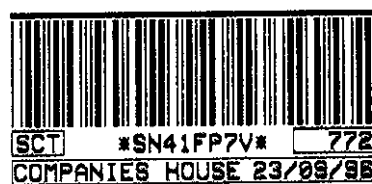


**DIRECTORS' AND AUDITORS'  
REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 1996**

18



# **Report and Accounts**

for the year ended 31 March 1996

(These Accounts have been approved by the Board of Directors for submission to the Annual General Meeting of Scottish Enterprise Tayside which is due to take place in September 1996)

## **DIRECTORS**

David Sawyer (Chairman)  
Alison A Armstrong  
Russell G Butchart  
Christopher Dawes  
Charlotte M Lythe  
James C Macfarlane OBE  
Graham H McKee  
Cllr Alexander Murray  
Allan L Proctor  
William Sutherland MBE

## **SECRETARIES and REGISTERED OFFICE**

Thorntons WS  
Stewart Chambers  
40 Castle Street  
DUNDEE  
DD1 3AQ

## **AUDITORS**

Bird Simpson & Co  
Chartered Accountants  
144 Nethergate  
DUNDEE  
DD1 4EB

## **BANKERS**

The Royal Bank of Scotland plc  
P O Box 70  
3 High Street  
DUNDEE  
DD1 9LY

## **SOLICITORS**

Thorntons WS  
Stewart Chambers  
40 Castle Street  
DUNDEE  
DD1 3AQ

Company Registration Number 126821

# Directors' Report

for the year ended 31 March 1996

The Directors present their report and accounts for the year ended 31 March 1996.

## REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The purpose of Scottish Enterprise Tayside is to stimulate increased prosperity in Tayside Region. To this end the Company delivered a full range of training, environmental and economic development activity during the year.

## RESULTS

The trading surplus for the year, after taxation, amounted to £2,769,000 (1995:£694,000). The Directors recommend that the surplus be transferred to reserves. It is the intention of the Directors that the surplus carried forward will be used to support and enhance activities in future years. An action plan has been agreed by the Directors to utilise the surplus.

## EVENTS SINCE THE BALANCE SHEET DATE

There have been no material events since the Balance Sheet date which have affected the financial viability of the Company.

## FIXED ASSETS

Details of the Company's fixed assets are contained in note 7.

## DIRECTORS AND THEIR INTERESTS

The Board of Directors at the balance sheet date are listed on the previous page. The ten Directors hold senior positions in Tayside based companies and organisations. None of the Directors has a financial interest in the Company.

The Directors during the year were as follows:-

D Sawyer	
A A Armstrong	(Appointed 1 February 1996)
R G Butchart	
C Dawes	
P J Lederer	(Retired 31 March 1996)
C M Lythe	
J C Macfarlane	
G H McKee	(Appointed 24 August 1995)
A Murray	
D J O'Brien	(Retired 29 August 1995)
A L Proctor	
C Rennie	(Appointed 11 April 1996)
M J Rolfe	(Retired 31 March 1996)
W Sutherland	

The Company maintains Directors' and Officers' liability insurance which provides insurance cover for Directors and Officers of the Company against liabilities they may incur personally as a consequence of claims made against them alleging breach of duty or other wrongful act or omission in their capacity as Directors or Officers.

Details of Directors' Interests are contained in note 18.

## CORPORATE GOVERNANCE

In November 1994 Scottish Enterprise published a statement on Local Enterprise Company Corporate Governance, the Code of Best Practice. The Directors support the highest standards of corporate governance and confirm that the Company complies with all provisions of the code.

# Directors' Report

## AUDIT COMMITTEE

These accounts have been reviewed by the Audit Committee. During the year the membership of the Audit Committee was as follows:- William Sutherland (Chairman), Charlotte M Lythe, James C Macfarlane, Daniel J O'Brien (retired 29 August 1995) and Graham H McKee (appointed 24 August 1995).

## CHARITABLE DONATIONS

During the year the Company made various charitable donations for the benefit of Tayside totalling £3,000 (1995:£3,433).

## PAYMENT TO SUPPLIERS

The Company, on average, pays its suppliers within 25 days of receipt of invoices, where no other contract timetable applies.

