

**Abbreviated Financial Statements**  
**for the Year Ended 31 December 2001**  
**for**  
**SFF Services Limited**



**SFF Services Limited**

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for the Year Ended 31 December 2001**

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**SFF Services Limited**

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

**DIRECTORS:**

A Smith  
H Morrison  
R H T Allen  
A Coghill  
J Evans  
B N Isbister  
J J Parkhouse  
G P Sutherland  
A West  
A Strachan

**SECRETARY:**

Michael J Sutherland

**REGISTERED OFFICE:**

14 Regent Quay  
Aberdeen  
AB11 5AE

**REGISTERED NUMBER:**

98563 (Scotland)

**AUDITORS:**

Shearer, Bruce & Paterson  
Chartered Accountants  
and Registered Auditors  
2 Cross Street  
Fraserburgh  
Aberdeenshire  
AB43 9EQ

**SOLICITORS:**

Paull & Williamson  
6 Union Row  
Aberdeen  
AB10 1SA

## SFF Services Limited

### Report of the Directors for the Year Ended 31 December 2001

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

#### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of guardship and liaison services.

#### REVIEW OF BUSINESS

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

#### DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £42500 per share.

The total distribution of dividends for the year ended 31 December 2001 will be £85,000.

#### DIRECTORS

The directors during the year under review were:

|                |                    |
|----------------|--------------------|
| A Smith        |                    |
| H Morrison     |                    |
| R H T Allen    |                    |
| J H Brown      | - resigned 8.2.01  |
| A Coghill      |                    |
| J Evans        |                    |
| B N Isbister   |                    |
| J J Parkhouse  |                    |
| G P Sutherland |                    |
| A West         |                    |
| A Strachan     | - appointed 8.2.01 |

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

|                           | 31.12.01 | 1.1.01<br>or date of<br>appointment<br>if later |
|---------------------------|----------|-------------------------------------------------|
| <b>Ordinary £1 shares</b> |          |                                                 |
| A Smith                   | 1        | 1                                               |
| H Morrison                | 1        | 1                                               |
| R H T Allen               | -        | -                                               |
| A Coghill                 | -        | -                                               |
| J Evans                   | -        | -                                               |
| B N Isbister              | -        | -                                               |
| J J Parkhouse             | -        | -                                               |
| G P Sutherland            | -        | -                                               |
| A West                    | -        | -                                               |
| A Strachan                | -        | -                                               |

#### 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.

**SFF Services Limited**

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

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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.

**AUDITORS**

The auditors, Shearer, Bruce & Paterson, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'Michael J Sutherland', is written over a horizontal line.

Michael J Sutherland - SECRETARY

Dated: 25 April 2002

**SFF Services Limited**

**Report of the Independent Auditors to  
SFF Services Limited  
Under Section 247B of the Companies Act 1985**

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

**Respective responsibilities of directors and auditors**

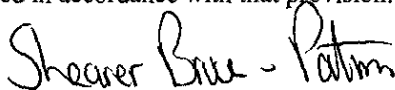
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance 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 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 fourteen are properly prepared in accordance with that provision.



Shearer, Bruce & Paterson  
Chartered Accountants  
and Registered Auditors  
2 Cross Street  
Fraserburgh  
Aberdeenshire  
AB43 9EQ

Dated: 25 April 2002

**SFF Services Limited**

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

|                                                      |          | <b>31.12.01</b> |                   | <b>31.12.00</b> |                   |
|------------------------------------------------------|----------|-----------------|-------------------|-----------------|-------------------|
|                                                      | Notes    | £               | £                 | £               | £                 |
| <b>GROSS PROFIT</b>                                  |          |                 | <b>920,950</b>    |                 | <b>509,128</b>    |
| Administrative expenses                              |          |                 | <b>363,239</b>    |                 | <b>360,268</b>    |
| <b>OPERATING PROFIT</b>                              | <b>3</b> |                 | <b>557,711</b>    |                 | <b>148,860</b>    |
| Income from investments                              |          | <b>4,798</b>    |                   | <b>5,782</b>    |                   |
| Interest receivable and similar income               |          | <b>33,513</b>   |                   | <b>58,938</b>   |                   |
|                                                      |          |                 | <b>38,311</b>     |                 | <b>64,720</b>     |
|                                                      |          |                 | <b>596,022</b>    |                 | <b>213,580</b>    |
| Amounts written off investments                      | <b>4</b> |                 | <b>36,352</b>     |                 | <b>5,259</b>      |
|                                                      |          |                 | <b>559,670</b>    |                 | <b>208,321</b>    |
| Interest payable and similar charges                 | <b>5</b> |                 | <b>390</b>        |                 | <b>1,460</b>      |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |          |                 | <b>559,280</b>    |                 | <b>206,861</b>    |
| Tax on profit on ordinary activities                 | <b>6</b> |                 | <b>165,438</b>    |                 | <b>41,571</b>     |
| <b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>  |          |                 | <b>393,842</b>    |                 | <b>165,290</b>    |
| Dividends                                            | <b>7</b> |                 | <b>85,000</b>     |                 | <b>85,000</b>     |
|                                                      |          |                 | <b>308,842</b>    |                 | <b>80,290</b>     |
| Retained profit brought forward                      |          |                 | <b>1,443,283</b>  |                 | <b>1,362,993</b>  |
| <b>RETAINED PROFIT CARRIED FORWARD</b>               |          |                 | <b>£1,752,125</b> |                 | <b>£1,443,283</b> |

