

Bancon Developments Limited
Annual report and financial statements
for the year ended 30 November 2000

Registered Number 58713

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Bancon Developments Limited
Annual report and financial statements
for the year ended 30 November 2000
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Bancon Developments Limited

Directors' report for the year ended 30 November 2000

The directors present their report and the audited financial statements for the year ended 30 November 2000.

Principal activities

The principal activities of the company and its subsidiaries during the year were, building, contracting, dealing, developing and managing of property.

Review of business and future developments

The consolidated profit and loss account for the year is set out on page 4.

The directors are of the opinion that the current level of activity is likely to be sustained for the foreseeable future and expect the group to produce similar results in the coming year.

Subsequent to the year end, Deeside House and Garden Centre Limited disposed of its business to a third party. It is the directors' intention to wind the company up once all balances have been settled and any outstanding matters resolved.

Dividends

The directors do not recommend the payment of a dividend. The retained profit for the financial year of £37,178 (1999 : £104,584) will be transferred to reserves.

Directors

The directors of the company at 30 November 2000, all of whom have been directors for the whole of the year ended on that date unless otherwise stated, are listed below:

J C A Burnett of Leys	(Chairman)
F Garden	
I Sharp	
R A Beattie	(appointed 21 August 2000)
W Beattie	(appointed 26 April 2001)

Directors' interests in shares of the company

The interests of the directors of the company at 30 November 2000 in the shares of the company, according to the register required to be kept by Section 325 of the Companies Act 1985, were as follows:

	Ordinary shares of £1 each			
	2000	1999		
	Number	Amount	Number	Amount
		£		£
J C A Burnett of Leys	260	260	260	260

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the company and the group for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business for the foreseeable future.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 November 2000 and that applicable accounting standards have been followed.

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The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'I Sharp', written over a horizontal line.

**I Sharp
Company Secretary**

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Auditors' report to the members of Bancon Developments Limited

We have audited the financial statements on pages 4 to 21.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Directors' Report. As described on pages 1 and 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

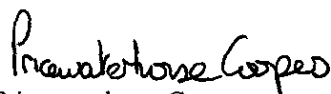
Basis of audit opinion

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 affairs of the company and the group at 30 November 2000 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Aberdeen

Date 20 July 2001

Bancon Developments Limited

Consolidated profit and loss account for the year ended 30 November 2000

	Note	2000 £	1999 £
Turnover	1		
Continuing operations		14,408,642	12,781,057
Discontinued operations		1,090,518	781,540
Total turnover		15,499,160	13,562,597
Net operating expenses	2	(15,329,901)	(13,365,846)
Operating profit/(loss)			
Continuing operations		318,166	201,278
Discontinued operations		(148,907)	(4,527)
Total operating profit	3	169,259	196,751
Interest receivable		47,128	54,931
Interest payable	6	(182,446)	(88,820)
Profit on ordinary activities before taxation		33,941	162,862
Tax on profit on ordinary activities	7	(21,564)	(72,415)
Profit on ordinary activities after taxation		12,377	90,447
Minority interests		24,801	14,137
Retained profit for the financial year	8,18	37,178	104,584

The group has no recognised gains or losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the years stated above, and their historical cost equivalents.

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Balance sheets as at 30 November 2000

		Group		Company	
	Note	2000	1999	2000	1999
		£	£	£	£
Fixed assets					
Tangible assets	9	873,438	999,278	108,238	113,731
Investments	10	-	-	477	477
		873,438	999,278	108,715	114,208
Current assets					
Stock	11	3,603,591	2,897,168	156,519	170,175
Debtors : due within one year	12	2,949,660	2,859,726	1,675,750	1,076,197
Debtors : due after one year	12	-	148,610	-	148,610
Cash at bank and in hand		692,963	603,727	-	109,605
		7,246,214	6,509,231	1,832,269	1,504,587
Creditors: amounts falling due within one year	13	(5,175,127)	(4,580,201)	(417,553)	(199,373)
Net current assets		2,071,087	1,929,030	1,414,716	1,305,215
Total assets less current liabilities		2,944,525	2,928,308	1,523,431	1,419,423
Creditors : amounts falling due after more than one year	14	(23,260)	(14,746)	-	-
Provisions for liabilities and charges	15	(861)	(1,339)	-	-
Net assets		2,920,404	2,912,223	1,523,431	1,419,423
Capital and reserves					
Called up share capital	17	665	665	665	665
Revaluation reserve	18	62,400	64,050	62,400	64,050
Profit and loss account	18	2,634,589	2,599,959	1,460,366	1,354,708
Equity shareholders' funds	22	2,697,654	2,664,674	1,523,431	1,419,423
Minority interests	23	222,750	247,549	-	-
		2,920,404	2,912,223	1,523,431	1,419,423

The financial statements on pages 4 to 21 were approved by the board of directors on 18/7/01 and were signed on their behalf by:

Director

Frank G. ...