## AUDITORS

A resolution to reappoint Bird Simpson & Co as auditors will be put to the members at the Annual General Meeting.


## 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 the affairs of the Company and its surplus or deficit 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; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board



Thorntons WS  
Secretaries

# Auditors' Report

for the year ended 31 March 1996

## REPORT OF THE AUDITORS

to the Members of Scottish Enterprise Tayside:

We have audited the financial statements on pages 5 to 20 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

- **Respective Responsibilities of Directors and Auditors**

As described on page 3 the Company's Directors are responsible for the preparation of the 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 judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the Group and are 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 affairs of the Company and the Group as at 31 March 1996 and of the surplus of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bird Simpson & Co  
Chartered Accountants and Registered Auditors  
144 Nethergate  
Dundee



# Consolidated Income And Expenditure Account

for the year ended 31 March 1996

	Notes	1996 £'000	1995 £'000
<b>INCOME FROM OPERATIONS</b>	2	28,175	27,674
Expenditure		<u>25,499</u>	<u>26,987</u>
<b>OPERATING SURPLUS</b>	3	<u>2,676</u>	<u>687</u>
Share of associated company results		(15)	(8)
Interest receivable		222	47
Income from dividends		6	4
Interest payable	5	<u>(26)</u>	<u>(17)</u>
		<u>187</u>	<u>26</u>
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,863	713
Taxation on surplus on ordinary activities	6	<u>94</u>	<u>19</u>
<b>SURPLUS FOR THE YEAR</b>		2,769	694
<b>RETAINED SURPLUS BROUGHT FORWARD</b>		<u>2,033</u>	<u>1,339</u>
<b>RETAINED SURPLUS CARRIED FORWARD</b>		<u>4,802</u>	<u>2,033</u>

The Income and Expenditure Account relates solely to continuing operations, as defined in Financial Reporting Standard No 3.

There are no recognised gains or losses in 1995/96 or 1994/95 other than the surplus for those periods shown above, and accordingly, a statement of total recognised gains and losses is not presented.

The accompanying notes are an integral part of this Income and Expenditure Account.

# Consolidated Balance Sheet

as at 31 March 1996

	Notes	1996 £'000	1995 £'000
<b>FIXED ASSETS</b>			
Tangible Assets	7	357	304
Investments	8	1,861	1,833
		<u>2,218</u>	<u>2,137</u>
<b>CURRENT ASSETS</b>			
Debtors	9	4,784	4,615
Investments	8	183	149
Cash at bank and in hand		3,061	700
		<u>8,028</u>	<u>5,464</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>3,218</u>	<u>3,343</u>
<b>NET CURRENT ASSETS</b>		<u>4,810</u>	<u>2,121</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,028</u>	<u>4,258</u>
<b>CREDITORS: amounts falling due outwith one year</b>	11	<u>140</u>	<u>139</u>
		<u>6,888</u>	<u>4,119</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Asset repayment provision	12	2,086	2,086
Deferred taxation	13	0	0
<b>NET ASSETS</b>		<u>4,802</u>	<u>2,033</u>
<b>CAPITAL AND RESERVES</b>			
Income and Expenditure Account		<u>4,802</u>	<u>2,033</u>

Signed on behalf of the Board

William Sutherland

Director

*W Sutherland* 6 June 1996

James C Macfarlane

Director

*J.C. Macfarlane* 6 June 1996

The accompanying notes are an integral part of this Balance Sheet Statement.

# Balance Sheet

as at 31 March 1996

	Notes	1996 £'000	1995 £'000
<b>FIXED ASSETS</b>			
Tangible Assets	7	357	304
Investments	8	1,868	1,843
		<u>2,225</u>	<u>2,147</u>
<b>CURRENT ASSETS</b>			
Debtors	9	4,782	4,626
Investments	8	183	149
Cash at bank and in hand		2,992	591
		<u>7,957</u>	<u>5,366</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>3,225</u>	<u>3,311</u>
<b>NET CURRENT ASSETS</b>		<u>4,732</u>	<u>2,055</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,957</u>	<u>4,202</u>
<b>CREDITORS: amounts falling due outwith one year</b>	11	<u>140</u>	<u>139</u>
		<u>6,817</u>	<u>4,063</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Asset repayment provision	12	2,086	2,086
Deferred taxation	13	0	0
<b>NET ASSETS</b>		<u>4,731</u>	<u>1,977</u>
<b>CAPITAL AND RESERVES</b>			
Income and Expenditure Account		<u>4,731</u>	<u>1,977</u>

Signed on behalf of the Board

William Sutherland

Director

*W Sutherland* 6

June 1996

James C Macfarlane

Director

*J C Macfarlane* 6

June 1996

The accompanying notes are an integral part of this Balance Sheet Statement.



