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BOURTREE INVESTMENTS LIMITED
FINANCIAL STATEMENTS
30 NOVEMBER 2001

Company Registration Number 190868



DAND CARNEGIE & CO.
Chartered Accountants & Registered Auditors
Stannergate House
41 Dundee Road West
Broughty Ferry
Dundee DD5 1NB

BOURTREE INVESTMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

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BOURTREE INVESTMENTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Gordon Hutcheon Lorraine Hutcheon Norman Morrice William Roberts Martin Leiper Gary Campbell
Company secretary	Lorraine Hutcheon
Registered office	Bourtrees House Minto Drive Altens Industrial Estate Aberdeen AB12 3LW
Auditors	Dand Carnegie & Co. Chartered Accountants & Registered Auditors Stannergate House 41 Dundee Road West Broughty Ferry Dundee DD5 1NB
Bankers	Royal Bank of Scotland plc 12 Golden Square Aberdeen AB9 8DU
Solicitors	Paull & Williamsons Investment House 6 Union Row Aberdeen AB10 1DQ

BOURTREE INVESTMENTS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 November 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the provision of management services. The company also leases motor vehicles to its subsidiary company. The principal activities of the company's subsidiary, Hutcheon Services Limited, were those of general electrical and plumbing contractors and sheet metal workers.

The directors are satisfied with the results for the year, and the prospects for the company and of its subsidiary.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

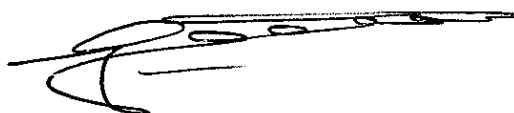
		At 30 November 2001	At 1 December 2000
Gordon Hutcheon	Ordinary	40,639	40,639
Lorraine Hutcheon	'A' Ordinary	800	800
	'B' Ordinary	80	80
	Ordinary	18,800	18,800
Norman Morrice	Ordinary	19,841	19,841
	'A' Ordinary	200	200
	'B' Ordinary	20	20
William Roberts	Ordinary	4,955	4,955
Martin Leiper	Ordinary	4,955	4,955
Gary Campbell	Ordinary	9,910	9,910

AUDITORS

A resolution to re-appoint Dand Carnegie & Co. as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Bourtrees House
Minto Drive
Altens Industrial Estate
Aberdeen
AB12 3LW

Signed on behalf of the directors



GORDON HUTCHEON
Director

Approved by the directors on 27 June 2002

BOURTREE INVESTMENTS LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 NOVEMBER 2001

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 9, and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

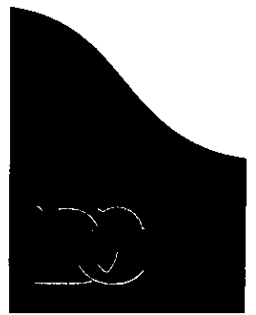
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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. The directors 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.

BOURTREE INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30 NOVEMBER 2001



We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Companies Act 1985. 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 with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 the company's affairs as at 30 November 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Stannergate House
41 Dundee Road West
Broughty Ferry
Dundee DD5 1NB

27 June 2002

DAND CARNEGIE & CO.
Chartered Accountants
& Registered Auditors

BOURTREE INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 NOVEMBER 2001**

	Note	2001 £	2000 £
TURNOVER	2	536,702	649,013
Administrative expenses		472,623	600,561
OPERATING PROFIT	3	64,079	48,452
Interest payable	6	6,721	2,980
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		57,358	45,472
Tax on profit on ordinary activities	7	(10,096)	(13,469)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		47,262	32,003
Dividends	8	-	6,000
RETAINED PROFIT FOR THE FINANCIAL YEAR		47,262	26,003
Balance brought forward		77,573	51,570
Balance carried forward		124,835	77,573

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 9 to 14 form part of these financial statements.

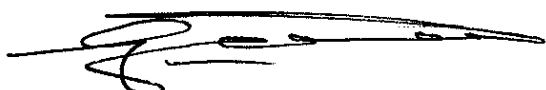
BOURTREE INVESTMENTS LIMITED

BALANCE SHEET

30 NOVEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Intangible assets	9	1,812	-
Tangible assets	10	162,594	75,425
Investments	11	100,200	100,200
		<u>264,606</u>	<u>175,625</u>
CURRENT ASSETS			
Debtors	12	143,314	164,894
Cash at bank		78,337	186,481
		<u>221,651</u>	<u>351,375</u>
CREDITORS: Amounts falling due within one year	13	<u>(209,123)</u>	<u>(302,987)</u>
NET CURRENT ASSETS		<u>12,528</u>	<u>48,388</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>277,134</u>	<u>224,013</u>
CREDITORS: Amounts falling due after more than one year	14	<u>(52,099)</u>	<u>(46,240)</u>
		<u>225,035</u>	<u>177,773</u>
CAPITAL AND RESERVES			
Called-up equity share capital	17	100,200	100,200
Profit and Loss Account		124,835	77,573
SHAREHOLDERS' FUNDS	18	<u>225,035</u>	<u>177,773</u>

