

# **McINROY & WOOD PORTFOLIOS LIMITED**

## **Directors' Report and Financial Statements**

**For the year ended 30<sup>th</sup> April 2009**



Company Number SC116351

**Directors**

V.N.U. Wood (Chairman)  
G.A. Bicocchi (appointed 2<sup>nd</sup> July 2009)  
J.D.S. Cumming  
A.H. Fraser  
J.C. McAulay  
Lord Francis Seymour (appointed 2<sup>nd</sup> July 2009)  
D.H. Shaw Stewart  
T.A.U. Wood

**Secretary**

J.C. McAulay

**Auditors**

Scott-Moncrieff, Chartered Accountants  
17 Melville Street  
Edinburgh  
EH3 7PH

**Bankers**

Bank of Scotland  
44 Court Street  
Haddington  
EH41 3NP

**Solicitors**

Farrer & Co LLP  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

**Registered Office**

Easter Alderston  
Haddington  
East Lothian  
EH41 3SF

**McINROY & WOOD PORTFOLIOS LIMITED**

**Directors' Report and Financial Statements**

**For the year ended 30<sup>th</sup> April 2009**

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# **McINROY & WOOD PORTFOLIOS LIMITED**

## **Directors' Report**

### **For the year ended 30<sup>th</sup> April 2009**

The Directors have pleasure in submitting their annual report together with audited financial statements for the year ended 30<sup>th</sup> April 2009.

#### **Results and dividends**

The profit for the year after taxation was £848,125. The directors approved the payment of a dividend of £20 per share during the year and propose that the accumulated profit of £669,900 be carried forward.

#### **Principal activities and review of the business**

The company's principal activity is the management of the five McInroy & Wood authorised unit trusts. The value of the funds under management increased from £252m at the end of April 2008 to £275m at the end of April 2009. The Directors anticipate continued growth in the year to April 2010. The directors keep under review the uncertainties faced by the company, which include changes in investment markets, changes in legislation and investment performance.

The company is authorised and regulated by the Financial Services Authority.

#### **Directors**

The directors who served during the year were as follows:

V.N.U. Wood  
J.D.S. Cumming  
A.H. Fraser  
J.C. McAulay  
D H Shaw Stewart  
T.A.U Wood

In accordance with the Articles of Association the directors are not required to retire by rotation.

# **McINROY & WOOD PORTFOLIOS LIMITED**

## **Directors' Report**

**For the year ended 30<sup>th</sup> April 2009**

### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditors**

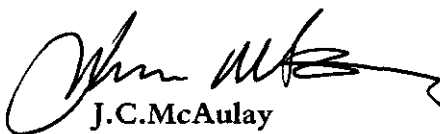
As far as each of the directors, at the time the report is approved, are aware:

- there is no relevant information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of it.

### **Auditors**

A resolution to re-appoint Scott-Moncrieff Chartered Accountants as auditors will be put to the members at the annual general meeting.

**By order of the board**

  
**J.C. McAulay**  
**Secretary**

Haddington, 20<sup>th</sup> August 2009

# McINROY & WOOD PORTFOLIOS LIMITED

## Independent Auditors' Report to the Shareholders

We have audited the financial statements of McInroy & Wood Portfolios Limited for the period ended 30<sup>th</sup> April 2009 which are set out on pages 4 to 9. These financial statements have been prepared under the accounting policies set out on page 6.

This report is made solely to the company's members, as a body, in accordance with sections 495 - 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006, and give a true and fair view. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements give a true and fair view of the state of the company's affairs as at 30<sup>th</sup> April 2009 and of its profit for the period then ended;
- the information given in the Directors' Report is consistent with the financial statements.

*Alan R Donaldson*

Alan R Donaldson (Senior Statutory Auditor)

For and on behalf of Scott-Moncrieff, Statutory Auditor  
17 Melville Street  
Edinburgh  
EH3 7PH

20<sup>th</sup> August 2009

**McINROY & WOOD PORTFOLIOS LIMITED**

**Profit and Loss Account  
For the year ended 30th April 2009**

	<b>Notes</b>	<b>2009 £</b>	<b>2008 £</b>
Fees		3,505,011	3,368,983
Less: Administration expenses		<u>(2,335,123)</u>	<u>(2,061,520)</u>
<b>Operating Profit</b>	<b>2</b>	<b>1,169,888</b>	<b>1,307,463</b>
Interest receivable		<u>8,064</u>	<u>10,767</u>
<b>Profit on ordinary activities before taxation</b>		<b>1,177,952</b>	<b>1,318,230</b>
Taxation	<b>3</b>	<u>(329,827)</u>	<u>(393,308)</u>
<b>Profit on ordinary activities after taxation</b>		<u><u>848,125</u></u>	<u><u>924,922</u></u>

All the results of the company relate to continuing operations.

There are no recognised gains or losses other than those included in the profit and loss account.


The notes on pages 6 to 9 form part of these financial statements.