# Consolidated Cash Flow Statement

for the year ended 31 March 1996

	1996 £'000	1995 £'000
<b>OPERATING SURPLUS</b>	2,676	687
Depreciation	136	73
Disposal of tangible fixed assets	42	0
Diminution in value - investments	999	246
Share of associated company results	(15)	(8)
(Increase)/Decrease in debtors	(169)	(893)
(Decrease)/Increase in creditors	(193)	(163)
Increase in provision to repay Scottish Enterprise	0	945
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>3,476</b>	<b>887</b>
 <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest paid	(26)	(17)
Interest received	222	47
Dividends received	6	4
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>202</b>	<b>34</b>
 <b>TAXATION</b>		
Tax paid	(25)	(79)
 <b>INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries	0	2
Payments to acquire tangible fixed assets	(231)	(255)
Payments to acquire investments	(1,192)	(1,154)
Repayments of investments	131	75
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>	<b>(1,292)</b>	<b>(1,332)</b>
<b>NET CASH INFLOW/(OUTFLOW)</b>	<b>2,361</b>	<b>(490)</b>
<b>INCREASE/(DECREASE) IN CASH</b>	<b>2,361</b>	<b>(490)</b>

The accompanying notes are an integral part of this Cash Flow Statement.

# Notes to the Accounts

## 1 ACCOUNTING POLICIES

### (a) Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards, all of which have been applied consistently throughout the year and the previous year.

### (b) Basis of Consolidation

The group accounts consolidate the accounts of Scottish Enterprise Tayside and all its subsidiary undertakings drawn up to 31 March each year. No Income and Expenditure account is presented for Scottish Enterprise Tayside as permitted by Section 230 of the Companies Act 1985.

Undertakings, other than subsidiary undertakings, in which the group has an investment and over which it is in a position to exercise a significant influence are treated as associated undertakings. The group's share of the results of the associated undertakings is included in the consolidated Income and Expenditure account.

### (c) Basis of Operations

Scottish Enterprise Tayside contracts annually with Scottish Enterprise to create and deliver business development, training and environmental programmes throughout Tayside. Funding for the Company's activities is provided principally by Scottish Enterprise and the annual accounts are prepared on the assumption that the Company will continue to be contracted with Scottish Enterprise for the foreseeable future. Although the Company is limited by guarantee and has no shareholders, it is technically a subsidiary undertaking of Scottish Enterprise, in accordance with s258 of the Companies Act 1985, by virtue of the control exercised over it by Scottish Enterprise through the annually negotiated Operating Contract.

### (d) Tangible Fixed Assets

For tangible fixed assets purchased by the Company with funds provided by Scottish Enterprise the risks, as well as the rewards, of ownership remain with Scottish Enterprise even although the legal title to the assets may be in the name of the Company. Under the terms of the Company's Operating Contract with Scottish Enterprise, all proceeds of sale of assets previously funded by Scottish Enterprise must be returned to Scottish Enterprise.

Tangible fixed assets to which the Company has taken title are capitalised in the Balance Sheet and an equal amount is set up as a provision recognising the obligation to repay to Scottish Enterprise the proceeds upon the sale of the asset. Any diminution in value of Scottish Enterprise funded assets is recorded against the asset and the associated provision. Accordingly, no charge is made against the Income and Expenditure Account. Where tangible fixed assets have been funded from the Company's resources, but where the title is in the name of Scottish Enterprise, the assets are not capitalised but are shown by way of a footnote to note 7. Tangible fixed assets purchased out of the Company's own resources are capitalised and depreciation is provided on these, other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset evenly over its estimated useful life as follows:

Freehold Buildings	-	over 50 years
Computers and Office Equipment	-	over 3 - 5 years
Leased Assets	-	over 3 years

## Notes to the Accounts

### (e) Investments

Investments are stated in the Balance Sheet at the lower of cost and net realisable value.

