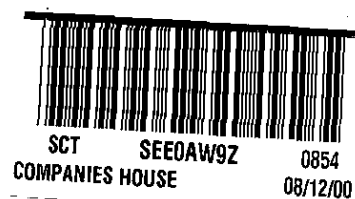


**Fisher & Donaldson
Financial Statements
For
31st March 2000**

Company Registration Number 32124



CARTERS
Chartered Accountants & Registered Auditors
Pentland House
Saltire Centre
Glenrothes
Fife
KY6 2AH

Fisher & Donaldson

Financial Statements

Year Ended 31st March 2000

Contents	Pages
Officers and Professional Advisers	1
The Directors' Report	2 to 3
Auditors' Report to the Shareholders	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 to 9

The following pages do not form part of the financial statements

Detailed Profit and Loss Account	11
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Fisher & Donaldson

Officers and Professional Advisers

The Board of Directors

J G Milne
J E Milne
A R Milne

Company Secretary

J E Milne

Registered Office

21 Crossgate
Cupar
Fife

Auditors

Carters
Chartered Accountants
& Registered Auditors
Pentland House
Saltire Centre
Glenrothes
Fife
KY6 2AH

Bankers

Bank of Scotland
The Cross
Cupar
Fife
KY15 4BP

Solicitors

Rollo, Davidson and McFarlane
67 Crossgate
Cupar
Fife
KY15 5AU

Fisher & Donaldson

The Directors' Report Year Ended 31st March 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2000.

Principal Activities

The company did not trade during the year.

The Directors and their Interests in Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2000	At 1 April 1999
J G Milne	-	-
A K Milne	-	-
J E Milne	-	-
A R Milne	-	-

The directors' interests in the share capital of the holding company are included in that company's accounts.

In accordance with the articles of association, A R Milne will retire by rotation and, being eligible, will offer himself for re-election.

A K Milne passed away on 11th October 2000.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 1985. The directors 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.

Auditors

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

Fisher & Donaldson

The Directors' Report *(continued)*
Year Ended 31st March 2000

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
21 Crossgate
Cupar
Fife

Signed on behalf of the directors

J E Milne
Director

Approved by the directors on

29th November 2000

Fisher & Donaldson

Auditors' Report to the Shareholders Year Ended 31st March 2000

We have audited the financial statements on pages 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of the Directors and the Auditors

As described on page 2, 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 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 give a true and fair view of the state of the company's affairs as at 31st March 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

CARTERS
Chartered Accountants
& Registered Auditors
Pentland House
Saltire Centre
Glenrothes
Fife
KY6 2AH

30th November 2000

Fisher & Donaldson**Profit and Loss Account****Year Ended 31st March 2000**

	Note	2000 £	1999 £
Turnover		-	-
Administrative expenses		(676)	(692)
Other operating income	2	10,755	6,999
Operating Profit	3	10,079	6,307
Interest receivable	4	-	32,113
Profit on Ordinary Activities Before Taxation		10,079	38,420
Tax on profit on ordinary activities	5	(1,014)	(8,214)
Retained Profit for the Financial Year		9,065	30,206
Balance brought forward		441,805	411,599
Balance carried forward		<u>450,870</u>	<u>441,805</u>

The notes on pages 7 to 9 form part of these financial statements.

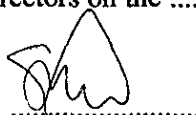
Fisher & Donaldson**Balance Sheet
31st March 2000**

	Note	2000 £	1999 £
Fixed Assets			
Tangible assets	6	32,631	33,940
Investments	7	26,175	26,175
		<u>58,806</u>	<u>60,115</u>
Current Assets			
Debtors	8	463,077	459,904
Creditors: Amounts Falling due Within One Year	9	<u>(1,013)</u>	<u>(8,214)</u>
Net Current Assets		<u>462,064</u>	<u>451,690</u>
Total Assets Less Current Liabilities		<u>520,870</u>	<u>511,805</u>
Capital and Reserves			
Called-up equity share capital	11	70,000	70,000
Profit and loss account		<u>450,870</u>	<u>441,805</u>
Shareholders' Funds		<u>520,870</u>	<u>511,805</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 29th November 2000, and are signed on their behalf by:


.....
J E Milne


.....
A R Milne

The notes on pages 7 to 9 form part of these financial statements.

Fisher & Donaldson

Notes to the Financial Statements Year Ended 31st March 2000

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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:

Freehold Property - 2% reducing balance

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposal of fixed asset investments are treated as part of the result from ordinary activities.

2. Other Operating Income

	2000	1999
	£	£
Rent receivable	-	6,999
Profit on disposal of fixed assets	10,755	-
	<u>10,755</u>	<u>6,999</u>

3. Operating Profit

Operating profit is stated after charging/(crediting):

	2000	1999
	£	£
Directors' emoluments	-	-
Depreciation	676	692
Profit on disposal of fixed assets	(10,755)	-
Auditors' fees	-	-
	<u>-</u>	<u>-</u>

4. Interest Receivable

	2000	1999
	£	£
Interest from group undertakings	-	32,113
	<u>-</u>	<u>32,113</u>

Fisher & Donaldson**Notes to the Financial Statements
Year Ended 31st March 2000**

5. Tax on Profit on Ordinary Activities

	2000 £	1999 £
Corporation tax based on the results for the year at 20% (1999 - 21%)	<u>1,014</u>	<u>8,214</u>

6. Tangible Fixed Assets

	Land and Buildings £
Cost	
At 1st April 1999	60,051
Disposals	<u>(1,260)</u>
At 31st March 2000	<u>58,791</u>
Depreciation	
At 1st April 1999	26,111
Charge for the year	676
On disposals	<u>(627)</u>
At 31st March 2000	<u>26,160</u>
Net Book Value	
At 31st March 2000	<u>32,631</u>
At 31st March 1999	<u>33,940</u>

7. Investments

	Unlisted Investments £
Cost	
At 1st April 1999 and 31st March 2000	<u>26,175</u>
Net Book Value	
At 31st March 2000	<u>26,175</u>
At 31st March 1999	<u>26,175</u>

The directors consider that the net book value is a close approximation to the market value of the investment.

Fisher & Donaldson

Notes to the Financial Statements Year Ended 31st March 2000

8. Debtors

	2000 £	1999 £
Amounts owed by group undertakings	<u>463,077</u>	<u>459,904</u>

9. Creditors: Amounts falling due within one year

	2000 £	1999 £
Corporation tax	<u>1,013</u>	<u>8,214</u>

10. Related Party Transactions

The company was under the control of Fisher & Donaldson (St Andrews) throughout the current and previous year. The Milne family are deemed to have a controlling interest in Fisher & Donaldson (St Andrews).

Debtors at 31st March 2000 includes £463,077 due to the company by Fisher & Donaldson (St Andrews).

11. Share Capital

Authorised share capital:

	2000 £	1999 £
70,000 Ordinary shares of £1 each	<u>70,000</u>	<u>70,000</u>

Allotted, called up and fully paid:

	2000 £	1999 £
Ordinary share capital	<u>70,000</u>	<u>70,000</u>

12. Ultimate Parent Company

The ultimate holding company of this company is Fisher & Donaldson (St Andrews) which is incorporated in Great Britain.