Director

[Signature]

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Consolidated cash flow statement for the year ended 30 November 2000

	Note	2000 £	1999 £
Net cash outflow from operating activities	19	(738,131)	(331,225)
Returns on investment and servicing of finance			
Interest received		47,128	54,931
Interest paid		(177,870)	(84,319)
Interest element of finance lease rental payments		(4,576)	(4,501)
Net cash outflow from returns on investments and servicing of finance		(135,318)	(33,889)
Taxation			
UK corporation tax paid		(72,658)	(44,902)
Capital expenditure and financial investments			
Purchase of tangible fixed assets		(99,832)	(265,182)
Sale of tangible fixed assets		28,083	41,334
		(71,749)	(223,848)
Acquisitions and disposals			
Purchase of shares in subsidiary from minority interest		(4,198)	(18,534)
Net cash outflow from capital expenditure and financial investments		(75,947)	(242,382)
Net cash outflow before management of liquid resources and financing		(1,022,054)	(652,398)
Financing			
Repayments of principal under finance leases		(31,076)	(33,295)
Decrease in cash in the period	20	(1,053,130)	(685,693)

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Notes to the financial statements for the year ended 30 November 2000

1 Principal accounting policies

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently, is set out below.

Basis of consolidation

The group financial statements include the results of the holding company and all of its subsidiary companies. Intra-group sales and profits are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to those assets and liabilities, and the resulting gains and losses, that arise after the group has gained control of the subsidiary are charged to the post acquisition profit and loss account.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill arising from the prior acquisition of subsidiaries and associates has been written off immediately against reserves.

Goodwill arising on future acquisitions will be capitalised and amortised over its estimated useful economic life in accordance with Financial Reporting Standard 10 "Goodwill and Intangible Assets".

Tangible fixed assets

The directors consider the values of the investment properties annually and the aggregate surplus or deficit is transferred to the revaluation reserve. Depreciation is not provided in respect of freehold investment properties. The directors consider that this accounting policy results in the financial statements giving a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation, and the amount that might otherwise have been shown cannot be separately identified or quantified.

Freehold land is not depreciated.

Land and buildings are stated at cost or at their revalued amounts, less depreciation on buildings. The group has adopted Financial Reporting Standard 15 "Tangible Fixed Assets". It is taking advantage of the transitional provisions of the Standard and has not updated the valuations previously carried out.

Other tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation

Depreciation is charged annually on a straight line basis over the following periods:-

Plant, machinery, fixtures and fittings	7 years
Motor vehicles	4 years
Buildings	20 years

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Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Income from investment property

Rental income from the investment property is included in the consolidated profit and loss account on an accruals basis.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost or net realisable value.

Long-term contracts

Turnover on long-term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. The costs on long-term contracts not yet taken to the profit and loss account less related foreseeable losses and payments on account are shown in stocks as long-term contract balances.

Government grants

Grants which relate to specific capital expenditure are treated as deferred income which is then credited to the profit and loss account over the related assets useful life. Other grants are credited to the profit and loss account when received.

Investments

Investments in subsidiary undertakings are included in the balance sheet of the company at cost. Provisions are made where necessary to reflect any permanent diminution in value.

Turnover

Turnover, which excludes value added tax, represents amounts invoiced for work completed during the year and the value of long term contract work done.

Deferred taxation

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Pension costs

The group contributes to a defined contribution money purchase pension scheme on behalf of its employees. Pension costs in respect of this scheme are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services.

The group also contributes to various money purchase schemes on behalf of the directors. Pension costs in respect of these schemes are accounted for when payable.

