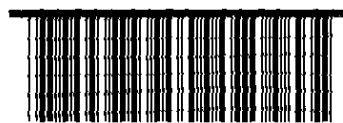


Abbreviated Financial Statements for the Year Ended 31 January 2002

for

D M Geddes & Sons Ltd



SCT S10SVD3K 0458
COMPANIES HOUSE 05/08/02

**Contents of the Financial Statements
for the Year Ended 31 January 2002**

	Page
Company Information	1
Report of the Directors	2
Report of the Auditors on the Abbreviated Financial Statements	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Financial Statements	10

D M Geddes & Sons Ltd

**Company Information
for the Year Ended 31 January 2002**

DIRECTORS:	Mr W Falconer Mrs I Falconer Mr K W Falconer Mrs K Cameron Mr R Mackenzie Mr S Allan
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 2002

The directors present their report with the financial statements of the company for the year ended 31 January 2002.

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 2002 in the issued share capital of the company were as follows:

	31.1.02	1.2.01
Ordinary £1 shares		
Mrs M H Geddes	-	-
Mr W Falconer	3,002	3,002
Mrs I Falconer	750	750
Mr K W Falconer	1,255	1,255
Mrs K Cameron	770	770
Mr D Mackay	-	-
Mr R Mackenzie	-	-

Mrs M Geddes died on 10 March 2002.

Mr D Mackay resigned as director on 28 June 2002. Mr S Allan was appointed director on the same date.

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.

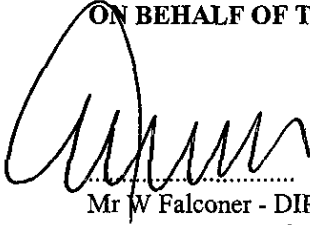
D M Geddes & Sons Ltd

**Report of the Directors
for the Year Ended 31 January 2002**

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 large, stylized handwritten signature in black ink, appearing to be 'W Falconer', written over a dotted line.

Mr W Falconer - DIRECTOR

Dated:

30/07/02

D M Geddes & Sons Ltd

**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 seventeen, together with the full financial statements of the company for the year ended 31 January 2002 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 audit 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 seventeen are properly prepared in accordance with that provision.



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

Dated: 2.8.02

D M Geddes & Sons Ltd

**Abbreviated Profit and Loss Account
for the Year Ended 31 January 2002**

		<u>2002</u>	<u>2001</u>
	Notes	£	£
GROSS PROFIT		659,401	501,909
Administrative expenses		566,302	489,619
OPERATING PROFIT	3	93,099	12,290
Interest receivable and <i>similar income</i>		2,154	8,248
		95,253	20,538
Interest payable and <i>similar charges</i>	4	12,971	13,728
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		82,282	6,810
Tax on profit on ordinary activities	5	20,390	276
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		61,892	6,534
Dividends	6	15,200	15,200
		46,692	(8,666)
Retained profit brought forward		646,565	655,231
RETAINED PROFIT CARRIED FORWARD		£693,257	£646,565

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

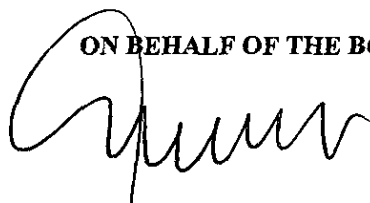
D M Geddes & Sons Ltd

**Abbreviated Balance Sheet
31 January 2002**

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		605,721		622,298
Investments	8		129,100		129,100
			<u>734,821</u>		<u>751,398</u>
CURRENT ASSETS:					
Stocks	9	138,411		126,175	
Debtors	10	584,382		786,116	
Cash at bank and in hand		16,330		25,780	
		<u>739,123</u>		<u>938,071</u>	
CREDITORS: Amounts falling due within one year	11	<u>612,443</u>		<u>839,260</u>	
NET CURRENT ASSETS:			<u>126,680</u>		<u>98,811</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>861,501</u>		<u>850,209</u>
CREDITORS: Amounts falling due after more than one year	12		(97,601)		(129,621)
PROVISIONS FOR LIABILITIES AND CHARGES:	15		(39,491)		(39,491)
ACCRUALS AND DEFERRED INCOME:	16		(19,152)		(22,532)
			<u>£705,257</u>		<u>£658,565</u>
CAPITAL AND RESERVES:					
Called up share capital	17		5,777		5,777
Other reserves	18		6,223		6,223
Profit and loss account			693,257		646,565
SHAREHOLDERS' FUNDS:	20		<u>£705,257</u>		<u>£658,565</u>

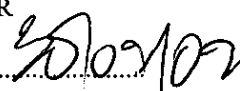
These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



