GLASGOW INCOME TRUST PLC

COMPANY NUMBER 111955

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD
1 OCTOBER 1994 TO 31 AUGUST 1995

PREPARED UNDER SECTION
272 COMPANIES ACT 1985

GLASGOW INCOME TRUST PLC

REVENUE ACCOUNT FOR THE PERIOD 1 OCTOBER 1994 TO 31 AUGUST 1995

	Notes	£
REVENUE		
Franked investment income		924,665
UK unfranked investment income		112,460
Enhanced scrip dividends		20,229
Foreign income dividends		15,922
Other income	2	183,413
Gross revenue		1,256,689
EXPENDITURE		
Interest payable	3	33,082
Administrative expenses	4	161,816
REVENUE FROM ORDINARY ACTIVITIES BEFORE TAXATION		1,061,791
Taxation	5	209,212
REVENUE FOR THE PERIOD AFTER TAXATION		852,579
Dividends	6	372,506
TRANSFERRED TO REVENUE RESERVE	14	£480,073

GLASGOW INCOME TRUST PLC

BALANCE SHEET AS AT 31 AUGUST 1995

	Notes	£	£
FIXED ASSETS			
Investments listed on the London Stock Exchange	1(b),7		15,995,359
Subsidiary undertaking	8		5,000
			16,000,359
CURRENT ASSETS			
Debtors	9	474,136	
CREDITORS: Amounts falling due within one year	10	916,833	
NET CURRENT LIABILITIES			(442,697)
NET ASSETS			£15,557,662
CAPITAL AND RESERVES			
Called up share capital	11		7,760,548
Share premium account	12		7,061,635
Realised capital reserve	13		(157,084)
Unrealised capital reserve	13		(1,211)
Revenue reserve	14		893,774
			£15,557,662

Approved by the Board of Directors on 13 September 1995 and signed on its behalf.

Chairman

GLASGOW INCOME TRUST PLC

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with applicable accounting standards. The principal accounting policies are as follows:

(a) Accounting Convention

The financial statements are prepared under the historical cost convention as modified to include the revaluation of fixed asset investments and on the assumption that approval as an investment trust will continue to be granted.

(b) Investments

Listed investments are valued at middle market prices ruling on the balance sheet date.

(c) Gains and Losses on Investment Transactions

Gains and losses arising on sales of investments are taken to realised capital reserve. Unrealised appreciation or depreciation of investments held is taken to unrealised capital reserve.

(d) Income and Expenditure

Franked and unfranked investment income represent dividends, including the appropriate tax credits, and fixed interest payments brought into the Company's revenue account on the date when the investment is first quoted ex-dividend. Other interest receivable and payable and expenses of management are dealt with on an accruals basis.

Premiums on traded option contracts are recognised as income whenever the options expire or are exercised.

(e) Taxation

The charge for taxation is based on the revenue for the period and takes into account taxation deferred due to timing differences in the treatment of certain items for taxation and accounting purposes. Provision for deferred taxation is made if there is reasonable evidence that such deferred taxation will become payable in the foreseeable future. A rate of taxation of 33% has been assumed.

GLASGOW INCOME TRUST PLC

NOTES TO THE FINANCIAL STATEMENTS

2. OTHER INCOME

	£
Interest receivable	8,278
Underwriting commission	42,196
Traded option premiums	132,939
	£183,413

3. INTEREST PAYABLE

Bank loans and overdrafts repayable within five years	£33,082

4. ADMINISTRATIVE EXPENSES

	£
Management expenses	128,298
Directors' remuneration - fees	20,667
Auditors' remuneration	7,811
Fees payable to auditors for other services	5,040
	£161,816

5. TAXATION

	£
Corporation tax at 33%	24,279
Tax on franked investment income	184,933
	£209,212

6. DIVIDENDS

	£
First interim dividend of 0.6p per share paid on 31 May 1995	186,253
Second interim dividend of 0.6p per share paid on 31 August 1995	186,253
	£372,506

7. FIXED ASSET INVESTMENTS

	£
Valuation at 30 September 1994	13,983,736
Unrealised depreciation at 30 September 1994	622,737
Cost of investments at 30 September 1994	14,606,473
Purchases	10,878,249
Sales, at original cost	(9,495,370)
Cost of investments at 31 August 1995	15,989,352
Unrealised appreciation at 31 August 1995	6,007
Valuation at 31 August 1995	£15,995,359

GLASGOW INCOME TRUST PLC

NOTES TO THE FINANCIAL STATEMENTS

8. SUBSIDIARY UNDERTAKING

Shares at cost	£5,000

The Company owns 100% of the ordinary share capital of its sole subsidiary undertaking, G.I.T. Securities Limited, an investment dealing company registered in Scotland.

In the opinion of the Directors the value of this investment is not less than cost.

9. DEBTORS

	£
Amounts falling due within one year:	
Taxation recoverable	28,706
Accrued income	98,224
Due from subsidiary undertaking	99,767
Other debtors	247,439
	£474,136

10. CREDITORS

	£
Amounts falling due within one year:	
Bank overdraft	735,499
Investment purchases	84,269
Other creditors	97,065
	£916,833

11. CALLED UP SHARE CAPITAL

	Ordinary shares of 25 pence each Number	
Authorised		
At 30 September 1994 and 31 August 1995	50,000,000	£12,500,000
Allotted, called up and fully paid		
At 30 September 1994 and 31 August 1995	31,042,192	£7,760,548

GLASGOW INCOME TRUST PLC

NOTES TO THE FINANCIAL STATEMENTS

12. SHARE PREMIUM ACCOUNT

At 30 September 1994 and 31 August 1995	£7,061,635

13. OTHER CAPITAL RESERVES

	£
Realised capital reserve	
At 30 September 1994	(546,057)
Net profits on sales of fixed asset investments during the period	388,973
At 31 August 1995	£(157,084)

Unrealised capital reserve	
At 30 September 1994	(631,557)
Movements during period:	
Fixed asset investments	628,744
Traded options	1,602
At 31 August 1995	£(1,211)

The capital reserves are not distributable

14. REVENUE RESERVE

	£
At 30 September 1994	413,701
Transfer from revenue account	480,073
At 31 August 1995	£893,774

15. COMMITMENTS AND CONTINGENCIES

Uncalled capital on investments	£459,000
Outstanding underwriting commitments	£196,000