

ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2002
FOR
SCOTFRAME TIMBER ENGINEERING LIMITED



SCOTFRAME TIMBER ENGINEERING LIMITED

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for the Year Ended 30 April 2002**

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SCOTFRAME TIMBER ENGINEERING LIMITED

COMPANY INFORMATION
for the Year Ended 30 April 2002

DIRECTORS:

R T Edwards
M G Cruickshank
D B Barron
A K Milne

SECRETARY:

Ian J McDougall

REGISTERED OFFICE:

First Floor
21 Carden Place
Aberdeen
AB10 1UQ

REGISTERED NUMBER:

118213 (Scotland)

AUDITORS:

MacPherson & Company
Registered Auditors
Chartered Accountants
10 Carden Place
Aberdeen
AB10 1UR



SCOTFRAME TIMBER ENGINEERING LIMITED

REPORT OF THE DIRECTORS for the Year Ended 30 April 2002

The directors present their report with the financial statements of the company for the year ended 30 April 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of timber framing for the construction industry.

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 dividends were paid during the year ended 30 April 2002.

The directors recommend final dividends per share as follows:

Ordinary £1 shares	£55.04
A Ordinary £1 shares	£2.70

The total distribution of dividends for the year ended 30 April 2002 will be £1,181,767.

DIRECTORS

The directors during the year under review were:

R T Edwards
M G Cruickshank
D B Barron
A K Milne

The beneficial interests of the directors holding office on 30 April 2002 in the issued share capital of the company were as follows:

	30.4.02	1.5.01
Ordinary £1 shares		
R T Edwards	10,000	10,000
M G Cruickshank	-	-
D B Barron	-	-
A K Milne	-	-
A Ordinary £1 shares		
R T Edwards	-	-
M G Cruickshank	10,000	10,000
D B Barron	10,000	10,000
A K Milne	10,000	10,000

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.



SCOTFRAME TIMBER ENGINEERING LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 30 April 2002**

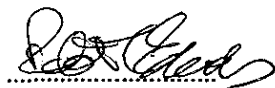
STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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, MacPherson & Company, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



R T Edwards - DIRECTOR

Dated:

19/02/03



SCOTFRAME TIMBER ENGINEERING LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO
SCOTFRAME TIMBER ENGINEERING LIMITED
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 30 April 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

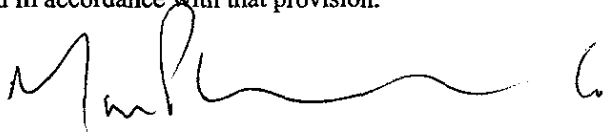
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance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



MacPherson & Company
Registered Auditors
Chartered Accountants
10 Carden Place
Aberdeen
AB10 1UR

Dated: 19 February 2003



SCOTFRAME TIMBER ENGINEERING LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the Year Ended 30 April 2002

	Notes	30.4.02 £	30.4.01 £
GROSS PROFIT		3,032,990	2,916,186
Administrative expenses		<u>2,030,512</u>	<u>2,004,467</u>
OPERATING PROFIT	3	1,002,478	911,719
Interest receivable and similar income		<u>21,470</u>	<u>26,829</u>
		1,023,948	938,548
Interest payable and similar charges	4	<u>3,925</u>	<u>3,416</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,020,023	935,132
Tax on profit on ordinary activities	5	<u>353,456</u>	<u>320,811</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		666,567	614,321
Dividends	6	<u>1,181,767</u>	<u>117,000</u>
		(515,200)	497,321
Retained profit brought forward		<u>3,291,927</u>	<u>2,794,606</u>
		2,776,727	3,291,927
Non-trading debt written off		<u>(495,950)</u>	<u>-</u>
RETAINED PROFIT CARRIED FORWARD		<u>£2,280,777</u>	<u>£3,291,927</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