These financial statements were approved by the directors on the 27 June 2002 and are signed on their behalf by:



GORDON HUTCHEON
Director

The notes on pages 9 to 14 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED**CASH FLOW STATEMENT****YEAR ENDED 30 NOVEMBER 2001**

	2001	2000
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	5,550	250,586
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(115)	(64)
Interest element of hire purchase	(6,606)	(2,916)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(6,721)	(2,980)
TAXATION	(11,667)	(13,309)
CAPITAL EXPENDITURE		
Payments to acquire intangible fixed assets	(1,830)	-
Payments to acquire tangible fixed assets	(29,500)	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(31,330)	-
EQUITY DIVIDENDS PAID	-	(6,000)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(44,168)	228,297
FINANCING		
Capital element of hire purchase	(63,976)	(29,671)
NET CASH OUTFLOW FROM FINANCING	(63,976)	(29,671)
(DECREASE)/INCREASE IN CASH	(108,144)	198,626
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
	2001	2000
	£	£
Operating profit	64,079	48,452
Amortisation	18	-
Depreciation	40,531	28,967
Decrease/(Increase) in debtors	21,580	(18,333)
(Decrease)/Increase in creditors	(120,658)	191,500
Net cash inflow from operating activities	5,550	250,586

The notes on pages 9 to 14 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED**CASH FLOW STATEMENT** *(continued)***YEAR ENDED 30 NOVEMBER 2001****RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2001	2000
	£	£
(Decrease)/Increase in cash in the period	(108,144)	198,626
Cash outflow in respect of hire purchase	63,976	29,671
Change in net debt resulting from cash flows	(44,168)	228,297
New finance leases	(98,200)	(69,967)
Movement in net debt in the period	(142,368)	158,330
Net funds at 1 December 2000	106,185	(52,145)
Net debt at 30 November 2001	(36,183)	106,185

ANALYSIS OF CHANGES IN NET DEBT

	At	Cash flows	Other	At
	1 Dec 2000		changes	30 Nov 2001
	£	£	£	£
Net cash:				
Cash in hand and at bank	186,481	(108,144)	-	78,337
Debt:				
Hire purchase agreements	(80,296)	63,976	(98,200)	(114,520)
Net debt	106,185	(44,168)	(98,200)	(36,183)

The notes on pages 9 to 14 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Registration Plates - 10% straight line

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles - 25% reducing balance

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Operating lease agreements

Assets held for rental to customers under operating leases are recorded as fixed assets and depreciated over their useful lives.

Rentals received or paid under operating leases are recognised in the profit and loss account on a straight line basis over the lease term.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2001	2000
	£	£
United Kingdom	<u>536,702</u>	<u>649,013</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2001	2000
	£	£
Amortisation	18	-
Depreciation	40,531	28,967
Auditors' remuneration		
- as auditors	<u>1,000</u>	<u>1,000</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2001	2000
	No.	No.
Number of administrative staff	<u>7</u>	<u>7</u>

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	129,905	135,443
Social security costs	10,661	12,890
Other pension costs	14,310	12,885
	<u>154,876</u>	<u>161,218</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Emoluments receivable	<u>120,899</u>	<u>132,109</u>

6. INTEREST PAYABLE

	2001	2000
	£	£
Interest payable on bank borrowing	115	64
Finance charges	6,606	2,916
	<u>6,721</u>	<u>2,980</u>

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001	2000
	£	£
In respect of the year:		
Corporation Tax based on the results for the year at 20% (2000 - 20%)	9,759	11,331
Adjustment in respect of previous years:		
Corporation Tax	337	2,138
	<u>10,096</u>	<u>13,469</u>

8. DIVIDENDS

No dividend has been recommended for the year ended 30 November 2001.

