

**D N & C MACKAY LLP**  
**FINANCIAL STATEMENTS**  
**FOR**  
**30 JUNE 2004**

**Company Registration Number SO300110**

**CHD ASSOCIATES LLP**  
Chartered Accountants & Registered Auditors  
Ground Floor  
Eden Point  
Three Acres Lane  
Cheadle Hulme  
Cheadle  
Cheshire  
SK8 6RL



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COMPANIES HOUSE

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01/04/05

**D N & C MACKAY LLP**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2004**

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# D N & C MACKAY LLP

## THE MEMBERS' REPORT

### YEAR ENDED 30 JUNE 2004

The members have pleasure in presenting their report and the financial statements of the limited liability partnership for the year ended 30 June 2004.

#### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the partnership during the year was the provision of independent financial advice. Following the year end, the members have decided to transfer the trade, assets and liabilities of the company to a new company, The Aberdeen Moneybox Limited. The FSA regulation of D N & C Mackay ceased at 30 September 2004. The members do not consider the LLP to be a going concern.

The results for the period are shown in the annexed financial statements

#### DESIGNATED MEMBERS

The designated members (as defined in the Limited Liability Partnerships Act 2000) of D N & C Mackay LLP were as follows:

Mr D Mackay  
Mrs C Mackay

#### MEMBERS DRAWINGS AND THE SUBSCRIPTION AND REPAYMENT OF MEMBERS CAPITAL

The policies of D N & C Mackay LLP regarding the allocation of profits to members, interim drawings and on account distributions, and the subscription and the repayment of members capital are disclosed in the accounting policies set out on page 8.

#### STATEMENT OF MEMBERS' RESPONSIBILITIES

The law relating to limited liability partnerships requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the partnership at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the members are required to select suitable accounting policies, as described on pages 8 to 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The members must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

Under the Limited Liability Partnerships Act 2000, the members are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the partnership and to enable them to ensure that the financial statements comply with those regulations. The members are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### DONATIONS

During the year the partnership made the following contributions:

	Year to 30 June 2004	Period from 11 June 2002 to 30 June 2003
	£	£
Charitable	<u>505</u>	<u>—</u>

**D N & C MACKAY LLP**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 30 JUNE 2004**

**AUDITORS**

A resolution to re-appoint CHD Associates LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
8 Rubislaw Terrace  
Aberdeen  
AB10 1XE

Signed by order of the members



Mrs C Mackay

Approved by the members on .....

12.3.05

**D N & C MACKAY LLP**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**  
**YEAR ENDED 30 JUNE 2004**

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the members, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by the law, we do not accept or assume responsibility to anyone other than the partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE MEMBERS AND THE AUDITORS**

The members' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Members' Responsibilities on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Limited Liability Partnerships Act 2000. We also report to you if, in our opinion, the members' report is not consistent with the financial statements, if the partnership has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members' remuneration and transactions with the partnership is not disclosed.

We read the members' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the partnership's circumstances, consistently applied and adequately disclosed.

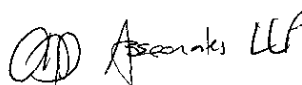
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 D N & C Mackay LLP's affairs as at 30 June 2004 and of the profit of the partnership for the period then ended, and have been properly prepared in accordance with the Limited Liability Partnerships Act 2000.

Ground Floor  
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 Cheshire SK8 6RL

CHD ASSOCIATES LLP  
 Chartered Accountants  
 & Registered Auditors

  
 16/3/05

**D N & C MACKAY LLP**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2004**

	Note	Year to 30 Jun 04 £	Period from 11 Jun 02 to 30 Jun 03 £
<b>TURNOVER</b>	<b>2</b>	<b>117,948</b>	<b>20,139</b>
Cost of sales		<u>10,627</u>	<u>2,315</u>
<b>GROSS PROFIT</b>		<b>107,321</b>	<b>17,824</b>
Distribution costs		<u>3,038</u>	<u>—</u>
Administrative expenses		<u>49,331</u>	<u>5,364</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>54,952</b>	<b>12,460</b>
Interest payable	<b>5</b>	<u>1,936</u>	<u>336</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>53,016</b>	<b>12,124</b>
Tax on profit on ordinary activities		<u>—</u>	<u>—</u>
<b>PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DIVISION AMONG MEMBERS</b>		<b>53,016</b>	<b>12,124</b>

The partnership has no recognised gains or losses other than the results for the year as set out above.