SCOTFRAME TIMBER ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET

30 April 2002

	Notes	30.4.02 £	30.4.01 £
FIXED ASSETS:			
Intangible assets	7	103,333	155,000
Tangible assets	8	735,486	763,786
		<u>838,819</u>	<u>918,786</u>
CURRENT ASSETS:			
Stocks	9	589,458	362,994
Debtors	10	3,370,794	4,211,962
Cash at bank and in hand		1,031,923	285,639
		<u>4,992,175</u>	<u>4,860,595</u>
CREDITORS: Amounts falling due within one year	11	<u>3,420,583</u>	<u>2,358,854</u>
NET CURRENT ASSETS:		<u>1,571,592</u>	<u>2,501,741</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>2,410,411</u>	<u>3,420,527</u>
CREDITORS: Amounts falling due after more than one year	12	(13,133)	(2,673)
PROVISIONS FOR LIABILITIES AND CHARGES:	15	(66,501)	(75,927)
		<u>£2,330,777</u>	<u>£3,341,927</u>
CAPITAL AND RESERVES:			
Called up share capital	16	50,000	50,000
Profit and loss account		2,280,777	3,291,927
SHAREHOLDERS' FUNDS:	17	<u>£2,330,777</u>	<u>£3,341,927</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:



 R T Edwards - DIRECTOR

Approved by the Board on 19/02/03

The notes form part of these financial statements



SCOTFRAME TIMBER ENGINEERING LIMITED

**CASH FLOW STATEMENT
for the Year Ended 30 April 2002**

		30.4.02	30.4.01
	Notes	£	£
Net cash inflow from operating activities	1	2,230,136	1,148,411
Returns on investments and servicing of finance	2	17,545	23,413
Taxation		(242,416)	(228,487)
Capital expenditure	2	(95,266)	(782,489)
Equity dividends paid		(1,181,767)	(117,000)
		<u>728,232</u>	<u>43,848</u>
Financing	2	61,050	35,000
Increase in cash in the period		<u>£789,282</u>	<u>£78,848</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		789,282	78,848
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(3)</u>	<u>129</u>
Change in net debt resulting from cash flows		789,279	78,977
New finance leases		<u>(14,870)</u>	<u>(4,318)</u>
Movement in net debt in the period		774,409	74,659
Net debt at 1 May		<u>(184,612)</u>	<u>(259,271)</u>
Net funds/(debt) at 30 April		<u>£589,797</u>	<u>£(184,612)</u>

The notes form part of these financial statements



SCOTFRAME TIMBER ENGINEERING LIMITED**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 April 2002****1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	30.4.02 £	30.4.01 £
Operating profit	1,002,478	911,719
Depreciation charges	190,152	167,363
Profit on sale of fixed assets	(48)	(3,129)
Increase in stocks	(226,464)	(129,444)
Decrease/(Increase) in debtors	841,170	(387,427)
Increase in creditors	422,848	589,329
Net cash inflow from operating activities	2,230,136	1,148,411

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

	30.4.02 £	30.4.01 £
Returns on investments and servicing of finance		
Interest received	21,470	26,829
Interest paid	(2,687)	(3,124)
Interest element of hire purchase payments	(1,238)	(292)
Net cash inflow for returns on investments and servicing of finance	17,545	23,413
Capital expenditure		
Purchase of intangible fixed assets	-	(155,000)
Purchase of tangible fixed assets	(129,116)	(649,689)
Sale of tangible fixed assets	33,850	22,200
Net cash outflow for capital expenditure	(95,266)	(782,489)
Financing		
Loan written off in year	(495,950)	-
Amount introduced by directors	557,000	35,000
Net cash inflow from financing	61,050	35,000

