7 | | (13,983) | | - |
| Profit on ordinary activities after taxation | | | 121,031 | | 5,841,045 |
| Dividend | | | | | |
| Revenue | 8 | (292,402) | | (537,718) | |
| Capital | 8 | (1,503,783) | | (3,360,739) | |
| | | | (1,796,185) | | (3,898,457) |
| Retained profit/(loss) | | | (1,675,154) | | 1,942,588 |
| Transfer (to)/from capital reserve | 18 | | 1,700,284 | | (1,966,693) |
| Retained revenue ( losses) / profit | | | 25,130 | | (24,105) |
| Earnings per share | 9 | | 0.72p | | 34.76p |

| RECONCILIATION OF TOTAL RECOGNISED GAINS AND LOSSES | | YEAR ENDED 31 MARCH 2001 | YEAR ENDED 31 MARCH 2000 |
|---|---|---|---|
| Profit for the period | | 121,031 | 5,841,045 |
| Movement in revaluation reserve | 10 | (12,402,801) | 13,287,709 |
| Total recognised gains and losses during the period | | (12,281,770) | 19,128,754 |

All revenue and capital returns are derived from continuing activities

The notes on pages 5 to 9 form part of these accounts

AIM DISTRIBUTION TRUST PLC

**BALANCE SHEET**

| | Notes | AS AT 31 MARCH 2001 £ | AS AT 31 MARCH 2000 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Investments | 10 | 20,246,939 | 33,862,870 |
| **Current assets** | | | |
| Debtors | 12 | 332,608 | 625,793 |
| Cash at bank | 13 | 1,905,710 | 4,097,999 |
| | | 2,238,318 | 4,723,792 |
| **Creditors - amounts falling due within one year** | | | |
| Creditors | 14 | 906,732 | 1,200,502 |
| Revenue dividend | | 167,406 | 268,859 |
| Capital dividend | | 1,503,783 | 3,360,739 |
| | | 2,577,921 | 4,830,100 |
| **Net current liabilities** | | (339,603) | (106,308) |
| **Provisions for liabilities and charges** | 15 | (318,984) | - |
| **Total assets less current liabilities** | | 19,588,352 | 33,756,562 |

| | | | |
|---|---|---|---|
| **Capital and reserves** | | | |
| Called up share capital | 16 | 4,177,174 | 4,195,924 |
| Share premium account | 18 | - | - |
| Special reserve | 18 | 12,328,362 | 12,418,617 |
| Capital reserve - realised | 18 | 2,784,212 | 2,706,208 |
| Capital reserve - unrealised | 18 | 192,119 | 14,373,208 |
| Capital redemption reserve | 18 | 23,750 | 5,000 |
| Revenue reserve | 18 | 82,735 | 57,605 |
| **Equity shareholders' funds** | | 19,588,352 | 33,756,562 |
| Net Asset Value per Ordinary share | 20 | 117.23p | 201.13p |

The notes on pages 5 to 9 form part of these accounts

The above financial information for the year ended 31 March 2001 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 2000,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 4 May 2001
and were signed on its behalf by: -

Sir A Brocklebank (Chairman)

AIM DISTRIBUTION TRUST PLC

## STATEMENT OF CASH FLOWS

| | Notes | YEAR ENDED 31 MARCH 2001 | YEAR ENDED 31 MARCH 2000 |
|---|---|---|---|
| | | £ | £ |
| **Operating activities** | | | |
| Investment income received | | 583,450 | 674,479 |
| Bank deposit interest received | | 93,008 | 65,111 |
| Underwriting commission received | | - | - |
| Investment management fees paid | | (1,447,947) | (357,532) |
| Other expenses paid | | (157,341) | (120,237) |
| **Net cash inflow** | 21 | (928,830) | 261,821 |
| **Servicing of finance** | | | |
| Interest paid | | (669) | (135) |
| **Net cash outflow** | | (669) | (135) |
| **Taxation** | | | |
| Income tax paid | | 0 | (67,954) |
| **Net cash outflow** | | - | (67,954) |
| **Capital expenditure and financial investment** | | | |
| Purchases of investments | | (4,622,442) | (8,159,245) |
| Disposal of investments | | 7,235,763 | 11,577,346 |
| Expenses allocated to capital | | - | - |
| **Net cash inflow/(outflow)** | | 2,613,321 | 3,418,101 |
| **Equity dividends paid** | | (3,754,594) | (571,326) |
| **Net cash (outflow)/inflow before financing** | | (2,070,773) | 3,040,507 |
| **Financing** | | | |
| Issue of ordinary shares | | - | - |
| Share cancellations | | - | - |
| Expenses of share issue | | (121,516) | (26,135) |
| **Net cash inflow from financing** | | (121,516) | (26,135) |
| **Net cash inflow after financing** | | (2,192,289) | 3,014,372 |
| **(Decrease)/increase in cash** | 22 | (2,192,289) | 3,014,372 |

