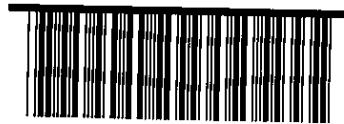


Abbreviated Financial Statements for the Year Ended 31 January 2001

for

D M Geddes & Sons Ltd

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COMPANIES HOUSE 01/08/01

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for the Year Ended 31 January 2001**

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D M Geddes & Sons Ltd

**Company Information
for the Year Ended 31 January 2001**

DIRECTORS: Mrs M H Geddes
Mr W Falconer
Mrs I Falconer
Mr K W Falconer
Mrs K Cameron
Mr D Mackay
Mr R Mackenzie

SECRETARY: Mrs K Cameron

REGISTERED OFFICE: Sinclair Lane
Halkirk
Caithness
KW12 6YF

REGISTERED NUMBER: 32829 (Scotland)

AUDITORS: Reid and Fraser
Registered Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

SOLICITORS: Young, Robertson & Co
29 Traill Street
Thurso
Caithness
KW14 8EQ

D M Geddes & Sons Ltd

Report of the Directors for the Year Ended 31 January 2001

The directors present their report with the financial statements of the company for the year ended 31 January 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of building contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

Dividends of £15,200 were paid during the year. The directors do not propose to declare a final dividend.

DIRECTORS

The directors during the year under review were:

Mrs M H Geddes
Mr W Falconer
Mrs I Falconer
Mr K W Falconer
Mrs K Cameron
Mr D Mackay
Mr R Mackenzie

The beneficial interests of the directors holding office on 31 January 2001 in the issued share capital of the company were as follows:

	31.1.01	1.2.00
Ordinary £1 shares		
Mrs M H Geddes	100	100
Mr W Falconer	3,002	3,002
Mrs I Falconer	750	750
Mr K W Falconer	1,155	1,155
Mrs K Cameron	770	770
Mr D Mackay	-	-
Mr R Mackenzie	-	-

STATEMENT OF 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;
- 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. 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.

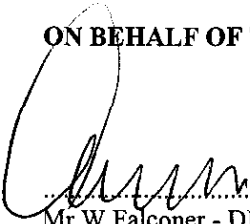
D M Geddes & Sons Ltd

**Report of the Directors
for the Year Ended 31 January 2001**

AUDITORS

A resolution in accordance with section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually was passed on 22 July 1996 and accordingly Reid & Fraser shall be deemed reappointed.

ON BEHALF OF THE BOARD:

A handwritten signature in dark ink, appearing to be 'W Falconer', written over a dotted line.

Mr W Falconer - DIRECTOR

Dated: 03/07/01

**Report of the Independent Auditors to
D M Geddes & Sons Ltd
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages five to sixteen, together with the full financial statements of the company for the year ended 31 January 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to sixteen are properly prepared in accordance with that provision.



Reid and Fraser
Registered Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

Dated: 5.7.01

D M Geddes & Sons Ltd

**Abbreviated Profit and Loss Account
for the Year Ended 31 January 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
GROSS PROFIT		501,909	480,069
Administrative expenses		<u>489,619</u>	<u>419,900</u>
OPERATING PROFIT	3	12,290	60,169
Interest receivable and similar income		<u>8,248</u>	-
		20,538	60,169
Interest payable and similar charges	4	<u>13,728</u>	<u>20,958</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		6,810	39,211
Tax on profit on ordinary activities	5	<u>276</u>	<u>8,188</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		6,534	31,023
Dividends	6	<u>15,200</u>	<u>44,000</u>
		(8,666)	(12,977)
Retained profit brought forward		<u>655,231</u>	<u>668,208</u>
RETAINED PROFIT CARRIED FORWARD		<u>£646,565</u>	<u>£655,231</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

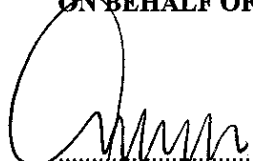
D M Geddes & Sons Ltd

**Abbreviated Balance Sheet
31 January 2001**

		2001		2000	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		622,298		586,433
Investments	8		129,100		129,100
			751,398		715,533
CURRENT ASSETS:					
Stocks	9	126,175		252,211	
Debtors	10	786,116		789,338	
Cash at bank and in hand		25,780		76,859	
		938,071		1,118,408	
CREDITORS: Amounts falling due within one year	11	839,260		966,151	
NET CURRENT ASSETS:			98,811		152,257
TOTAL ASSETS LESS CURRENT LIABILITIES:			850,209		867,790
CREDITORS: Amounts falling due after more than one year	12		(129,621)		(137,365)
PROVISIONS FOR LIABILITIES AND CHARGES:	15		(39,491)		(39,491)
ACCRUALS AND DEFERRED INCOME:	16		(22,532)		(23,703)
			£658,565		£667,231
CAPITAL AND RESERVES:					
Called up share capital	17		5,777		5,777
Other reserves	18		6,223		6,223
Profit and loss account			646,565		655,231
SHAREHOLDERS' FUNDS:	20		£658,565		£667,231