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2 Net operating expenses

Net operating expenses are comprised as follows:

	2000			1999		
	Continuing	Dis-continued	Total	Continuing	Dis-continued	Total
(Increase)/decrease in stocks and work in progress	(763,565)	57,142	(706,423)	(1,273,424)	(50,013)	(1,323,437)
Raw materials and consumables	10,082,298	720,828	10,803,126	9,773,477	533,990	10,307,467
Staff costs	3,355,045	297,211	3,652,256	2,966,171	249,155	3,215,326
Other operating charges	1,300,683	291,244	1,591,927	948,986	262,935	1,211,921
	13,974,461	1,366,425	15,340,886	12,415,210	996,067	13,411,277
Less:						
Other operating income	(10,795)	-	(10,795)	(38,921)	-	(38,921)
Cash advances waived	127,000	(127,000)	-	210,000	(210,000)	-
Rental income from investment property	(190)	-	(190)	(6,510)	-	(6,510)
Net operating expenses	14,090,476	1,239,425	15,329,901	12,579,779	786,067	13,365,846

3 Operating profit

Operating profit is stated after charging/(crediting):

	2000	1999
	£	£
Depreciation of:		
Owned tangible fixed assets	196,705	238,937
Tangible fixed assets held under finance leases	26,972	26,573
Write down of fixed assets	11,034	-
Auditors' remuneration (company : £2,750; 1999 : £2,750)	20,400	19,400
Hire of plant and machinery	420,839	310,714
Other operating lease payments	40,000	40,000
Loss/(gain) on disposal of tangible fixed assets	2,378	(26,704)

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4 Directors' emoluments

	2000 £	1999 £
Aggregate emoluments	185,390	157,399
Company pension contributions to money purchase schemes	40,788	50,004
	226,178	207,403

Retirement benefits are accruing to four directors (1999 : three) under money purchase schemes.

Highest paid director	2000 £	1999 £
Aggregate emoluments and benefits	64,130	60,869
Company pension contributions to money purchase schemes	12,848	12,769
	76,978	73,638

5 Employee information

The average weekly number of persons employed by the group including executive directors during the year was:

	2000 Number	1999 Number
Total	166	158

Employment costs – all employees including executive directors:

	2000 £	1999 £
Wages and salaries	3,136,363	2,755,799
Social security costs	300,541	265,792
Other pension costs	215,352	193,735
	3,652,256	3,215,326

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6 Interest payable

	2000	1999
	£	£
Interest payable on:		
Bank overdrafts	177,870	84,319
Finance leases	4,576	4,501
	182,446	88,820

7 Taxation

	2000	1999
	£	£
United Kingdom corporation tax at 20% (1999 : 30.33%)		
Current	22,042	72,658
Deferred	(478)	(243)
	21,564	72,415

The effective rate of tax is high due to a deferred tax asset of £55,752 not being recognised in the financial statements.

8 Profit for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2000	1999
	£	£
Dealt with in the accounts of the holding company	104,008	155,631
Net loss retained by subsidiary companies	(66,830)	(51,047)
	37,178	104,584

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9 Tangible fixed assets

Group

	Leasehold improve- ments	Land and buildings	Invest- ment property	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 December 1999	23,000	485,181	113,120	712,050	32,077	905,531	2,270,959
Additions	-	-	-	125,044	7,888	6,400	139,332
Disposals	-	-	-	(12,068)	-	(152,919)	(164,987)
At 30 November 2000	23,000	485,181	113,120	825,026	39,965	759,012	2,245,304
Depreciation							
At 1 December 1999	2,300	111,896	-	502,248	9,675	645,562	1,271,681
Charge for the year	2,300	18,460	-	76,020	5,059	121,838	223,677
Write down	-	-	-	655	5,988	4,391	11,034
Disposals	-	-	-	(4,695)	-	(129,831)	(134,526)
At 30 November 2000	4,600	130,356	-	574,228	20,722	641,960	1,371,866
Net book amount							
At 30 November 2000	18,400	354,825	113,120	250,798	19,243	117,052	873,438
At 30 November 1999	20,700	373,285	113,120	209,802	22,402	259,969	999,278

The net book value of tangible fixed assets includes an amount of £87,090 (1999 : £89,475) in respect of assets held under finance leases.