The notes on pages 5 to 9 form part of these accounts

## 1. NOTES TO THE ACCOUNTS
**at 31 MARCH 2001**

**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.

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

### (a) Presentation of financial statements

In order to enable the Trust to make a capital distribution, the Trust has revoked its investment company status and is accordingly unable to take advantage of the accounting exemptions that status permits. The results of the Trust set out on page 2 have been prepared in accordance with the requirements Schedule IV of the Companies Act. In order to enable investors to compare the results of the Trust against those of other Venture Capital Trusts and Investment Trusts and also to show the taxation basis of returns, a statement of revenue and capital returns is set out on page 1. This statement does not form part of the financial statements.

Reference to revenue and capital in the notes to these financial statements reflect the basis on which taxation is calculated and the treatment applied in determining the amounts available for revenue dividend distribution.

### (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') and Off-Exchange ('OFEX'), 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 and OFEX this does not guarantee their liquidity. The nature of AIM and OFEX 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.

### (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.

The 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.

## 2. INCOME

| | YEAR ENDED 31 MARCH 2001 £ | YEAR ENDED 31 MARCH 2000 £ |
|---|---|---|
| **Income from investments** | | |
| Dividends | 330,513 | 418,049 |
| Interest | 206,641 | 210,312 |
| | 537,154 | 628,361 |
| **Other income** | | |
| Deposit interest | 62,561 | 118,081 |
| Underwriting commission | - | - |
| | 62,561 | 118,081 |
| **Total income** | 599,715 | 746,442 |

## 3. INVESTMENT MANAGEMENT FEE

| | Revenue | Capital | Total | Revenue | Capital | Total |
|---|---|---|---|---|---|---|
| | | YEAR ENDED 31 MARCH 2001 | | | YEAR ENDED 31 MARCH 2000 | |
| | £ | £ | £ | £ | £ | £ |
| Annual management fee a) | 7,071 | 21,212 | 28,283 | 6,768 | 20,307 | 27,075 |
| Management incentive fee | 92,996 | 278,986 | 371,982 | - | - | - |
| - to 30 September 1999 b) | - | - | - | 24,894 | 74,683 | 99,577 |
| - from 1 October 1999 c) | - | - | - | 55,379 | 166,138 | 221,517 |
| Capital dividend incentive fee d) | - | 506,957 | 506,957 | - | 994,779 | 994,779 |
| | 100,067 | 807,155 | 907,222 | 87,041 | 1,255,907 | 1,342,948 |

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 has been appointed for a term of 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 Manager is entitled to the following fees :
a) A fee payable quarterly in advance originally set at £25,000 per annum subject to annual increases in line with the Retail Price Index.
b) Until 30 September 1999, the Manager was also paid a management incentive fee equal to one-third of the dividend plus related tax credit.
c) With effect from 1 October 1999 in addition to the fee payable quarterly in advance as described in a) above, the Manager receives a management fee calculated at the rate of 1.5% per annum of the value of assets under management, accrued quarterly in arrears.
d) From the same date, the incentive fee is 25% of the aggregate amount of any cash distributions ( before deduction of the incentive fee and net of any associated tax credit that is non-reclaimable by investors) in excess of a hurdle rate of 4.5p per share paid to shareholders for the period concerned.If the hurdle of 4.5p per share is not met in a particular year the shortfall will be carried forward to subsequent years and taken into account when calculating any future incentive fee.