.....
Mr W Falconer - DIRECTOR

Approved by the Board on



The notes form part of these financial statements

D M Geddes & Sons Ltd

**Cash Flow Statement
for the Year Ended 31 January 2002**

	Notes	2002		2001	
		£	£	£	£
Net cash inflow from operating activities	1		105,442		86,671
Returns on investments and servicing of finance	2		(10,817)		(5,480)
Taxation			15,839		(24)
Capital expenditure	2		(69,182)		(90,724)
Equity dividends paid			(15,200)		(15,200)
			26,082		(24,757)
Financing	2		(35,532)		(26,322)
Decrease in cash in the period			£(9,450)		£(51,079)
Reconciliation of net cash flow to movement in net debt	3				
Decrease in cash in the period			(9,450)		(51,079)
Cash outflow from decrease in debt and lease financing			9,939		1,653
Change in net debt resulting from cash flows			489		(49,426)
New finance leases			-		(29,740)
Movement in net debt in the period			489		(79,166)
Net (debt)/funds at 1 February			(2,307)		76,859
Net debt at 31 January			£(1,818)		£(2,307)

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2002**

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

	2002 £	2001 £
Operating profit	93,099	12,290
Depreciation charges	83,882	86,954
Loss on sale of fixed assets	1,878	-
Profit on sale of fixed assets	-	(2,355)
Government grants released	(3,380)	(3,977)
(Increase)/Decrease in stocks	(12,236)	126,036
Decrease in debtors	185,887	2,970
Decrease in creditors	(243,688)	(135,247)
Net cash inflow from operating activities	<u><u>105,442</u></u>	<u><u>86,671</u></u>

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

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	2,154	8,248
Interest paid	(10,525)	(12,769)
Interest element of hire purchase payments	(2,446)	(959)
Net cash outflow for returns on investments and servicing of finance	<u><u>(10,817)</u></u>	<u><u>(5,480)</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(76,864)	(112,024)
Sale of tangible fixed assets	7,682	21,300
Net cash outflow for capital expenditure	<u><u>(69,182)</u></u>	<u><u>(90,724)</u></u>
Financing		
Loan repayments in year	(35,532)	(29,128)
Net government grants received in year	-	2,806
Net cash outflow from financing	<u><u>(35,532)</u></u>	<u><u>(26,322)</u></u>

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2002**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.01 £	Cash flow £	At 31.1.02 £
Net cash:			
Cash at bank and in hand	<u>25,780</u>	<u>(9,450)</u>	<u>16,330</u>
	<u>25,780</u>	<u>(9,450)</u>	<u>16,330</u>
Debt:			
Hire purchase	<u>(28,087)</u>	<u>9,939</u>	<u>(18,148)</u>
	<u>(28,087)</u>	<u>9,939</u>	<u>(18,148)</u>
Total	<u>(2,307)</u>	<u>489</u>	<u>(1,818)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	25,780		16,330
Hire purchase			
within one year	(10,333)		(9,900)
after one year	<u>(17,754)</u>		<u>(8,248)</u>
	<u>(2,307)</u>		<u>(1,818)</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002**

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 2002**

2. STAFF COSTS

	2002 £	2001 £
Wages and salaries	1,313,841	1,247,334
Social security costs	104,978	109,151
Other pension costs	25,233	17,111
	<u>1,444,052</u>	<u>1,373,596</u>

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

	2002	2001
Production	68	75
Administration	15	15
	<u>83</u>	<u>90</u>

3. OPERATING PROFIT

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

	2002 £	2001 £
Hire of plant and machinery	190	734
Depreciation - owned assets	78,980	81,186
Depreciation - assets on hire purchase contracts	4,902	5,768
Loss/(Profit) on disposal of fixed assets	1,878	(2,355)
Auditors' remuneration	4,250	4,053
	<u>203,645</u>	<u>139,460</u>

Information regarding the highest paid director for the year ended 31 January 2002 is as follows:

	2002 £
Emoluments etc	63,554
Pension contributions to money purchase schemes	<u>1,947</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Bank loan interest	10,525	12,769
Hire purchase and lease interest	1,154	197
Leasing	1,292	762
	<u>12,971</u>	<u>13,728</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002**

5. TAXATION

Analysis of the tax charge

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

	2002 £	2001 £
Current tax:		
UK corporation tax	<u>20,390</u>	<u>276</u>

UK corporation tax has been charged at 20.15% (2001 - 11.64%).

