

**THE DAVID HUME INSTITUTE**

**ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30TH SEPTEMBER 1996**

**BROWN, SCOTT & MAIN**

Chartered Accountants



# THE DAVID HUME INSTITUTE

## ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

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# **THE DAVID HUME INSTITUTE**

## **STATUS**

The Institute is a company limited by guarantee, without a share capital, formed in 1985 otherwise than for profit, and exempt from the requirements to use the word "limited". The trustees act as directors of the company. It has exempt tax status and the liability of each member is restricted to one pound.

## **TRUSTEES AND OFFICERS**

### **HONORARY PRESIDENT**

Sir Samuel Brittan

### **TRUSTEES**

Sir John Shaw (Chairman)  
Sir Gerald Elliot  
Professor Sir Alan Peacock  
Mrs Catherine Blight  
Lady Mackenzie-Stuart  
Professor Hector L MacQueen  
Professor John Murray, QC  
Mr Nicholas Kuenssberg  
Professor John M Ward, CBE

### **EXECUTIVE DIRECTORS**

Professor Hector MacQueen  
Professor Brian Main  
Mrs Gillian Lomas

### **SECRETARY**

Mrs Gillian Lomas

### **COMPANY REGISTRATION NUMBER**

SC 091239

### **REGISTERED OFFICE**

21 George Square  
Edinburgh

### **AUDITORS**

Brown, Scott & Main  
91 West Savile Terrace  
Edinburgh

### **BANKERS**

The Royal Bank of Scotland plc  
St Andrew Square  
Edinburgh

# THE DAVID HUME INSTITUTE

## AUDITORS' REPORT

### TO THE TRUSTEES OF THE DAVID HUME INSTITUTE

In our opinion the trustees are entitled by Sections 246 to 247 of the Companies Act 1985 to deliver abbreviated financial statements in respect of the year ended 30th September 1996 and in particular, the abbreviated financial statements have been properly prepared in accordance with schedule 8 to that Act. We are not required to express an audit opinion on the truth and fairness of these abbreviated statements.

We reported as auditors of The David Hume Institute to the members on 31st October 1996 on the Institute's financial statements for the year ended 30th September 1996 and our audit opinion as follows:

"We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention, and the accounting policies set out on page 8.

#### **Respective responsibilities of trustees and auditors**

As described on page 4 the Institute's trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

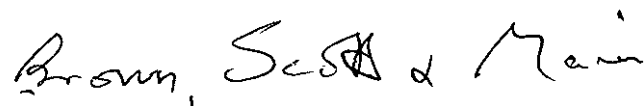
#### **Basis of opinion**

We conducted our audit in accordance with 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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Institute'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 the Institute's affairs at 30th September 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985".



BROWN, SCOTT & MAIN

Chartered Accountants and Registered Auditor

Edinburgh  
31st October 1996

## **THE DAVID HUME INSTITUTE**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute on of the surplus or deficit of the Institute for that period. In preparing those financial statements, the trustees are required to:

- \* select suitable policies and then apply them consistently;
- \* make judgments and estimates that are reasonable and prudent;
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


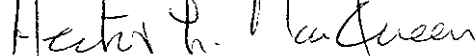
# THE DAVID HUME INSTITUTE

## BALANCE SHEET AS AT 30th SEPTEMBER 1996

	Note	1996 £	1995 £
FIXED ASSETS	1	<u>114</u>	<u>574</u>
CURRENT ASSETS			
Other debtor		680	976
Income tax recoverable		1,894	855
Bank deposit		78,476	74,417
Cash on hand and at bank		<u>1,542</u>	<u>1,574</u>
		<u>82,592</u>	<u>77,822</u>
CURRENT LIABILITIES			
Grant received in advance		3,300	-
Accrued charges		1,116	1,116
Covenanted deposits		<u>135</u>	<u>-</u>
		<u>4,551</u>	<u>1,116</u>
NET CURRENT ASSETS		<u>78,041</u>	<u>76,706</u>
TOTAL ASSETS		<u>£78,155</u>	<u>£77,280</u>
CAPITAL AND RESERVES			
Unrestricted general fund		<u>£78,155</u>	<u>£77,280</u>

The trustees have relied on the exemptions for individual financial statements available under sections 246 to 247 of the Companies Act 1985 and have done so on the grounds that the Institute is entitled to the benefit of these exemptions as a small company.

The abbreviated financial statements on pages 5 to 7 were approved by the Board of Trustees on the 31st October 1996 and were signed on its behalf by:

CHAIRMAN

TRUSTEE

# **THE DAVID HUME INSTITUTE**

## **ACCOUNTING POLICIES**

### **BASIS OF ACCOUNTING**

The financial statements of the Institute have been prepared on the historical cost basis and in accordance with statements of standard accounting practice.

### **INCOME AND EXPENDITURE**

Income is shown gross of tax recoveries. Expenditure on publications is written off as incurred and no value is placed on stock of publications.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost of the assets over their estimated useful lives at the following rates:

Fixtures and fittings	20% per annum straight line
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### **FORMAT**

Owing to special circumstances and in particular to the fact that the activities of the Institute are principally the administration of voluntary funds for charitable purposes, it is the opinion of the trustees that presentation of a profit and loss account in any of the specific formats presented in Schedule 4 of the Companies Act 1985 would prevent compliance with section 228 of the Act (that accounts shall give a true and fair view of the profit or loss for the financial year). Accordingly, the information required by the Act is given in the form of an Income and Expenditure account appropriate to the activities of the Institute.

### **CASHFLOW STATEMENT**

The Institute is a small company as defined by the Companies Act 1985 and is exempt from preparing a cashflow statement under Financial Reporting Standard 1.

# THE DAVID HUME INSTITUTE

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

### 1. TANGIBLE FIXED ASSETS

Fixtures  
and  
fittings  
£

#### COST

At 1st October 1995	5,617
Additions	<u>-</u>
At 30th September 1996	<u>5,617</u>

#### DEPRECIATION

At 1st October 1995	5,043
Charge for the year	<u>460</u>
At 30th September 1996	<u>5,503</u>

#### NET BOOK VALUE

At 30th September 1996	<u>£114</u>
At 30th September 1995	<u>£574</u>

### 2. CALLED UP SHARE CAPITAL

The Institute is a company limited by guarantee, without a share capital, formed in 1985 otherwise than for profit and exempt from the requirements to use the word "Limited".