## 4. OTHER EXPENSES

| | Revenue | Capital | Total | Revenue | Capital | Total |
|---|---|---|---|---|---|---|
| | | YEAR ENDED 31 MARCH 2001 | | | YEAR ENDED 31 MARCH 2000 | |
| | £ | £ | £ | £ | £ | £ |
| Auditors remuneration (including irrecoverable VAT ) for: | | | | | | |
| audit | 14,125 | - | 14,125 | 13,921 | - | 13,921 |
| other services to the Company | - | - | - | 3,043 | - | 3,043 |
| Directors' emoluments ( note 5 ) | 66,595 | - | 66,595 | 57,737 | - | 57,737 |
| Registrar fees | 7,014 | - | 7,014 | 7,790 | - | 7,790 |
| Other expenses | 79,732 | - | 79,732 | 39,271 | - | 39,271 |
| | 167,466 | - | 167,466 | 121,762 | - | 121,762 |

## 5. *DIRECTORS' EMOLUMENTS*

| | Fees | Irrecoverable VAT | Employers' NI | Total | Total |
|---|---|---|---|---|---|
| | | | | *YEAR ENDED* 31 MARCH 2001 | *YEAR ENDED* 31 MARCH 2000 |
| | £ | £ | £ | £ | £ |
| RFC Zamboni ( Chairman ) | 9,083 | - | 573 | 9,656 | 16,243 |
| Sir Aubrey Brocklebank | 20,688 | 3,620 | - | 24,308 | 14,100 |
| SA Goldsmith | 12,000 | - | 930 | 12,930 | 13,294 |
| CC Powell | 12,000 | 2,100 | - | 14,100 | 14,100 |
| R. Jeynes | 4,767 | 834 | - | 5,601 | |
| | 58,538 | 6,554 | 1,503 | 66,595 | 57,737 |

The remuneration of the highest paid Director was £20,688
No other emoluments or pension contributions were paid by the Company to, or on behalf of, any Director.

## 6. INTEREST PAYABLE AND SIMILAR CHARGES

| | Revenue | Capital | Total | Revenue | Capital | Total |
|---|---|---|---|---|---|---|
| | | YEAR ENDED 31 MARCH 2001 | | | YEAR ENDED 31 MARCH 2000 | |
| | £ | £ | £ | £ | £ | £ |
| On bank overdraft | 667 | - | 667 | 135 | - | 135 |
| | 667 | - | 667 | 135 | - | 135 |

## 7. TAXATION

| | Revenue | Capital | Total | Revenue | Capital | Total |
|---|---|---|---|---|---|---|
| | | YEAR ENDED 31 MARCH 2001 | | | YEAR ENDED 31 MARCH 2000 | |
| | £ | £ | £ | £ | £ | £ |
| UK Corporation tax at 20% (2000 : 20% ) | 200 | (200) | - | 23,891 | (23,891) | - |
| Irrecoverable ACT written off | 13,783 | 200 | 13,983 | - | - | - |
| Underprovision for tax in previous year | - | - | - | - | - | - |
| | 13,983 | - | 13,983 | 23,891 | (23,891) | - |

As a Venture Capital Trust, the Trust is not liable to taxation on its realised capital gains

**NOTES TO THE ACCOUNTS**
**at 31 MARCH 2001**

## 8. DIVIDENDS

| | YEAR ENDED 31 MARCH 2001 £ | YEAR ENDED 31 MARCH 2000 £ |
|---|---|---|
| Revenue dividends on equity shares : | | |
| 16,708,698 (2000 : 16,803,698 ) ordinary - 1st interim paid of 0.75p ( 2000 : 1.6p ) per share | 125,315 | 268,859 |
| 16,708,698 (2000 : 16,803,698 ) ordinary - 2nd interim declared of 1.00p ( 2000 : 1.60p ) per share | 167,087 | 268,859 |
| Capital dividends on equity shares : | | |
| 16,708,698 (2000 : 16,803,698 ) ordinary - interim declared of 9.00p ( 2000 : 20.0p ) per share | 1,503,783 | 3,360,739 |
| | 1,796,185 | 3,898,457 |

## 9. EARNINGS PER SHARE

Basic earnings per ordinary share is based on the retained profit on ordinary activities after taxation of £121,031 (2000: £5,841,046) divided by 16,739,931 (2000: 16,803,234), being the weighted average number of ordinary shares in issue during the period.