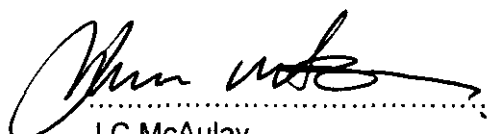
# McINROY & WOOD PORTFOLIOS LIMITED

## Balance Sheet As at 30th April 2009

	Notes	2009 £	2008 £
<b>Current Assets</b>			
Debtors	4	913,995	900,256
Cash in hand		<u>10,322</u>	<u>33,102</u>
		924,317	933,358
<b>Current Liabilities</b>			
<b>Creditors:</b> Amounts falling due within one year	5	<u>(214,417)</u>	<u>(271,583)</u>
<b>Net Assets</b>		<u>709,900</u>	<u>661,775</u>
<b>Capital and Reserves</b>			
Called up equity share capital	6	40,000	40,000
Profit and loss account	9	<u>669,900</u>	<u>621,775</u>
<b>Shareholders Funds</b>		<u>709,900</u>	<u>661,775</u>

The financial statements were authorised for issue by the directors on 20th August 2009

  
..... Director  
V N U Wood

  
..... Director  
J C McAulay

The notes on pages 6 to 9 form part of these financial statements.



**McINROY & WOOD PORTFOLIOS LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 30th April 2009**

**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared in accordance with applicable Accounting Standards.

**Deferred taxation**

Deferred taxation is provided for at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods that differ from those in which they are included in the financial statements.

**Cash flow statement**

The company is exempt from preparing a cash flow statement in compliance with the Financial Reporting Standard No. 1.

**Fees**

Fees are recognised when earned and are derived from the management service provided for McInroy & Wood unit trusts in the UK and exclude VAT.

**2. Operating profit**

The operating profit for the year is stated after charging:

		2009 £	2008 £
Auditors' remuneration	- audit	4,350	4,160
	- other	<u>6,909</u>	<u>10,343</u>

**McINROY & WOOD PORTFOLIOS LIMITED**  
**Notes to the Financial Statements - continued**  
**For the year ended 30th April 2009**

**3. Taxation**

	2009	2008
<b>a Analysis of charge in the year</b>		
Current Tax		
UK Corporation Tax on profit for the year	329,827	393,308
	<u>329,827</u>	<u>393,308</u>
Tax on profit on ordinary activities	<u>329,827</u>	<u>393,308</u>
 <b>b Factors affecting the tax charge in the year</b>		
Profit on ordinary activities before tax	1,177,952	1,318,230
Profit on ordinary activities multiplied by standard rate of corporation tax 28% (2008 - 29.8%)	329,827	393,308
Effects of:		
Marginal relief	-	-
Current tax charge for year (see (a) above)	<u>329,827</u>	<u>393,308</u>

**c Factors that may affect future tax charges**

There are no factors, of which the directors are aware, that would significantly affect future tax charges

**McINROY & WOOD PORTFOLIOS LIMITED**  
**Notes to the Financial Statements - continued**  
**For the year ended 30th April 2009**

**4. Debtors**

	2009	2008
	£	£
Accrued income	309,277	293,609
Sundry debtors and prepayments	4,642	5,739
Amounts owed by holding company	<u>600,076</u>	<u>600,908</u>
	<u>913,995</u>	<u>900,256</u>

**5. Creditors - amounts falling due within one year**

	2009	2008
	£	£
Corporation tax	159,827	213,308
Trade creditors	2,876	7,013
Accruals	<u>51,714</u>	<u>51,262</u>
	<u>214,417</u>	<u>271,583</u>

**6. Called up equity share capital**

	2009	2008
Authorised		
Ordinary shares of £1 each	<u>£40,000</u>	<u>£40,000</u>
Issued and fully paid		
Ordinary shares of £1 each	<u>£40,000</u>	<u>£40,000</u>

**7. Holding company**

The company is a wholly owned subsidiary of McInroy & Wood Limited, a company incorporated in Scotland.

The company has taken advantage of the exemptions allowed by FRS 8 for subsidiary undertakings, 90% or more of whose voting rights are controlled within the group, from disclosing transactions with other group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**McINROY & WOOD PORTFOLIOS LIMITED**  
**Notes to the Financial Statements - continued**  
**For the year ended 30th April 2009**

**8. Dividends**

	2009 £	2008 £
Ordinary shares		
£20 per share paid on 29th April 2009	800,000	-
£20 per share paid on 23rd April 2008	-	800,000
	<u>800,000</u>	<u>800,000</u>

**9. Reconciliation of Movements in Shareholders' Funds**

	Called up Share Capital £	Profit and Loss Account £	2009 £	2008 £
As at 30th April 2008	40,000	621,775	661,775	536,853
Profit for the year	-	848,125	848,125	924,922
Dividends paid	<u>-</u>	<u>(800,000)</u>	<u>(800,000)</u>	<u>(800,000)</u>
As at 30th April 2009	<u>40,000</u>	<u>669,900</u>	<u>709,900</u>	<u>661,775</u>

**10. Non-audit services**

In common with many other companies of a similar size, the company auditor prepares the corporation tax return, which the directors review and submit to the tax authorities.