**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

**SFF Services Limited**

**Abbreviated Balance Sheet  
31 December 2001**

|                                                       |       | <u>31.12.01</u>  |                          | <u>31.12.00</u>  |                          |
|-------------------------------------------------------|-------|------------------|--------------------------|------------------|--------------------------|
|                                                       | Notes | £                | £                        | £                | £                        |
| <b>FIXED ASSETS:</b>                                  |       |                  |                          |                  |                          |
| Tangible assets                                       | 8     |                  | 36,506                   |                  | 25,507                   |
| <b>CURRENT ASSETS:</b>                                |       |                  |                          |                  |                          |
| Stocks                                                | 9     | 126,534          |                          | 174,142          |                          |
| Debtors                                               | 10    | 1,427,100        |                          | 410,061          |                          |
| Investments                                           | 11    | 462,028          |                          | 496,423          |                          |
| Cash at bank and in hand                              |       | 398,441          |                          | 785,292          |                          |
|                                                       |       | <u>2,414,103</u> |                          | <u>1,865,918</u> |                          |
| <b>CREDITORS: Amounts falling due within one year</b> | 12    | <u>698,482</u>   |                          | <u>448,140</u>   |                          |
| <b>NET CURRENT ASSETS:</b>                            |       |                  | <u>1,715,621</u>         |                  | <u>1,417,778</u>         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>         |       |                  | <u><u>£1,752,127</u></u> |                  | <u><u>£1,443,285</u></u> |
| <b>CAPITAL AND RESERVES:</b>                          |       |                  |                          |                  |                          |
| Called up share capital                               | 15    |                  | 2                        |                  | 2                        |
| Profit and loss account                               |       |                  | <u>1,752,125</u>         |                  | <u>1,443,283</u>         |
| <b>SHAREHOLDERS' FUNDS:</b>                           | 19    |                  | <u><u>£1,752,127</u></u> |                  | <u><u>£1,443,285</u></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:**



A Smith - DIRECTOR

Approved by the Board on 25 April 2002

The notes form part of these financial statements

**SFF Services Limited**

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

|                                                                    |              | <b>31.12.01</b>  |                   | <b>31.12.00</b>   |                   |
|--------------------------------------------------------------------|--------------|------------------|-------------------|-------------------|-------------------|
|                                                                    | <b>Notes</b> | <b>£</b>         | <b>£</b>          | <b>£</b>          | <b>£</b>          |
| <b>Net cash (outflow)/inflow from operating activities</b>         | <b>1</b>     |                  | <b>(276,794)</b>  |                   | <b>8,306</b>      |
| <b>Returns on investments and servicing of finance</b>             | <b>2</b>     |                  | <b>37,921</b>     |                   | <b>63,260</b>     |
| <b>Taxation</b>                                                    |              |                  | <b>(41,782)</b>   |                   | <b>(84,789)</b>   |
| <b>Capital expenditure and financial investment</b>                | <b>2</b>     |                  | <b>(23,388)</b>   |                   | <b>(503,157)</b>  |
| <b>Equity dividends paid</b>                                       |              |                  | <b>(85,000)</b>   |                   | <b>(85,000)</b>   |
|                                                                    |              |                  | <b>(389,043)</b>  |                   | <b>(601,380)</b>  |
| <b>Financing</b>                                                   | <b>2</b>     |                  | <b>-</b>          |                   | <b>(16,573)</b>   |
| <b>Decrease in cash in the period</b>                              |              |                  | <b>£(389,043)</b> |                   | <b>£(617,953)</b> |
| <hr/>                                                              |              |                  |                   |                   |                   |
| <b>Reconciliation of net cash flow to movement in net funds</b>    | <b>3</b>     |                  |                   |                   |                   |
| <b>Decrease in cash in the period</b>                              |              | <b>(389,043)</b> |                   | <b>(617,953)</b>  |                   |
| Cash (inflow)/outflow from (decrease)/increase in liquid resources |              | <b>(34,395)</b>  |                   | <b>496,423</b>    |                   |
| Cash outflow from decrease in debt and lease financing             |              | <b>-</b>         |                   | <b>16,573</b>     |                   |
| <b>Change in net funds resulting from cash flows</b>               |              | <b>(423,438)</b> |                   | <b>(104,957)</b>  |                   |
| <b>Movement in net funds in the period</b>                         |              | <b>(423,438)</b> |                   | <b>(104,957)</b>  |                   |
| <b>Net funds at 1 January</b>                                      |              | <b>1,281,715</b> |                   | <b>1,386,672</b>  |                   |
| <b>Net funds at 31 December</b>                                    |              | <b>£858,277</b>  |                   | <b>£1,281,715</b> |                   |