	2001	2000
	£	£
Dividend paid on ordinary shares	-	6,000

9. INTANGIBLE FIXED ASSETS

	Registration Plates
	£
COST	
Additions	1,830
At 30 November 2001	<u>1,830</u>
AMORTISATION	
Charge for the year	18
At 30 November 2001	<u>18</u>
NET BOOK VALUE	
At 30 November 2001	<u>1,812</u>

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

10. TANGIBLE FIXED ASSETS

	Motor Vehicles £
COST	
At 1 December 2000	115,867
Additions	127,700
At 30 November 2001	<u>243,567</u>
DEPRECIATION	
At 1 December 2000	40,442
Charge for the year	40,531
At 30 November 2001	<u>80,973</u>
NET BOOK VALUE	
At 30 November 2001	<u>162,594</u>
At 30 November 2000	<u>75,425</u>

Operating lease agreements

Included in motor vehicles above are assets held for the purpose of letting under operating leases. At 30 November 2001 the cost of these assets was £243,567 (2000 - £115,867) and the accumulated depreciation was £80,973 (2000 - £40,442).

Hire purchase agreements

Included within the net book value of £162,594 is £162,594 (2000 - £75,425) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £40,531 (2000 - £28,967).

11. INVESTMENTS

	Investments in Subsidiary Undertakings £
COST	
At 1 December 2000 and 30 November 2001	<u>100,200</u>
NET BOOK VALUE	
At 30 November 2001	<u>100,200</u>
At 30 November 2000	<u>100,200</u>

Bourtree Investments Limited owns 100% of the issued share capital of Hutcheon Services Limited.

At 30 November 2001, Hutcheon Services Limited had aggregate capital and reserves of £499,253 (2000 - £468,818) and its retained profit for that year was £30,435 (2000 - £219).

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

12. DEBTORS

	2001 £	2000 £
Amounts owed by group undertakings	143,314	146,433
VAT recoverable	-	2,861
Prepayments and accrued income	-	15,600
	<u>143,314</u>	<u>164,894</u>

13. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Hire purchase agreements	62,421	34,056
Other creditors including taxation		
Corporation Tax	9,760	11,331
PAYE and social security	3,407	-
Other creditors	51,830	15,600
	<u>127,418</u>	<u>60,987</u>
Accruals and deferred income	81,705	242,000
	<u>209,123</u>	<u>302,987</u>

14. CREDITORS: Amounts falling due after more than one year

	2001 £	2000 £
Hire purchase agreements	<u>52,099</u>	<u>46,240</u>

15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2001 £	2000 £
Amounts payable within 1 year	70,308	38,592
Amounts payable between 2 to 5 years	58,185	52,390
	<u>128,493</u>	<u>90,982</u>
Less interest and finance charges relating to future periods	(13,973)	(10,686)
	<u>114,520</u>	<u>80,296</u>

16. RELATED PARTY TRANSACTIONS

Bourtree Investments Limited provided management services and car/van rental services during the year to Hutcheon Services Limited, a wholly owned subsidiary, to a value of £516,453 (2000 - £649,013). Amounts due from Hutcheon Services Limited at 30 November 2001 amounted to £143,314 (2000 - £146,433) disclosed under Debtors.

During the year, Bourtree Investments Limited paid management charges to Hutcheon Group Limited, a company under common control, amounting to £245,000 (2000 - £210,600). Amounts due to Hutcheon Group Limited at 30 November 2001 were £51,830 (2000 - £15,600) disclosed under Other creditors.

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2001

17. SHARE CAPITAL

Authorised share capital:

	2001	2000
	£	£
99,100 Ordinary shares of £1.00 each	99,100	99,100
1,000 'A' Ordinary shares of £1.00 each	1,000	1,000
100 'B' Ordinary shares of £1.00 each	100	100
	<u>100,200</u>	<u>100,200</u>

Allotted, called up and fully paid:

	2001		2000	
	No.	£	No.	£
Ordinary shares	99,100	99,100	99,100	99,100
'A' Ordinary shares	1,000	1,000	1,000	1,000
'B' Ordinary shares	100	100	100	100
	<u>100,200</u>	<u>100,200</u>	<u>100,200</u>	<u>100,200</u>

The 'A' and 'B' shares have equal voting rights and dividends are at the discretion of the ordinary shareholders.

On a winding up of the company, the 'B' ordinary shareholders have prior rights to £50,000 of any available distributions plus the nominal subscription. The 'A' ordinary shareholders are then entitled to their nominal subscription price. Any remaining surplus is distributable pari passu to the 'B' ordinary, 'A' ordinary and ordinary shareholders in proportion to their shareholdings.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	47,262	32,003
Dividends	-	(6,000)
	<u>47,262</u>	<u>26,003</u>
Opening shareholders' equity funds	177,773	151,770
Closing shareholders' equity funds	<u>225,035</u>	<u>177,773</u>