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	<u>82,282</u>	<u>6,810</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.15% (2001 - 11.64%)	16,580	793
Effects of:		
Expenses not deductible for tax purposes	3,175	392
Depreciation in excess of capital allowances	1,311	-
Capital allowances in excess of depreciation	-	(171)
Income not deductible for tax purposes	(682)	(738)
Charge in respect of previous period	<u>6</u>	<u>-</u>
Current tax charge	<u>20,390</u>	<u>276</u>

6. DIVIDENDS

	2002 £	2001 £
Equity shares:		
Final - Ordinary	<u>15,200</u>	<u>15,200</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002

7. TANGIBLE FIXED ASSETS

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 February 2001	113,408	141,785	954,337	205,818	1,415,348
Additions	-	14,252	18,800	43,812	76,864
Disposals	-	-	-	(62,439)	(62,439)
At 31 January 2002	113,408	156,037	973,137	187,191	1,429,773
DEPRECIATION:					
At 1 February 2001	16,018	24,261	615,017	137,753	793,049
Charge for year	1,952	2,636	53,718	25,576	83,882
Eliminated on disposals	-	-	-	(52,879)	(52,879)
At 31 January 2002	17,970	26,897	668,735	110,450	824,052
NET BOOK VALUE:					
At 31 January 2002	95,438	129,140	304,402	76,741	605,721
At 31 January 2001	97,390	117,524	339,319	68,065	622,298

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

	Plant and machinery
	£
COST:	
At 1 February 2001 and 31 January 2002	38,450
DEPRECIATION:	
At 1 February 2001	5,768
Charge for year	4,902
At 31 January 2002	10,670
NET BOOK VALUE:	
At 31 January 2002	27,780
At 31 January 2001	32,682

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002**

8. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2002 £	2001 £
Investment in Brownhill Precast Concrete Co Ltd	129,000	129,000
Investment in Geddes Window Systems Ltd	100	100
	<u>129,100</u>	<u>129,100</u>

9. STOCKS

	2002 £	2001 £
Raw materials and consumables	54,238	40,098
Work in progress	84,173	86,077
	<u>138,411</u>	<u>126,175</u>

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

	2002 £	2001 £
Trade debtors	274,673	383,243
Other debtors	-	513
Prepayments & accrued income	45,662	35,640
Amounts recoverable on long term contracts	264,047	350,874
Taxation	-	15,846
	<u>584,382</u>	<u>786,116</u>

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

	2002 £	2001 £
Bank loans and overdrafts (see note 13)	22,501	25,580
Hire purchase contracts (see note 14)	9,900	10,333
Trade creditors	169,634	416,410
Amounts owed to subsidiary undertakings	149,982	176,644
Other creditors	139,757	128,509
Other taxation and social security costs	100,286	81,784
Taxation	20,383	-
	<u>612,443</u>	<u>839,260</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002

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

	2002 £	2001 £
Bank loans (see note 13)	89,353	111,867
Hire purchase contracts (see note 14)	8,248	17,754
	<u>97,601</u>	<u>129,621</u>

13. LOANS AND OVERDRAFTS

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

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Bank loans	<u>22,501</u>	<u>25,580</u>
Amounts falling due between one and two years:		
Bank loans	<u>21,227</u>	<u>22,517</u>
Amounts falling due between two and five years:		
Bank loans	<u>54,126</u>	<u>63,350</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>14,000</u>	<u>26,000</u>

The bank overdraft and loans are secured.

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002**

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2002	2001
	£	£
Gross obligations repayable:		
Within one year	11,094	11,514
Between one and five years	9,286	19,960
	20,380	31,474
Finance charges repayable:		
Within one year	1,194	1,181
Between one and five years	1,038	2,206
	2,232	3,387
Net obligations repayable:		
Within one year	9,900	10,333
Between one and five years	8,248	17,754
	18,148	28,087

15. PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred taxation	39,491	39,491
	Deferred tax	
	£	
Balance at 1 February 2001	39,491	
Balance at 31 January 2002	39,491	

16. ACCRUALS AND DEFERRED INCOME

	2002	2001
	£	£
Deferred government grants		
As at 1st February	22,532	23,703
Received in year	-	2,806
Released in year	(3,380)	(3,977)
	19,152	22,532

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2002**

17. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2002 £	2001 £
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2002 £	2001 £
5,777	Ordinary	£1	<u>5,777</u>	<u>5,777</u>

18. OTHER RESERVES

	2002 £	2001 £
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

	2002 £	2001 £
Profit for the financial year	61,892	6,534
Dividends	<u>(15,200)</u>	<u>(15,200)</u>
Net addition/(reduction) to shareholders' funds	46,692	(8,666)
Opening shareholders' funds	<u>658,565</u>	<u>667,231</u>
Closing shareholders' funds	<u>705,257</u>	<u>658,565</u>
Equity interests	<u>705,257</u>	<u>658,565</u>