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9 Tangible fixed assets (continued)

Company

	Land and buildings	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 December 1999	122,531	16,526	107,335	246,392
Additions	-	18,586	-	18,586
At 30 November 2000	122,531	35,112	107,335	264,978
Depreciation				
At 1 December 1999	52,331	15,869	64,461	132,661
Charge for the year	1,650	2,967	19,462	24,079
At 30 November 2000	53,981	18,836	83,923	156,740
Net book amount				
At 30 November 2000	68,550	16,276	23,412	108,238
At 30 November 1999	70,200	657	42,874	113,731

Land and buildings and investment properties are included at a valuation in the company and group as follows:

	Land and buildings	Group Investment properties	Land and buildings	Company Investment properties
	£	£	£	£
Cost	440,181	113,120	54,531	-
Valuation in 1998	68,000	-	68,000	-
	508,181	113,120	122,531	-

The valuation in 1998 was carried out by FG Burnett, an independent external chartered surveyor, on the open market value basis.

Investment properties have not been revalued during the year as the directors believe that the valuations in the balance sheet at 30 November 2000 are not materially different from the current market value of the properties.

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The historical cost and related depreciation of land and buildings included at valuation for both group and company are set out below:

	Land and buildings	
	2000	1999
	£	£
Historical cost	2,700	2,700
Depreciation based on cost	(2,700)	(2,700)
Historical cost net book value	-	-

10 Fixed asset investments

Company

	Interests in subsidiary undertakings £
Cost and net book value	
At 1 December 1999 and 30 November 2000	477

Interests in subsidiary undertakings

Shares in subsidiary undertakings comprise the cost of investments in subsidiary undertakings.

Details of subsidiary undertakings are as follows:

Name of company and country of incorporation and operation	Description of shares held	Proportion of nominal value of issued shares held by:		Principal activity
		Group	Company	
Inchmarlo Land Company Ltd Scotland	102 Ord "A" £1 shares	51%	51%	Property developers
Brown Brothers (Aberdeen) Ltd Scotland	85 Ord £1 shares	77%	-	Plumbing contractors
Banchory Contractors Ltd Scotland	150 Ord 50p shares	81%	81%	Building and contracting
Bancon Homes Ltd Scotland	100 Ord £1 shares	100%	100%	House builders
Bancon Homes (Deeside) Ltd Scotland	100 Ord £1 shares	100%	100%	House builders
Bancon Homes (Donside) Ltd Scotland	100 Ord £1 shares	100%	100%	House builders
Deeside House & Garden Centre Ltd Scotland	5,500 Ord £1 shares	81%	-	Supplying building materials and garden accessories

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11 Stock

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Raw materials and consumables	124,526	81,773	-	-
Work in progress	3,343,206	2,631,509	156,519	170,175
Land and property	10,001	10,001	-	-
Finished goods	125,858	173,885	-	-
	3,603,591	2,897,168	156,519	170,175

12 Debtors

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	2,003,639	2,498,164	-	-
Amounts recoverable on contracts	455,996	88,875	-	-
Amounts owed by group undertaking	-	-	1,517,798	958,872
Other debtors	228,472	233,279	148,500	113,390
Prepayments and accrued income	261,553	39,408	9,452	3,935
	2,949,660	2,859,726	1,675,750	1,076,197
Amounts falling due after more than one year				
Other debtors	-	148,610	-	148,610
Total debtors	2,949,660	3,008,336	1,675,750	1,224,807

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13 Creditors – amounts falling due within one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Bank overdrafts	2,756,411	1,614,045	234,464	-
Trade creditors	1,585,336	1,897,025	-	-
Amounts owed to group undertakings	-	-	9,880	5,134
Corporation tax	22,042	72,658	6,667	58,107
Group relief	-	-	41,653	14,752
Other taxation and social security	107,167	95,929	6,910	2,639
Obligations under finance leases	22,822	22,912	-	-
Other creditors	-	21,354	-	-
Accruals and deferred income	681,349	856,278	117,979	118,741
	5,175,127	4,580,201	417,553	199,373

The bank overdrafts of the group are secured by a floating charge in favour of Clydesdale Bank plc.