A nominal value is assigned to investments made as repayable grants. These grants are capitalised and written down to a nominal value in the year of advance.

Where investments have been funded by loans from Scottish Enterprise, provisions to reduce the value of the investment to below cost are charged to the Income and Expenditure Account in the year the reduction arises.

Where investments have been funded by Scottish Enterprise, other than by way of a repayable loan, the investment is capitalised in the Balance Sheet and a provision is set up to reflect the liability to repay the capital proceeds to Scottish Enterprise. Any movement in the valuation of these investments is also recorded against the repayment provision. All income generated from these investments is repayable to Scottish Enterprise.

Interest income is recognised on an accrued basis. Income from unlisted investments is credited to the Income and Expenditure Account when received.

### (f) Taxation

Corporation tax payable is provided at the current rate.

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that taxation will be payable.

### (g) Leases

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the Income and Expenditure Account over the period of lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to expenditure on a straight line basis over the lease term.

## 2 INCOME

Income, which is stated net of value added tax, represents all funding received and accrued under the Operating Contract with Scottish Enterprise, together with amounts received and due from third parties. All income is generated from the activity of economic development.

The Company acknowledges that the Youth and Adult Training programmes are supported by a financial contribution from the European Social Fund, administered by Scottish Enterprise.

## Notes to the Accounts

In the year ended 31 March 1996, the Company received £1,355,000 (1995:£1,061,000) of funding from Scottish Enterprise to fund items of a capital nature which are included in the Balance Sheet. This income and related expenditure has been excluded from the Income and Expenditure Account.

### 3 OPERATING SURPLUS

	1996 £'000	1995 £'000
a) This is stated after charging:		
Auditors' remuneration		
Audit Fee	11	9
Accountancy/Taxation Fees	7	3
Operating lease rentals:		
Office Equipment	9	7
Depreciation	136	73
Diminution in value of investments	999	246

#### b) Directors' Remuneration:

During the year, the Chief Executive, Mr Graham H McKee, was appointed a director. The remuneration disclosed below was for his managerial services as Chief Executive, since his appointment to the Board on 24 August 1995. This remuneration was paid by Scottish Enterprise and recharged to the company. No other director who held office during the year received remuneration.

	1996 £'000	1995 £'000
Fees and other emoluments were as follows:-		
Fees	-	-
Salary	33	-
Benefits in Kind	2	-
	35	-
Pension Contributions	4	-
	39	-

### 4 STAFF COSTS

The majority of staff members are employees of Scottish Enterprise. In addition the Group directly employs members of staff. Details of charges made for seconded and direct staff were as follows:

	1996 £'000	1995 £'000
Wages and Salaries	1,663	1,509
Social Security Costs	141	127
Other Pension Costs	185	156
	1,989	1,792

Other pension costs represent the charges made by Scottish Enterprise in respect of seconded employees. The average weekly number of staff during the year was 76 (full-time equivalents) (1995:72).

## Notes to the Accounts

### 5 INTEREST PAYABLE

	1996 £'000	1995 £'000
Investment Loans from Scottish Enterprise (Note 11)	(23)	(12)
Other Interest	(3)	(5)
	<u>(26)</u>	<u>(17)</u>

### 6 TAXATION ON SURPLUS ON ORDINARY ACTIVITIES

	1996 £'000	1995 £'000
Based on Surplus for the year		
Corporation Tax at 33%	85	16
Deferred Taxation	Nil	Nil
	<u>85</u>	<u>16</u>
Previous Year's Corporation Tax	9	3
	<u>94</u>	<u>19</u>

Most of the Company's activities are non-taxable and accordingly the Company's effective rate of tax is low compared to the standard rate.