## 10. INVESTMENTS

| | AS AT 31 MARCH 2001 £ | AS AT 31 MARCH 2000 £ |
|---|---|---|
| Investments listed on the London Stock Exchange | 7,398,238 | 8,017,479 |
| Investments of companies traded on AIM | 11,503,954 | 23,602,984 |
| Investments of companies traded on OFEX | 1,246,337 | 2,143,997 |
| Unlisted investments | 98,410 | 98,410 |
| | 20,246,939 | 33,862,870 |

| | Total £ | |
|---|---|---|
| Opening book cost | 19,489,662 | 16,610,258 |
| Opening unrealised appreciation | 14,373,208 | 950,415 |
| Opening valuation | 33,862,870 | 17,560,673 |
| Movements in the period: | | |
| Acquisitions at cost | 5,221,192 | 8,159,245 |
| Amortisation - realised | 21,972 | (6,474) |
| Amortisation - unrealised | 15,122 | 33,307 |
| Sales | | |
| - proceeds | (7,082,070) | (11,731,038) |
| - realised gains on sales | 2,388,942 | 6,424,364 |
| (Decrease)/increase in unrealised appreciation | (14,181,089) | 13,422,793 |
| Closing valuation | 20,246,939 | 33,862,870 |
| Closing book cost | 20,054,820 | 19,489,662 |
| Closing unrealised appreciation | 192,119 | 14,373,208 |
| | 20,246,939 | 33,862,870 |

**10. INVESTMENTS cont.**

| | YEAR ENDED 31 MARCH 2001 £ | YEAR ENDED 31 MARCH 2000 £ |
|---|---|---|
| Realised gains/(losses) on sales | 2,388,942 | 6,424,364 |
| Brought forward net unrealised losses/(gains) in period | (1,778,288) | 135,084 |
| | 610,654 | 6,559,448 |
| Increase/(decrease) in unrealised appreciation | (12,402,801) | 13,287,709 |
| | (11,792,147) | 19,847,157 |

An analysis of the investment portfolio by broad industrial or commercial sector and a full list of the portfolio holding by their aggregate market values are contained within the Investment Manager's report section of the Annual Report.

**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 | 8.97 | XS Leisure Ord 1p | 3.89 |
| Premier Direct Group, Ord 5p | 8.62 | Keystone Solutions Ord 5p | 3.88 |
| Cityjobs.Com Ord 1p | 8.55 | Dawn Til Dusk Holdings, Ord 10p | 3.63 |
| Fieldens, Ord 50p | 7.02 | Adval Group, Ord 1p | 3.43 |
| Connaught, Ord 10p | 5.55 | Blooms of Bressingham Holdings 50p | 3.36 |
| Recycling Services Group, Ord 25p | 4.67 | | |

**12. DEBTORS- amounts falling due within one year**

| | AS AT 31 MARCH 2001 £ | AS AT 31 MARCH 2000 £ |
|---|---|---|
| Sales for future settlement | - | 153,692 |
| Dividends receivable | - | 99,125 |
| Accrued loan interest | 49,074 | 69,923 |
| Taxation recoverable | 255,423 | 238,425 |
| Prepayments | 301 | 6,371 |
| Accrued income | 27,810 | 58,257 |
| | 332,608 | 625,793 |

**13. CASH AT BANK**

| | AS AT 31 MARCH 2001 £ | AS AT 31 MARCH 2000 £ |
|---|---|---|
| Cash at bank | 1,905,710 | 4,097,999 |
| Short term deposits | - | - |
| | 1,905,710 | 4,097,999 |