The notes form part of these financial statements



NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 April 2002

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.5.01 £	Cash flow £	Other non-cash changes £	At 30.4.02 £
Net cash:				
Cash at bank and in hand	285,639	746,284		1,031,923
Bank overdraft	(466,062)	42,998		(423,064)
	<u>(180,423)</u>	<u>789,282</u>		<u>608,859</u>
Debt:				
Hire purchase	(4,189)	(3)	(14,870)	(19,062)
	<u>(4,189)</u>	<u>(3)</u>	<u>(14,870)</u>	<u>(19,062)</u>
Total	<u>(184,612)</u>	<u>789,279</u>	<u>(14,870)</u>	<u>589,797</u>
Analysed in Balance Sheet				
Cash at bank and in hand	285,639			1,031,923
Bank overdraft	(466,062)			(423,064)
Hire purchase				
within one year	(1,516)			(5,929)
after one year	(2,673)			(13,133)
	<u>(184,612)</u>			<u>589,797</u>

The notes form part of these financial statements



NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002

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.

Goodwill

Goodwill is amortised over the three years commencing with the first complete year after acquisition.

Tangible fixed assets

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

Tenant's improvements	- 2% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

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

2. STAFF COSTS

	30.4.02	30.4.01
	£	£
Wages and salaries	2,225,038	1,830,936
Social security costs	183,971	147,143
Other pension costs	87,894	122,334
	<u>2,496,903</u>	<u>2,100,413</u>

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

	30.4.02	30.4.01
Sales and administration	18	18
Production	86	86
	<u>104</u>	<u>104</u>



SCOTFRAME TIMBER ENGINEERING LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002****3. OPERATING PROFIT**

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

	30.4.02	30.4.01
	£	£
Depreciation - owned assets	138,485	167,363
Profit on disposal of fixed assets	(48)	(3,129)
Goodwill written off	51,667	-
Auditors' remuneration	9,845	8,000
	<u>273,124</u>	<u>263,093</u>
Directors' emoluments	273,124	263,093
Directors' pension contributions to money purchase schemes	56,352	56,352

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1
Defined benefit schemes	3	3

Information regarding the highest paid director is as follows:

	30.4.02	30.4.01
	£	£
Emoluments etc	122,826	115,514
Pension contributions to money purchase schemes	56,352	56,352

4. INTEREST PAYABLE AND SIMILAR CHARGES

	30.4.02	30.4.01
	£	£
Bank interest	2,687	3,124
Hire purchase interest	1,238	292
	<u>3,925</u>	<u>3,416</u>



NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002

5. TAXATION

Analysis of the tax charge

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

	30.4.02 £	30.4.01 £
Current tax:		
UK corporation tax	323,452	252,266
Under provision in prior years	39,430	-
Total current tax	<u>362,882</u>	<u>252,266</u>
Deferred tax:		
Deferred taxation	(9,426)	68,545
Tax on profit on ordinary activities	<u>353,456</u>	<u>320,811</u>

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:

	30.4.02 £	30.4.01 £
Profit on ordinary activities before tax	<u>1,020,023</u>	<u>935,132</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2001 - 30%)	306,007	280,540
Effects of:		
Disallowable items	13,553	15,904
Difference between Depreciation and Capital Allowances	13,700	(28,968)
Marginal rate relief	(9,808)	(15,210)
Prior year underpayment	39,430	-
Current tax charge	<u>362,882</u>	<u>252,266</u>

6. DIVIDENDS

	30.4.02 £	30.4.01 £
Equity shares:		
20,000 Ordinary shares of £1 each		
Final dividend	1,139,767	75,000
30,000 A Ordinary shares of £1 each		
Final dividend	42,000	42,000
	<u>1,181,767</u>	<u>117,000</u>



SCOTFRAME TIMBER ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002

7. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST:	
At 1 May 2001	
and 30 April 2002	155,000
AMORTISATION:	
Charge for year	51,667
At 30 April 2002	51,667
NET BOOK VALUE:	
At 30 April 2002	103,333
At 30 April 2001	155,000