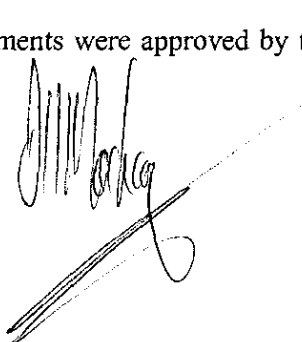
All of the activities of the partnership are classed as continuing.

**D N & C MACKAY LLP**  
**BALANCE SHEET**  
**YEAR ENDED 30 JUNE 2004**

	Note	2004 £	2003 £
<b>FIXED ASSETS</b>			
Tangible assets	6	30,587	22,788
<b>CURRENT ASSETS</b>			
Debtors	7	42,861	23,822
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>18,901</u>	<u>22,000</u>
<b>NET CURRENT ASSETS</b>		<u>23,960</u>	<u>1,822</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>54,547</u>	<u>24,610</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Other Provisions	10	<u>17,692</u>	<u>14,610</u>
<b>NET ASSETS BEFORE LOANS AND OTHER DEBTS DUE TO MEMBERS</b>		<u>36,855</u>	<u>10,000</u>
Loans and other debts due to members	13	<u>26,855</u>	<u>-</u>
		<u>10,000</u>	<u>10,000</u>
<b>MEMBERS OTHER INTERESTS</b>			
Members capital	13	<u>10,000</u>	<u>10,000</u>
		<u>10,000</u>	<u>10,000</u>
<b>TOTAL MEMBERS INTERESTS</b>			
Members other interests	13	<u>10,000</u>	<u>10,000</u>
Amounts due from members		<u>(39,151)</u>	<u>(11,653)</u>
Amounts due to members		<u>26,855</u>	<u>-</u>
		<u>(2,296)</u>	<u>(1,653)</u>

These financial statements were approved by the members on the ...12/3/05..... and are signed on their behalf by:

MR D MACKAY



**D N & C MACKAY LLP**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 30 JUNE 2004**

	Year to 30 Jun 04 £	£	Period from 11 Jun 02 to 30 Jun 03 £	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		79,383		(3,116)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest paid	(685)		(159)	
Interest element of finance leases	<u>(1,251)</u>		<u>(177)</u>	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		(1,936)		(336)
<b>CAPITAL EXPENDITURE</b>				
Payments to acquire tangible fixed assets	(24,213)		-	
Receipts from sale of fixed assets	<u>6,465</u>		<u>-</u>	
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		(17,748)		-
<b>CASH INFLOW/(OUTFLOW) BEFORE TRANSACTIONS WITH MEMBERS</b>		59,699		(3,452)
<b>TRANSACTIONS WITH MEMBERS</b>				
Payments to members	(80,514)		(22,279)	
Cash transferred from previous partnership	-		5,960	
Capital element of finance leases transferred from previous partnership	-		(11,248)	
Contributions by members	-		10,000	
Loans advanced by members	<u>26,855</u>		<u>-</u>	
<b>NET CASH OUTFLOW FROM TRANSACTIONS WITH MEMBERS</b>		(53,659)		(17,567)
<b>INCREASE/(DECREASE) IN CASH</b>		<u>6,040</u>		<u>(21,019)</u>



**D N & C MACKAY LLP**  
**CASH FLOW STATEMENT** *(continued)*  
**YEAR ENDED 30 JUNE 2004**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Year to 30 Jun 04 £	Period from 11 Jun 02 to 30 Jun 03 £
Operating profit	54,952	12,460
Depreciation	9,949	990
Decrease/(Increase) in debtors	8,459	(11,105)
Increase/ (Decrease) in creditors	2,941	(6,818)
Increase in provisions	3,082	1,357
<b>Net cash inflow/(outflow) from operating activities</b>	<u><b>79,383</b></u>	<u><b>(3,116)</b></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2004 £	£	2003 £	£
Increase/(Decrease) in cash in the period	<u>6,040</u>		<u>(21,019)</u>	
		6,040		(21,019)
<b>Change in net debt</b>		6,040		(21,019)
<b>Net debt at 1 July 2003</b>		(21,019)		-
<b>Net debt at 30 June 2004</b>		<u>(14,979)</u>		<u>(21,019)</u>

**ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Jul 2003 £	Cash flows £	At 30 Jun 2004 £
Net cash:			
Overdrafts	(9,770)	6,040	(3,730)
Debt:			
Finance lease agreements	(11,249)	-	(11,249)
<b>Net debt</b>	<u>(21,019)</u>	<u>6,040</u>	<u>(14,979)</u>

# D N & C MACKAY LLP

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2004

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards, including the Statement of Recommended Practice, Accounting by Limited Liability Partnerships and under the historical cost convention, subject to the departures referred to below.

#### **Going concern**

The members do not consider the partnership to be a going concern. The members have decided to transfer the trade, assets and liabilities of the partnership to a new limited company, The Aberdeen Money Box Limited as of 30 September 2004. On this date all remaining assets and liabilities of the partnership were transferred to the limited company at book value so there have been no amendments to the values of assets and liabilities in the partnership accounts at 30 June 2004.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 25% reducing balance

#### **Finance lease agreements**

Where the partnership enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Capital**

Members were required to subscribe to an equal share of capital on incorporation. The capital requirements of the partnership are determined from time to time by the members. Any member making a contribution after incorporation will acquire a new members share by an amount equal to the value of the contribution. No interest is paid on capital.

**D N & C MACKAY LLP****NOTES TO THE FINANCIAL STATEMENTS****30 JUNE 2004****Allocation of profits and drawings**

The profits and losses of the LLP are allocated to Members in equal shares. During the year Members receive monthly drawings. These drawings represent payments on account of current year profits and are reclaimable from members until profits have been allocated. The level and timings of drawings are decided by the members taking into account the partnerships cash requirements for operating activities.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the partnership.

An analysis of turnover is given below:

	Year to 30 Jun 04 £	Period from 11 Jun 02 to 30 Jun 03 £
United Kingdom	<u>117,948</u>	<u>20,139</u>

**3. OPERATING PROFIT**

Operating profit is stated after charging:

	Year to 30 Jun 04 £	Period from 11 Jun 02 to 30 Jun 03 £
Depreciation	9,949	990
Auditors' remuneration		
- as auditors	840	140
- for other services	140	-
Operating lease costs:		
Land and buildings	<u>3,676</u>	<u>1,089</u>

**4. MEMBERS AND EMPLOYEES**

During the year there were 2 members. The partnership does not make any salaried remuneration payments to members. The average number of persons employed by the partnership during the financial year amounted to 1 (2003 - -). The aggregate payroll costs of the above were:

	Year to 30 Jun 04 £	Period from 11 Jun 02 to 30 Jun 03 £
Wages and salaries	5,362	-
Social security costs	-	-
	<u>5,362</u>	<u>-</u>

**D N & C MACKAY LLP****NOTES TO THE FINANCIAL STATEMENTS****30 JUNE 2004****5. INTEREST PAYABLE**

	<b>Year to 30 Jun 04 £</b>	<b>Period from 11 Jun 02 to 30 Jun 03 £</b>
Interest payable on bank borrowing	<b>685</b>	<b>159</b>
Finance charges	<b>1,251</b>	<b>177</b>
	<b><u>1,936</u></b>	<b><u>336</u></b>