**14. CREDITORS - amounts falling due within one year**

| | AS AT 31 MARCH 2001 £ | AS AT 31 MARCH 2000 £ |
|---|---|---|
| Purchases for future settlement | 598,750 | - |
| Share cancellations | - | 31,261 |
| Taxation | - | 4,526 |
| Bank interest | - | - |
| Capital dividend incentive fee | 187,973 | 994,779 |
| Other creditors | 120,009 | 169,936 |
| | 906,732 | 1,200,502 |

**15. PROVISION FOR LIABILITIES AND CHARGES**

| | AS AT 31 MARCH 2001 £ | AS AT 31 MARCH 2000 £ |
|---|---|---|
| Provision for incentive fee | 318,984 | - |

**NOTES TO THE ACCOUNTS**
**at 31 MARCH 2001**

## 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 2000 | 6,000,000 | 24,000,000 | 4,195,924 | 16,783,698 |
| Shares cancelled during period | | | (18,750) | (75,000) |
| | | | - | - |
| At 31 March 2001 | 6,000,000 | 24,000,000 | 4,177,174 | 16,708,698 |

## 17. COMMITMENTS

At 31 March 2001 there were outstanding commitments in respect of investments carrying an obligation for future subscriptions amounting to £ nil (2000: £ nil).

## 18. RESERVES

| | Special £ | Capital (realised) £ | *Capital (unrealised) £ | Revenue £ | Capital redemption £ |
|---|---|---|---|---|---|
| Beginning of period | 12,418,617 | 2,706,208 | 14,373,208 | 57,605 | 5,000 |
| Transfer between reserves * | - | - | - | - | - |
| Share repurchases | (90,255) | - | - | - | - |
| Repurchase expenses | - | - | - | - | - |
| Cancellation of repurchased shares | - | - | - | - | 18,750 |
| Transfer on disposals | - | 1,778,288 | (1,778,288) | - | - |
| *Movement in unrealised appreciation* | - | - | *(12,402,801)* | - | - |
| Retained for the period | - | (1,700,284) | - | 25,130 | - |
| End of period | 12,328,362 | 2,784,212 | 192,119 | 82,735 | 23,750 |

* The Capital unrealised reserve represents the Trust's Revaluation Reserve

| The retained capital profit /(loss) for the period comprises : | £ |
|---|---|
| Capital expenses | (807,155) |
| Tax relief thereon | - |
| Capital dividend | (1,503,783) |
| Realised gains/(losses) arising in period | 610,654 |
| | (1,700,284) |

## 19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER FUNDS

| | YEAR ENDED 31 MARCH 2001 £ | YEAR ENDED 31 MARCH 2000 £ |
|---|---|---|
| Opening balance | 33,756,562 | 18,583,660 |
| *Total recognised gains and losses arising during the period* | *(12,281,770)* | *19,128,754* |
| Dividends | (1,796,185) | (3,898,457) |
| Movement in share capital : | | |
| Share issue | | |
| Share repurchase and repurchase expenses | (90,255) | (57,395) |
| Closing balance | 19,588,352 | 33,756,562 |

## 20. NET ASSET VALUE PER SHARE

Net asset value per share at 31 March 2001 has been calculated by reference to net assets of £19,588,352 (2000: £33,756,562) and 16,708,698 ( 2000 : 16,783,698 ) ordinary shares

## 21. CASHFLOW FROM OPERATING ACTIVITIES

| | £ | £ |
|---|---|---|
| Net revenue before taxation | (474,973) | (718,268) |
| Tax deductible at source from investment income | (35,505) | (35,867) |
| Amortisation charge | (37,094) | (26,833) |
| Decrease in accrued income | 150,421 | 55,850 |
| *Increase/(decrease) in accrued expenses* | *(537,749)* | *993,063* |
| Decrease/(increase) in other debtors | 6,070 | (6,124) |
| | (928,830) | 261,821 |

## 22. RECONCILIATION OF NET CASH FLOW TO NET FUNDS

| | £ | £ |
|---|---|---|
| Net cash (outflow)/inflow | (2,192,289) | 3,014,372 |
| Change in net funds | (2,192,289) | 3,014,372 |
| Balance at 1 April 2000 | 4,097,999 | 1,083,627 |
| Balance at 31 March 2001 | 1,905,710 | 4,097,999 |