8. TANGIBLE FIXED ASSETS

	Tenant's improvements	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 May 2001	104,597	576,848	244,707	296,566	1,222,718
Additions	49,509	27,385	44,942	22,150	143,986
Disposals	-	-	-	(88,990)	(88,990)
At 30 April 2002	154,106	604,233	289,649	229,726	1,277,714
DEPRECIATION:					
At 1 May 2001	1,915	249,242	83,762	124,012	458,931
Charge for year	2,889	68,196	28,053	39,347	138,485
Eliminated on disposals	-	-	-	(55,188)	(55,188)
At 30 April 2002	4,804	317,438	111,815	108,171	542,228
NET BOOK VALUE:					
At 30 April 2002	149,302	286,795	177,834	121,555	735,486
At 30 April 2001	102,682	327,606	160,945	172,553	763,786

9. STOCKS

	30.4.02	30.4.01
	£	£
Stock	589,458	362,994



SCOTFRAME TIMBER ENGINEERING LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002**

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

	30.4.02 £	30.4.01 £
Trade debtors	3,010,899	2,948,400
Other debtors	316,886	653,722
Prepayments & accrued income	24,509	82,573
Investment	18,500	18,500
Inter company debtor	-	508,767
	<u>3,370,794</u>	<u>4,211,962</u>

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

	30.4.02 £	30.4.01 £
Bank loans and overdrafts (see note 13)	423,064	466,062
Hire purchase contracts (see note 14)	5,929	1,516
Trade creditors	1,316,583	1,172,311
Directors current accounts	592,000	35,000
V.A.T.	206,150	96,620
Social security & other taxes	70,592	74,457
Taxation	323,452	202,986
Accrued expenses	482,813	309,902
	<u>3,420,583</u>	<u>2,358,854</u>

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

	30.4.02 £	30.4.01 £
Hire purchase contracts (see note 14)	<u>13,133</u>	<u>2,673</u>

13. LOANS AND OVERDRAFTS

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

	30.4.02 £	30.4.01 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>423,064</u>	<u>466,062</u>



SCOTFRAME TIMBER ENGINEERING LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002**

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	30.4.02	30.4.01
	£	£
Gross obligations repayable:		
Within one year	7,297	2,100
Between one and five years	15,547	3,695
	<u>22,844</u>	<u>5,795</u>
Finance charges repayable:		
Within one year	1,368	584
Between one and five years	2,414	1,022
	<u>3,782</u>	<u>1,606</u>
Net obligations repayable:		
Within one year	5,929	1,516
Between one and five years	13,133	2,673
	<u>19,062</u>	<u>4,189</u>

15. PROVISIONS FOR LIABILITIES AND CHARGES

	30.4.02	30.4.01
	£	£
Deferred taxation	<u>66,501</u>	<u>75,927</u>
	Deferred tax	
	£	
Balance at 1 May 2001	75,927	
Capital allowances	(9,426)	
Balance at 30 April 2002	<u>66,501</u>	



SCOTFRAME TIMBER ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 April 2002

16. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	30.4.02	30.4.01
Number:	Class:		£	£
60,000	Ordinary	£1	60,000	60,000
50,000	A Ordinary	£1	50,000	50,000
			<u>110,000</u>	<u>110,000</u>

Allotted, issued and fully paid:		Nominal value:	30.4.02	30.4.01
Number:	Class:		£	£
20,000	Ordinary	£1	20,000	20,000
30,000	A Ordinary	£1	30,000	30,000
			<u>50,000</u>	<u>50,000</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.4.02	30.4.01
	£	£
Profit for the financial year	666,567	614,321
Dividends	(1,181,767)	(117,000)
	<u>(515,200)</u>	<u>497,321</u>
Non-trading debt written off	(495,950)	-
	<u>(1,011,150)</u>	<u>497,321</u>
Net (reduction)/addition to shareholders' funds	3,341,927	2,844,606
Opening shareholders' funds		
Closing shareholders' funds	<u>2,330,777</u>	<u>3,341,927</u>
Equity interests	<u>2,330,777</u>	<u>3,341,927</u>