### 7 TANGIBLE FIXED ASSETS GROUP AND COMPANY

	Computers and Office Equipment £'000	Leased Assets £'000	Total £'000
Cost:			
At 1 April 1995	434	0	434
Additions	175	56	231
Disposals	(63)	0	(63)
	<u>546</u>	<u>56</u>	<u>602</u>
At 31 March 1996			
	<u>546</u>	<u>56</u>	<u>602</u>
Depreciation and Diminution in value:			
At 1 April 1995	130	0	130
Provided during year	134	2	136
Disposals	(21)	0	(21)
	<u>243</u>	<u>2</u>	<u>245</u>
At 31 March 1996			
	<u>243</u>	<u>2</u>	<u>245</u>
Net Book Value:			
At 1 April 1995	<u>304</u>	<u>0</u>	<u>304</u>
At 31 March 1996	<u>303</u>	<u>54</u>	<u>357</u>

In addition to the assets capitalised the Company incurred expenditure of £105,000 on assets, the title to which is in the name of Scottish Enterprise (refer to Note 1 (d)).

## Notes to the Accounts

### 8 INVESTMENTS GROUP

	Equity £'000	Loans £'000	Total £'000
Cost:			
At 1 April 1995	613	1,912	2,525
Additions	0	1,192	1,192
Repayments	0	(131)	(131)
At 31 March 1996	613	2,973	3,586
Diminution in value:			
At 1 April 1995	0	543	543
Provided during year	0	984	984
Associated Company	15	0	15
At 31 March 1996	15	1,527	1,542
Net book value:			
At 1 April 1995	613	1,369	1,982
At 31 March 1996	598	1,446	2,044
		1996 £'000	1995 £'000
Disclosed in Balance Sheet			
Current investments		183	149
Non-current investments		1,861	1,833
		2,044	1,982

### INVESTMENTS COMPANY

	Equity £'000	Loans £'000	Total £'000
Cost:			
At 1 April 1995	623	1,912	2,535
Additions	2	1,172	1,174
Repayments	0	(131)	(131)
At 31 March 1996	625	2,953	3,578
Diminution in value:			
At 1 April 1995	0	543	543
Provided during year	0	984	984
At 31 March 1996	0	1,527	1,527
Net book value:			
At 1 April 1995	623	1,369	1,992
At 31 March 1996	625	1,426	2,051

## Notes to the Accounts

	1996 £'000	1995 £'000
Disclosed in Balance Sheet		
Current investments	183	149
Non-current investments	1,868	1,843
	<u>2,051</u>	<u>1,992</u>

Details of the investments in which the Company holds more than 10% of the nominal value of any class of share capital are as follows:

SUBSIDIARY COMPANIES	Country of Incorporation	Shareholding	Percentage of Class of Share Capital
Tay Euro Fund Limited	Scotland	100 £1 Ordinary Shares	100%
Innovation Scotland Limited	Scotland	80,000 10 pence Ordinary Shares	100%
Tayside Trading House Limited	Scotland	4,000 £1 Ordinary Shares	100%
Tayside Business Information and Advisory Service Limited	Scotland	A Company limited by guarantee £1	Nil
New Directions (Tayside) Limited	Scotland	A Company limited by guarantee £1	Nil

ASSOCIATED COMPANIES	Country of Incorporation	Shareholding	Percentage of Class of Share Capital	Aggregate of Capital and Reserves
Bigview Limited	Scotland	515,725 £1 Ordinary Shares	49%	£1,005,750

OTHER INVESTMENTS	Shareholding	Cost
Tristar Oilfield Services Limited	30,000 £1 Preference Shares	£30,000
G & M Procter	75,000 £1 Preference Shares	£75,000

## Notes to the Accounts

a) Tay Euro Fund Limited

The share capital of Tay Euro Fund Limited was purchased on 9 September 1993 from Tayside Enterprise Board Limited at a cost of £1.

The company's objective is to stimulate the economy of Tayside through the provision of seed capital to local companies and by attracting companies into the Tayside area through the provision of such capital.

b) Innovation Scotland Limited

The share capital of Innovation Scotland Limited was acquired on 19 November 1993 at a cost of £100. The company has been dormant throughout the year.

c) Tayside Trading House Limited

Tayside Trading House Limited was incorporated on 2 February 1994, its objective being to promote trading links between Tayside and Eastern European countries. The company has not yet commenced trading.

d) Bigview Limited

Bigview Limited was established in February 1993 in order to buy and refurbish premises in Dundee suitable for subsequent leasing as office accommodation.