The notes form part of these financial statements

**SFF Services Limited**

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

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

|                                                                | 31.12.01<br>£    | 31.12.00<br>£ |
|----------------------------------------------------------------|------------------|---------------|
| Operating profit                                               | 557,711          | 148,860       |
| Depreciation charges                                           | 10,432           | 12,528        |
| Decrease/(Increase) in stocks                                  | 47,608           | (129,488)     |
| Increase in debtors                                            | (1,017,039)      | (70,345)      |
| Increase in creditors                                          | 124,494          | 46,751        |
| <b>Net cash (outflow)/inflow<br/>from operating activities</b> | <b>(276,794)</b> | <b>8,306</b>  |

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

|                                                                                | 31.12.01<br>£   | 31.12.00<br>£    |
|--------------------------------------------------------------------------------|-----------------|------------------|
| <b>Returns on investments and<br/>servicing of finance</b>                     |                 |                  |
| Interest received                                                              | 33,513          | 58,938           |
| Interest paid                                                                  | (390)           | (174)            |
| Interest element of hire purchase<br>or finance lease rentals payments         | -               | (1,286)          |
| Dividends received                                                             | 4,798           | 5,782            |
| <b>Net cash inflow<br/>for returns on investments and servicing of finance</b> | <b>37,921</b>   | <b>63,260</b>    |
| <b>Capital expenditure<br/>and financial investment</b>                        |                 |                  |
| Purchase of tangible fixed assets                                              | (21,431)        | (1,475)          |
| Cash payments - investmt purch                                                 | (101,321)       | (501,682)        |
| Cash receipts - investmt sales                                                 | 99,364          | -                |
| <b>Net cash outflow<br/>for capital expenditure</b>                            | <b>(23,388)</b> | <b>(503,157)</b> |
| <b>Financing</b>                                                               |                 |                  |
| Loan repayments in year                                                        | -               | (16,573)         |
| <b>Net cash outflow<br/>from financing</b>                                     | <b>-</b>        | <b>(16,573)</b>  |

The notes form part of these financial statements

**SFF Services Limited**

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

**3. ANALYSIS OF CHANGES IN NET FUNDS**

|                                  | At 1.1.01<br>£   | Cash flow<br>£   | At 31.12.01<br>£ |
|----------------------------------|------------------|------------------|------------------|
| Net cash:                        |                  |                  |                  |
| Cash at bank and in hand         | 785,292          | (386,851)        | 398,441          |
| Bank overdraft                   | -                | (2,192)          | (2,192)          |
|                                  | <u>785,292</u>   | <u>(389,043)</u> | <u>396,249</u>   |
| Liquid resources:                |                  |                  |                  |
| Current asset investments        | 496,423          | (34,395)         | 462,028          |
|                                  | <u>496,423</u>   | <u>(34,395)</u>  | <u>462,028</u>   |
| Total                            | <u>1,281,715</u> | <u>(423,438)</u> | <u>858,277</u>   |
| <b>Analysed in Balance Sheet</b> |                  |                  |                  |
| Cash at bank and in hand         | 785,292          |                  | 398,441          |
| Current asset investments        | 496,423          |                  | 462,028          |
| Bank overdraft                   | -                |                  | (2,192)          |
|                                  | <u>1,281,715</u> |                  | <u>858,277</u>   |

The notes form part of these financial statements

# SFF Services Limited

## Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2001

### 1. ACCOUNTING POLICIES

#### Accounting convention

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

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 10% on cost

Computer equipment - 25% on cost

#### Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure 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.

#### Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

### 2. STAFF COSTS

|                       | 31.12.01       | 31.12.00      |
|-----------------------|----------------|---------------|
|                       | £              | £             |
| Wages and salaries    | 93,520         | 79,869        |
| Social security costs | 9,657          | 8,633         |
| Other pension costs   | 3,685          | 3,410         |
|                       | <u>106,862</u> | <u>91,912</u> |

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

| 31.12.01 | 31.12.00 |
|----------|----------|
| <u>4</u> | <u>3</u> |

**SFF Services Limited**

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

**3. OPERATING PROFIT**

The operating profit is stated after charging:

|                             | <b>31.12.01</b> | <b>31.12.00</b> |
|-----------------------------|-----------------|-----------------|
|                             | £               | £               |
| Hire of plant and machinery | 3,028           | 3,921           |
| Depreciation - owned assets | 10,432          | 12,528          |
| Auditors' remuneration      | 3,050           | 3,650           |
| Property operating lease    | <u>12,400</u>   | <u>12,400</u>   |
| Directors' emoluments       | <u>-</u>        | <u>-</u>        |

**4. AMOUNTS WRITTEN OFF INVESTMENTS**

|                        | <b>31.12.01</b> | <b>31.12.00</b> |
|------------------------|-----------------|-----------------|
|                        | £               | £               |
| Loss on sale of shares | <u>36,352</u>   | <u>5,259</u>    |

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

|                | <b>31.12.01</b> | <b>31.12.00</b> |
|----------------|-----------------|-----------------|
|                | £               | £               |
| Bank interest  | 390             | 174             |
| Lease Interest | <u>-</u>        | <u>1,286</u>    |
|                | <u>390</u>      | <u>1,460</u>    |

**6. TAXATION**

**Analysis of the tax charge**

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

|                                         | <b>31.12.01</b> | <b>31.12.00</b> |
|-----------------------------------------|-----------------|-----------------|
|                                         | £               | £               |
| Current tax:                            |                 |                 |
| UK corporation tax                      | 157,572         | 41,782          |
| Under/(over) provided in previous years | <u>7,866</u>    | <u>(211)</u>    |
| Total current tax                       | <u>165,438</u>  | <u>41,571</u>   |

UK corporation tax has been charged at 29.07% (2000 - 23.77%).

No provision for deferred tax is required (2000 - Nil)

**7. DIVIDENDS**

|                         | <b>31.12.01</b> | <b>31.12.00</b> |
|-------------------------|-----------------|-----------------|
|                         | £               | £               |
| Equity shares:          |                 |                 |
| Proposed final dividend | <u>85,000</u>   | <u>85,000</u>   |

**SFF Services Limited**

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

**8. TANGIBLE FIXED ASSETS**

|                        | <b>Fixtures<br/>and<br/>fittings</b> | <b>Computer<br/>equipment</b> | <b>Totals</b> |
|------------------------|--------------------------------------|-------------------------------|---------------|
|                        | <b>£</b>                             | <b>£</b>                      | <b>£</b>      |
| <b>COST:</b>           |                                      |                               |               |
| At 1 January 2001      | 15,399                               | 50,262                        | 65,661        |
| Additions              | 6,475                                | 14,956                        | 21,431        |
|                        | <u>21,874</u>                        | <u>65,218</u>                 | <u>87,092</u> |
| At 31 December 2001    | 21,874                               | 65,218                        | 87,092        |
| <b>DEPRECIATION:</b>   |                                      |                               |               |
| At 1 January 2001      | 11,337                               | 28,817                        | 40,154        |
| Charge for year        | 1,128                                | 9,304                         | 10,432        |
|                        | <u>12,465</u>                        | <u>38,121</u>                 | <u>50,586</u> |
| At 31 December 2001    | 12,465                               | 38,121                        | 50,586        |
| <b>NET BOOK VALUE:</b> |                                      |                               |               |
| At 31 December 2001    | <u>9,409</u>                         | <u>27,097</u>                 | <u>36,506</u> |
| At 31 December 2000    | <u>4,062</u>                         | <u>21,445</u>                 | <u>25,507</u> |

**9. STOCKS**

|                  |                 |                 |
|------------------|-----------------|-----------------|
|                  | <b>31.12.01</b> | <b>31.12.00</b> |
|                  | <b>£</b>        | <b>£</b>        |
| Work in progress | <u>126,534</u>  | <u>174,142</u>  |

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

|                     |                  |                 |
|---------------------|------------------|-----------------|
|                     | <b>31.12.01</b>  | <b>31.12.00</b> |
|                     | <b>£</b>         | <b>£</b>        |
| V.A.T.              | 7,445            | 2,067           |
| Trade debtors       | 1,407,576        | 384,189         |
| Other debtors       | -                | 15,534          |
| Prepayments         | 2,891            | 2,848           |
| AAM Capital account | 9,188            | 5,423           |
|                     | <u>1,427,100</u> | <u>410,061</u>  |

**11. CURRENT ASSET INVESTMENTS**

|                    |                 |                 |
|--------------------|-----------------|-----------------|
|                    | <b>31.12.01</b> | <b>31.12.00</b> |
|                    | <b>£</b>        | <b>£</b>        |
| Listed investments | <u>462,028</u>  | <u>496,423</u>  |

Market value of listed investments at 31 December 2001 - £345,739 (2000 - £426,954).