14 Creditors – amounts falling due after more than one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Finance leases:				
Repayable between one and two years	7,753	13,912	-	-
Repayable between two and five years	15,507	834	-	-
	23,260	14,746	-	-

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15 Provisions for liabilities and charges

Group

	Deferred tax £
At 1 December 1999	1,339
Profit and loss account	(478)
At 30 November 2000	861

Deferred taxation provided in these financial statements at a rate of 20% (1999 : 20%), comprises:-

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Accelerated capital allowances	861	1,339	-	-

The unprovided amounts of deferred taxation are as follows:-

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Excess of tax allowances over depreciation	(16,345)	(10,584)	(12,095)	(10,958)
Short term timing differences	(375)	(737)	-	(381)
Other	(39,032)	(8,721)	-	17,301
	(55,752)	(20,042)	(12,095)	5,962

16 Pension and similar obligations

The group operates a defined contribution money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge against profits is the amount of contributions payable to the scheme and amounted to £151,485 (1999 : £121,835).

The group also contributes to various money pension schemes on behalf of the directors of the various group companies. The assets of these schemes are held separately from those of the group in independently administered funds.

Contributions amounting to £1,530 (1999 : £1,270) were payable at the year end.

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17 Called up share capital

Group and company

	2000	1999
	£	£
Authorised		
1,000 "A" ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
665 "A" ordinary shares of £1 each	665	665

18 Reserves

	Revaluation reserve	Profit and loss account
	£	£
Group		
At 1 December 1999	64,050	2,599,959
Release of revaluation reserve	(1,650)	1,650
Retained profit for the year	-	37,178
Purchase of shares in subsidiary from minority interest	-	(4,198)
At 30 November 2000	62,400	2,634,589

	Revaluation reserve	Profit and loss account
	£	£
Company		
At 1 December 1999	64,050	1,354,708
Release of revaluation reserve	(1,650)	1,650
Retained profit for the year	-	104,008
At 30 November 2000	62,400	1,460,366

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19 Reconciliation of operating profit to net cash outflow from operating activities

	2000 £	1999 £
Operating profit	169,259	196,751
Depreciation on tangible fixed assets	223,677	265,510
Loss/(gain) on sale of tangible fixed assets	2,378	(26,704)
Tangible fixed asset write down	11,034	-
Increase in stocks	(706,423)	(1,323,437)
Decrease/(increase) in debtors	58,676	(105,236)
(Decrease)/increase in creditors	(496,732)	661,891
Net cash outflow from continuing operating activities	(738,131)	(331,225)

20 Reconciliation of net cash flow to movement in net debt

	2000 £	1999 £
Decrease in cash in the period	(1,053,130)	(685,693)
Cash used to repay principal under finance leases	31,076	33,295
New finance leases	(39,500)	(45,150)
Movement in net debt in the period	(1,061,554)	(697,548)
Net debt at start of year	(1,047,976)	(350,428)
Net debt at end of year	(2,109,530)	(1,047,976)

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21 Analysis of changes in net debt

	At 1 st December 1999	Cash flow	Other	At 30 November 2000
	£	£	£	£
Cash at bank and in hand	603,727	89,236	-	692,963
Overdrafts	(1,614,045)	(1,142,366)	-	(2,756,411)
	(1,010,318)	(1,053,130)	-	(2,063,448)
Finance leases	(37,658)	31,076	(39,500)	(46,082)
Total	(1,047,976)	(1,022,054)	(39,500)	(2,109,530)

22 Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
Opening shareholders' funds	2,664,674	2,564,604
Profit for the financial year	37,178	104,584
Purchase of shares in subsidiary from minority interest	(4,198)	(4,514)
Closing shareholders' funds	2,697,654	2,664,674

23 Minority interest

	2000	1999
	£	£
At 1 December	247,544	275,706
Profit and loss account	(21,411)	(14,137)
Acquisition of minority interest in Deeside House and Garden Centre Ltd	-	(11,095)
Group buyback of minority shareholding in Brown Brothers (Aberdeen) Ltd	(3,383)	(2,925)
Equity minority interests at 30 November	222,750	247,549

Bancon Developments Limited

24 Financial commitments

At 30 November 2000 the group had annual commitments under non-cancellable operating leases as follows:-

	2000	1999
	£	£
Expiring within 1 year	-	40,000

25 Related party transactions

During the year the Group made sales of £21,321 (1999 : £84,991) and purchases of £364,464 (1999: £16,165) to and from related parties. These parties are JCA Burnett of Leys, a director, and his family and entities under their control.

The directors consider these transactions to have been on an arm's length basis.

At the year end £100,963 (1999: £43,657) was owed to the group by related parties.