9 **DEBTORS:** amounts falling due within one year

	GROUP		COMPANY	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
Advance funding of Training Providers	0	52	0	52
Trade Debtors	712	609	710	609
Scottish Enterprise	3,527	3,600	3,527	3,600
Value Added Tax	168	241	168	241
Other Debtors	84	19	84	19
Prepayments and Accrued Income	293	94	293	105
	<u>4,784</u>	<u>4,615</u>	<u>4,782</u>	<u>4,626</u>

10 **CREDITORS:** amounts falling due within one year

	GROUP		COMPANY	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
Trade Creditors	772	1,395	784	1,389
Scottish Enterprise	1,634	1,170	1,634	1,170
Corporation Tax - Current	85	16	85	16
Corporation Tax - Previous Years	20	20	20	20
Value Added Tax	0	15	0	0
Creditors (note 11)	40	20	40	20
Other Creditors and Accruals	667	707	662	696
	<u>3,218</u>	<u>3,343</u>	<u>3,225</u>	<u>3,311</u>



## Notes to the Accounts

### 11 CREDITORS: amounts falling due outwith one year

	GROUP		COMPANY	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
Wholly repayable within five years	105	84	105	84
Not wholly repayable within five years	75	75	75	75
	<u>180</u>	<u>159</u>	<u>180</u>	<u>159</u>
Amounts not due by instalments	75	75	75	75
Amounts due by instalments:-				
- Within five years	105	84	105	84
- Outwith five years	0	0	0	0
	<u>180</u>	<u>159</u>	<u>180</u>	<u>159</u>
Amount due within one year (Note 10)	40	20	40	20
	<u>140</u>	<u>139</u>	<u>140</u>	<u>139</u>

### 12 ASSET REPAYMENT PROVISION GROUP AND COMPANY

	Tangible Assets £'000	Investments £'000	Total £'000
Balance at 1 April 1995	304	1,782	2,086
Additions	181	1,174	1,355
Disposals	(63)	0	(63)
Depreciation and Diminution in value	(115)	(1,064)	(1,179)
Repayments	0	(113)	(113)
Balance at 31 March 1996	<u>307</u>	<u>1,779</u>	<u>2,086</u>

### 13 DEFERRED TAXATION GROUP AND COMPANY

	Provided and Potential	
	1996	1995
	£'000	£'000
Timing differences relating to interest receivable	<u>Nil</u>	<u>Nil</u>

## Notes to the Accounts

### 14 CAPITAL COMMITMENTS GROUP AND COMPANY

	1996 £'000	1995 £'000
Contracted but not provided for	Nil	Nil
Authorised by the Directors but not contracted	Nil	Nil

### 15 SHARE CAPITAL

The Company does not have a share capital and is limited by guarantee. The liability of members is limited to £5 each. At 31 March 1996 the Company had twelve members.

### 16 OTHER FINANCIAL COMMITMENTS

At 31 March the Group had annual commitments under non-cancellable operating leases as set out below:

	1996 Buildings £'000	1995 Buildings £'000
Within one year	228	211
Within two to five years	894	843
	<u>1,122</u>	<u>1,054</u>

### 17 CONTINGENT LIABILITY

The Company has granted a floating charge over all of its assets in favour of Scottish Enterprise in security for implementation of the Operating Contract.

## Notes to the Accounts

### 18 DIRECTORS INTERESTS

Due to the nature of the Company's operations and the composition of its Board of Directors, it is inevitable that transactions will take place with companies or other organisations in which a Director may have an interest. All transactions involving companies or organisations in which a Director may have an interest are conducted at arms length and in accordance with normal project and programme rules.

Where a Director was appointed during the year, only those transactions undertaken subsequent to the date of appointment are included. Where a Director resigned during the year, only those transactions undertaken prior to the date of resignation are included.

- a) During the year, transactions with non-public bodies, in which a Director has an interest, are noted below. In addition, Directors' interests in non-public bodies where there have been no transactions are also noted.

Subsidiary and associated companies are identified below with an asterisk.