**SFF Services Limited**

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

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

|                                            | <b>31.12.01</b>       | <b>31.12.00</b>       |
|--------------------------------------------|-----------------------|-----------------------|
|                                            | <b>£</b>              | <b>£</b>              |
| Bank loans and overdrafts<br>(see note 13) | <b>2,192</b>          | -                     |
| Trade creditors                            | <b>275,935</b>        | 143,805               |
| Due to SFF                                 | <b>140,000</b>        | 142,156               |
| Other creditors                            | <b>29,917</b>         | 35,397                |
| Dividend proposed                          | <b>85,000</b>         | 85,000                |
| Taxation                                   | <b>165,438</b>        | 41,782                |
|                                            | <b><u>698,482</u></b> | <b><u>448,140</u></b> |

**13. LOANS AND OVERDRAFTS**

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

|                                                   | <b>31.12.01</b>     | <b>31.12.00</b> |
|---------------------------------------------------|---------------------|-----------------|
|                                                   | <b>£</b>            | <b>£</b>        |
| Amounts falling due within one year or on demand: |                     |                 |
| Bank overdrafts                                   | <b><u>2,192</u></b> | <b><u>-</u></b> |

**14. SECURED DEBTS**

The following secured debts are included within creditors:

|                 | <b>31.12.01</b>     | <b>31.12.00</b> |
|-----------------|---------------------|-----------------|
|                 | <b>£</b>            | <b>£</b>        |
| Bank overdrafts | <b><u>2,192</u></b> | <b><u>-</u></b> |

**15. CALLED UP SHARE CAPITAL**

|                                  |          |                |                      |                      |
|----------------------------------|----------|----------------|----------------------|----------------------|
| Authorised:                      |          |                |                      |                      |
| Number:                          | Class:   | Nominal value: | <b>31.12.01</b>      | <b>31.12.00</b>      |
|                                  |          |                | <b>£</b>             | <b>£</b>             |
| 10,000                           | Ordinary | £1             | <b><u>10,000</u></b> | <b><u>10,000</u></b> |
|                                  |          |                |                      |                      |
| Allotted, issued and fully paid: |          |                |                      |                      |
| Number:                          | Class:   | Nominal value: | <b>31.12.01</b>      | <b>31.12.00</b>      |
|                                  |          |                | <b>£</b>             | <b>£</b>             |
| 2                                | Ordinary | £1             | <b><u>2</u></b>      | <b><u>2</u></b>      |

**16. PENSION COMMITMENTS**

The company's employees are members of a defined contribution pension scheme operated by the Scottish Fishermens Federation. The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £3685 (1999 £3410). There were no outstanding or prepaid contributions at the beginning or the end of the financial year.

**SFF Services Limited**

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

**17. OTHER FINANCIAL COMMITMENTS**

SFF Services Limited have entered into a lease for 14 Regent Quay, Aberdeen at a cost of £12,500 per annum. The lease runs until 25 May 2005 at which time SFF Services have the option to extend the lease for a further 3 years.

**18. RELATED PARTY DISCLOSURES**

The company is controlled through nominees, by the Scottish Fishermens Federation which is an unincorporated body, part of its operation being to provide management services to this company. Management fees charged to the profit and loss account for the year ended 31 December 2001 amount to £140,000 (2000 £140,000) of which £140,000 (2000 £140,000) is included in creditors.

**19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|                                            | <b>31.12.01</b>      | <b>31.12.00</b>      |
|--------------------------------------------|----------------------|----------------------|
|                                            | <b>£</b>             | <b>£</b>             |
| Profit for the financial year              | <b>393,842</b>       | 165,290              |
| Dividends                                  | <b>(85,000)</b>      | (85,000)             |
| <b>Net addition to shareholders' funds</b> | <b>308,842</b>       | 80,290               |
| Opening shareholders' funds                | <b>1,443,285</b>     | 1,362,995            |
| <b>Closing shareholders' funds</b>         | <b>1,752,127</b>     | 1,443,285            |
| <br>Equity interests                       | <br><b>1,752,127</b> | <br><b>1,443,285</b> |