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


.....
Mr W Falconer - DIRECTOR

Approved by the Board on 03/07/01

The notes form part of these financial statements

D M Geddes & Sons Ltd

**Cash Flow Statement
for the Year Ended 31 January 2001**

	Notes	2001		2000	
		£	£	£	£
Net cash inflow from operating activities	1		86,671		299,253
Returns on investments and servicing of finance	2		(5,480)		(20,958)
Taxation			(24)		(2,940)
Capital expenditure	2		(90,724)		(50,497)
Equity dividends paid			(15,200)		(44,000)
			(24,757)		180,858
Financing	2		(26,322)		(29,047)
(Decrease)/Increase in cash in the period			£(51,079)		£151,811
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/Increase in cash in the period			(51,079)		151,811
Cash outflow from decrease in debt and lease financing			1,653		-
Change in net funds resulting from cash flows			(49,426)		151,811
New finance leases			(29,740)		-
Movement in net funds in the period			(79,166)		151,811
Net funds/(debt) at 1 February			76,859		(74,952)
Net (debt)/funds at 31 January			£(2,307)		£76,859

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2001**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	12,290	60,169
Depreciation charges	86,954	83,374
Loss on sale of fixed assets	-	537
Profit on sale of fixed assets	(2,355)	-
Government grants released	(3,977)	(4,183)
Decrease/(Increase) in stocks	126,036	(166,445)
Decrease in debtors	2,970	188,318
(Decrease)/Increase in creditors	(135,247)	137,483
Net cash inflow from operating activities	86,671	299,253

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest received	8,248	-
Interest paid	(12,769)	(20,958)
Interest element of hire purchase payments	(959)	-
Net cash outflow for returns on investments and servicing of finance	(5,480)	(20,958)
Capital expenditure		
Purchase of tangible fixed assets	(112,024)	(53,517)
Sale of tangible fixed assets	21,300	3,020
Net cash outflow for capital expenditure	(90,724)	(50,497)
Financing		
Loan repayments in year	(29,128)	(32,612)
Net government grants received in year	2,806	3,565
Net cash outflow from financing	(26,322)	(29,047)

Notes to the Cash Flow Statement
for the Year Ended 31 January 2001

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.2.00 £	Cash flow £	Other non-cash changes £	At 31.1.01 £
Net cash:				
Cash at bank and in hand	76,859	(51,079)		25,780
	<u>76,859</u>	<u>(51,079)</u>		<u>25,780</u>
Debt:				
Hire purchase	-	1,653	(29,740)	(28,087)
	<u>-</u>	<u>1,653</u>	<u>(29,740)</u>	<u>(28,087)</u>
Total	<u>76,859</u>	<u>(49,426)</u>	<u>(29,740)</u>	<u>(2,307)</u>
Analysed in Balance Sheet				
Cash at bank and in hand	76,859			25,780
Hire purchase				
within one year	-			(10,333)
after one year	-			(17,754)
	<u>76,859</u>			<u>(2,307)</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These accounts therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax.

In respect of long-term contracts, turnover represents the sales value of work done in the year, including estimates of amounts not invoiced.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	2% straight line
Leasehold property	2% straight line
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs

The company operates two defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of each scheme.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by annual instalments.

Government grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001**

2. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	1,247,334	1,375,591
Social security costs	109,151	122,235
Other pension costs	17,111	19,756
	<u>1,373,596</u>	<u>1,517,582</u>

The average monthly number of employees during the year was as follows:

	2001	2000
Production	75	80
Administration	15	13
	<u>90</u>	<u>93</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Hire of plant and machinery	734	1,603
Depreciation - owned assets	81,186	83,374
Depreciation - assets on hire purchase contracts	5,768	-
(Profit)/Loss on disposal of fixed assets	(2,355)	537
Auditors' remuneration	4,053	3,860
	<u>139,460</u>	<u>147,325</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Bank interest	-	5,621
Bank loan interest	12,769	15,337
Hire purchase and lease interest	197	-
Leasing	762	-
	<u>13,728</u>	<u>20,958</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2001	2000
	£	£
UK corporation tax	276	2,963
Deferred taxation	-	5,225
	<u>276</u>	<u>8,188</u>

UK corporation tax has been charged at 11.64% (2000 - 20.16%).

Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001

6. DIVIDENDS

	2001 £	2000 £
Equity shares:		
Final - Ordinary	<u>15,200</u>	<u>44,000</u>

7. TANGIBLE FIXED ASSETS

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 February 2000	113,408	112,271	913,452	211,418	1,350,549
Additions	-	29,514	75,525	36,725	141,764
Disposals	-	-	(34,640)	(42,325)	(76,965)
At 31 January 2001	<u>113,408</u>	<u>141,785</u>	<u>954,337</u>	<u>205,818</u>	<u>1,415,348</u>
DEPRECIATION:					
At 1 February 2000	14,026	21,863	577,061	151,166	764,116
Charge for year	1,992	2,398	59,879	22,685	86,954
Eliminated on disposals	-	-	(21,922)	(36,098)	(58,020)
At 31 January 2001	<u>16,018</u>	<u>24,261</u>	<u>615,018</u>	<u>137,753</u>	<u>793,050</u>
NET BOOK VALUE:					
At 31 January 2001	<u>97,390</u>	<u>117,524</u>	<u>339,319</u>	<u>68,065</u>	<u>622,298</u>
At 31 January 2000	<u>99,382</u>	<u>90,408</u>	<u>336,391</u>	<u>60,252</u>	<u>586,433</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery
	£
COST:	
Additions	<u>38,450</u>
At 31 January 2001	<u>38,450</u>
DEPRECIATION:	
Charge for year	<u>5,768</u>
At 31 January 2001	<u>5,768</u>
NET BOOK VALUE:	
At 31 January 2001	<u>32,682</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001**

8. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2001	2000
	£	£
Investment in Brownhill Precast Concrete Co Ltd	129,000	129,000
Investment in Geddes Window Systems Ltd	100	100
	129,100	129,100

9. STOCKS

	2001	2000
	£	£
Raw materials and consumables	40,098	36,665
Work in progress	86,077	215,546
	126,175	252,211

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade debtors	383,243	298,337
Other debtors	513	-
Prepayments & accrued income	35,640	29,807
Amounts owed by subsidiary undertakings	-	167,640
Amounts recoverable on long term contracts	350,874	277,456
Taxation	15,846	16,098
	786,116	789,338

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Bank loans and overdrafts (see note 13)	25,580	27,558
Hire purchase contracts (see note 14)	10,333	-
Trade creditors	416,410	598,891
Amounts owed to subsidiary undertakings	176,644	111,040
Other creditors	128,509	145,098
Other taxation and social security costs	81,784	83,564
	839,260	966,151

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001**

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2001	2000
	£	£
Bank loans (see note 13)	111,867	137,365
Hire purchase contracts (see note 14)	17,754	-
	<u>129,621</u>	<u>137,365</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2001	2000
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>25,580</u>	<u>27,558</u>
Amounts falling due between one and two years:		
Bank loans	<u>22,517</u>	<u>25,554</u>
Amounts falling due between two and five years:		
Bank loans	<u>63,350</u>	<u>65,736</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>26,000</u>	<u>46,075</u>

The bank overdraft and loans are secured.

Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2001 £	2000 £
Gross obligations repayable:		
Within one year	11,514	-
Between one and five years	19,960	-
	<u>31,474</u>	<u>-</u>
Finance charges repayable:		
Within one year	1,181	-
Between one and five years	2,206	-
	<u>3,387</u>	<u>-</u>
Net obligations repayable:		
Within one year	10,333	-
Between one and five years	17,754	-
	<u>28,087</u>	<u>-</u>

15. PROVISIONS FOR LIABILITIES AND CHARGES

	2001 £	2000 £
Deferred taxation	<u>39,491</u>	<u>39,491</u>
	Deferred taxation	
	£	
Balance at 1 February 2000	<u>39,491</u>	
Balance at 31 January 2001	<u>39,491</u>	

16. ACCRUALS AND DEFERRED INCOME

	2001 £	2000 £
Deferred government grants		
As at 1st February	23,703	24,321
Received in year	2,806	3,565
Released in year	(3,977)	(4,183)
	<u>22,532</u>	<u>23,703</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2001**

17. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2001	2000
		£1	£	£
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2001	2000
		£1	£	£
5,777	Ordinary		<u>5,777</u>	<u>5,777</u>

18. OTHER RESERVES

	2001	2000
	£	£
Capital redemption reserve	<u>6,223</u>	<u>6,223</u>

19. CONTINGENT LIABILITIES

The company has given its bank a cross guarantee in respect of Brownhill Precast Concrete Company Limited and Geddes Window Systems Limited, both subsidiary companies.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	6,534	31,023
Dividends	<u>(15,200)</u>	<u>(44,000)</u>
Net reduction of shareholders' funds	(8,666)	(12,977)
Opening shareholders' funds	<u>667,231</u>	<u>680,208</u>
Closing shareholders' funds	<u>658,565</u>	<u>667,231</u>
Equity interests	<u>658,565</u>	<u>667,231</u>