**6. TANGIBLE FIXED ASSETS**

	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>COST</b>				
At 1 July 2003	<b>9,142</b>	<b>35,165</b>	<b>3,983</b>	<b>48,290</b>
Additions	<b>–</b>	<b>23,855</b>	<b>358</b>	<b>24,213</b>
Disposals	<b>–</b>	<b>(8,995)</b>	<b>–</b>	<b>(8,995)</b>
<b>At 30 June 2004</b>	<b><u>9,142</u></b>	<b><u>50,025</u></b>	<b><u>4,341</u></b>	<b><u>63,508</u></b>
<b>DEPRECIATION</b>				
At 1 July 2003	<b>8,399</b>	<b>14,593</b>	<b>2,510</b>	<b>25,502</b>
Charge for the year	<b>–</b>	<b>9,491</b>	<b>458</b>	<b>9,949</b>
On disposals	<b>–</b>	<b>(2,530)</b>	<b>–</b>	<b>(2,530)</b>
<b>At 30 June 2004</b>	<b><u>8,399</u></b>	<b><u>21,554</u></b>	<b><u>2,968</u></b>	<b><u>32,921</u></b>
<b>NET BOOK VALUE</b>				
<b>At 30 June 2004</b>	<b><u>743</u></b>	<b><u>28,471</u></b>	<b><u>1,373</u></b>	<b><u>30,587</u></b>
At 30 June 2003	<b><u>743</u></b>	<b><u>20,572</u></b>	<b><u>1,473</u></b>	<b><u>22,788</u></b>

**Finance lease agreements**

Included within the net book value of £30,587 is £10,580 (2003 - £14,107) relating to assets held under finance lease agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £3,527 (2003 - £613).

**D N & C MACKAY LLP****NOTES TO THE FINANCIAL STATEMENTS****30 JUNE 2004****7. DEBTORS**

	2004	2003
	£	£
Trade debtors	1,910	11,094
Amounts due from members	39,151	11,653
Prepayments and accrued income	1,800	1,075
	<u>42,861</u>	<u>23,822</u>

**8. CREDITORS: Amounts falling due within one year**

	2004	2003
	£	£
Bank loans and overdrafts	3,730	9,770
Other creditors	11,249	11,249
Accruals and deferred income	3,922	981
	<u>18,901</u>	<u>22,000</u>

**9. COMMITMENTS UNDER FINANCE LEASE AGREEMENTS**

Future commitments under finance lease agreements are as follows:

	2004	2003
	£	£
Amounts payable within 1 year	11,249	11,249
	<u>11,249</u>	<u>11,249</u>
Finance lease agreements are analysed as follows:		
Current obligations	11,249	11,249
	<u>11,249</u>	<u>11,249</u>

**10. OTHER PROVISIONS**

	2004
	£
<b>Other provisions:</b>	
Balance brought forward	14,610
Movement for year	3,082
	<u>17,692</u>

Provision has been made for the potential clawback of commission on the subsequent cancellation of policies sold. The timing and amount of the clawback depends on the detail of the particular policy, and the length of time the policy has been in place. The partners estimate the likelihood of subsequent cancellation at between 10 and 15% of policies sold.

**D N & C MACKAY LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**30 JUNE 2004**

**11. COMMITMENTS UNDER OPERATING LEASES**

At 30 June 2004 the partnership had annual commitments under non-cancellable operating leases as set out below.

	2004		2003	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 1 year	—	<u>2,653</u>	<u>7,080</u>	—

**12. RELATED PARTY TRANSACTIONS**

The partnership was under the control of Mr & Mrs Mackay throughout the current year. Mr & Mrs Mackay are the partners.

During the year a vehicle was transferred from the LLP to the partners at net book value of £6,465. This amount has been included within drawings in the members interest note.

**D N & C MACKAY LLP**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 30 JUNE 2004**

**13. MEMBERS INTERESTS****MEMBERS OTHER INTERESTS**

	<b>Members capital</b>	<b>Other reserves</b>	<b>Total</b>	<b>Amounts due from members in debtors</b>	<b>Members interests -Total</b>
			£	£	£
<b>MEMBERS INTERESTS</b>					
Balance at 1 July 2003	10,000	-	10,000	(11,653)	(1,653)
Profit for period available for division	-	53,016	53,016	-	53,016
<b>MEMBERS INT AFTER PROFIT</b>	<u>-</u>	<u>53,016</u>	<u>63,016</u>	<u>(11,653)</u>	<u>51,363</u>
Allocated profits	-	(53,016)	(53,016)	53,016	-
Drawings	-	-	-	(80,514)	(80,514)
Advanced by partners	-	-	-	26,855	26,855
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>AMOUNTS DUE FROM MEMBERS</b>				<b>(39,151)</b>	
<b>AMOUNTS DUE TO MEMBERS</b>				<b>26,855</b>	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>MEMBERS INTERESTS</b>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>(12,296)</u>	<u>(2,296)</u>

Amounts owed to members rank as unsecured creditors.