DIRECTOR	ORGANISATION AND TRANSACTION	VALUE
David Sawyer	Dicksons of Perth	Nil
	Perth Theatre	Nil
Alison A Armstrong	NCR	Nil
Russell G Butchart	Arthur G Russell UK Limited	Nil
Christopher Dawes	Michelin Tyre plc / XM Services Limited	
	<i>Training Programmes</i>	£75,028
	<i>Company Development</i>	£3,200
	<i>Supplier Development</i>	£900
Peter J Lederer	Gleneagles Hotels plc	Nil
	Guinness Enterprises Limited	Nil
	Connoisseurs Scotland	Nil
Charlotte M Lythe	Tay Euro Fund Limited*	
Graham H McKee	Bigview Limited*	
	Tay Euro Fund Limited*	
	Innovation Scotland Limited*	
	New Directions (Tayside) Limited*	
	Tayside Careers Limited	Nil
Alexander Murray	United Auctions Limited	
	<i>Tourism Development</i>	£73,584
	Lurgan and Glengoulandie Farms	Nil
	Camserney and Drumdewan Farms	Nil
	DAM Farms, Glenalmond	Nil
	Pitlochry Theatre	Nil
	Dalween Home for the Elderly	Nil
	Aberfeldy Recreation Centre	Nil
	South Cairnies Farm, Glenalmond	Nil
	Robert Runciman, Plant Hire	Nil
	Appin Crafts	Nil
	Kenmore Community Centre	Nil

## Notes to the Accounts

Daniel J O'Brien	NCR	Nil
Allan L Proctor	A Proctor (Insulation) Limited	
	<i>Trade Development</i>	£1,904
	A Proctor (Developments) Limited	Nil
William Sutherland	Day International (UK) Limited	
	<i>Product Support</i>	£4,633
	<i>Business Development Support</i>	£3,019
	<i>Training Programmes</i>	£3,160
	Day International (UK) Holdings	Nil
	Innovation Scotland Limited*	

- b) Scottish Enterprise Tayside works in partnership with a number of public and other bodies with whom joint projects have been undertaken during the year. The following Directors who held official positions with such bodies are noted below.

Public and other bodies in which Directors held official positions, but where no joint projects have been undertaken, are identified below with an asterisk.

DIRECTOR	ORGANISATION	POSITION HELD
David Sawyer	University of Abertay Dundee Angus & City of Dundee Tourist Board	Court Member Board Member SET Representative
Alison A Armstrong	University of Abertay Dundee Norman Fraser Trust* Scottish Council Development and Industry* Women in Science Engineering and Technology*	Court Member Trustee Member  Member
Russell G Butchart	Angus College	Board Member SET Representative
Christopher Dawes	Scottish Council Development and Industry* CBI Scotland Manufacturing Group* Dundee Partnership Tayside Education Business Partnership	Member  Committee Member SET Representative Chairman
Peter J Lederer	Advisory Scottish Council for Education and Training Targets Tourism Training Scotland Scottish Tourist Board Hospitality Industry Trust Scotland*	Committee Member  Chairman Board Member Chairman and Trustee
Charlotte M Lythe	University of Dundee  Dundee Industrial Heritage Limited Abertay Historical Society* Scottish Field School of Archaeology* Dundee Partnership Perth College	Employee - Senior Lecturer in Economics Committee Member Committee Member Committee Member SET Representative Member of Board of Governors

## Notes to the Accounts

James C Macfarlane	Tayside Health Board Dundee Partnership	Chairman SET Representative
Graham H McKee	Dundee and Tayside Chamber of Commerce	SET Representative
Alexander Murray	Perth & Kinross District Council	Councillor
Daniel J O'Brien	Dundee and Tayside Chamber of Commerce Young Enterprise Tayside*	Council Member Chairman
Mervyn Rolfe	Dundee University Tayside Regional Council Dundee Heritage Trust Dundee Education Trust* Northern College of Education  Dundee College  Scottish Language Resource Centre Association*	Court Member Councillor Trustee Convenor Member of Board of Governors Member of Board of Management Vice Convenor
William Sutherland	Whitfield Business Support Group Perth Partnership	Chairman SET Representative