

COMPANY REGISTRATION NUMBER 190868

BOURTREE INVESTMENTS LIMITED
FINANCIAL STATEMENTS
30 NOVEMBER 2008



FOURM

Chartered Accountants & Registered Auditor
Stannergate House
41 Dundee Road West
Broughty Ferry
Dundee DD5 1NB

BOURTREE INVESTMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Statement of directors' responsibilities	3
Independent auditor's report to the shareholders	4
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	10

BOURTREE INVESTMENTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Gregor Robb
Norman Morrice
William Roberts
Martin Leiper
Gary Campbell

Company secretary

Gregor Robb

Registered office

Bourtree House
Minto Drive
Altens Industrial Estate
Aberdeen
AB12 3LW

Auditor

FourM
Chartered Accountants
& Registered Auditor
Stannergate House
41 Dundee Road West
Broughty Ferry
Dundee DD5 1NB

Bankers

Royal Bank of Scotland plc
12 Golden Square
Aberdeen
AB9 8DU

Solicitors

Paul & Williamsons
Investment House
6 Union Row
Aberdeen
AB10 1DQ

BOURTREE INVESTMENTS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2008

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 November 2008.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year were the provision of management services and vehicle hire to its subsidiary company. The principal activities of the company's subsidiary, Hutcheon Services Limited, are 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 profit for the year, after taxation, amounted to £80,886. The directors have not recommended a dividend.

DIRECTORS

The directors who served the company during the year were as follows:

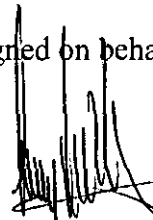
Gregor Robb
Norman Morrice
William Roberts
Martin Leiper
Gary Campbell

AUDITOR

A resolution to re-appoint FourM 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:
Bourtree House
Minto Drive
Altens Industrial Estate
Aberdeen
AB12 3LW

Signed on behalf of the directors



GARY CAMPBELL
Director

Approved by the directors on 3 August 2009

BOURTREE INVESTMENTS LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 NOVEMBER 2008

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

BOURTREE INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BOURTREE INVESTMENTS LIMITED
YEAR ENDED 30 NOVEMBER 2008

We have audited the financial statements of Bourtree Investments Limited for the year ended 30 November 2008 on pages 6 to 16, which have been prepared on the basis of the accounting policies set out on pages 10 to 11.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

BOURTREE INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BOURTREE INVESTMENTS LIMITED *(continued)*
YEAR ENDED 30 NOVEMBER 2008

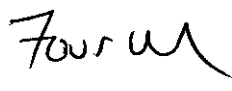
OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 November 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

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

3 August 2009

FOURM 
Chartered Accountants
& Registered Auditor

BOURTREE INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 NOVEMBER 2008**

	Note	2008 £	2007 £
TURNOVER	2	631,295	640,881
Administrative expenses		509,536	473,004
OPERATING PROFIT	3	121,759	167,877
Interest payable and similar charges	5	13,422	11,246
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		108,337	156,631
Tax on profit on ordinary activities	6	27,451	37,067
PROFIT FOR THE FINANCIAL YEAR		80,886	119,564
Balance brought forward		634,526	514,962
Balance carried forward		715,412	634,526

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

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

The notes on pages 10 to 16 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED**BALANCE SHEET****30 NOVEMBER 2008**

	Note	2008 £	2007 £
FIXED ASSETS			
Intangible assets	7	–	718
Tangible assets	8	385,528	345,966
Investments	9	100,200	100,200
		<u>485,728</u>	<u>446,884</u>
CURRENT ASSETS			
Debtors	10	1,100,185	620,735
Cash at bank		33,963	31,782
		<u>1,134,148</u>	<u>652,517</u>
CREDITORS: Amounts falling due within one year	11	733,473	272,551
NET CURRENT ASSETS		<u>400,675</u>	<u>379,966</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		886,403	826,850
CREDITORS: Amounts falling due after more than one year	12	70,791	92,124
		<u>815,612</u>	<u>734,726</u>
CAPITAL AND RESERVES			
Called-up equity share capital	16	100,200	100,200
Profit and loss account		715,412	634,526
SHAREHOLDERS' FUNDS	17	<u>815,612</u>	<u>734,726</u>

These financial statements were approved by the directors and authorised for issue on 3 August 2009, and are signed on their behalf by:



GREGOR ROBB
Director

The notes on pages 10 to 16 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED**CASH FLOW STATEMENT****YEAR ENDED 30 NOVEMBER 2008**

	2008	2007
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	238,800	117,041
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest element of hire purchase	(13,422)	(11,246)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(13,422)	(11,246)
TAXATION	(37,067)	(21,230)
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(180,487)	(177,045)
Receipts from sale of fixed assets	27,350	45,136
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(153,137)	(131,909)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING	35,174	(47,344)
FINANCING		
Capital element of hire purchase	(32,993)	28,922
NET CASH (OUTFLOW)/INFLOW FROM FINANCING	(32,993)	28,922
INCREASE/(DECREASE) IN CASH	2,181	(18,422)
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
	2008	2007
	£	£
Operating profit	121,759	167,877
Amortisation	—	183
Depreciation	111,975	98,788
Loss on disposal of fixed assets	2,318	31,045
Increase in debtors	(479,450)	(304,953)
Increase in creditors	482,198	124,101
Net cash inflow from operating activities	<u>238,800</u>	<u>117,041</u>

The notes on pages 10 to 16 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30 NOVEMBER 2008

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2008 £	2007 £
Increase/(decrease) in cash in the period	2,181	(18,422)
Cash outflow in respect of hire purchase	32,993	(28,922)
	<u>35,174</u>	<u>(47,344)</u>
Change in net debt	35,174	(47,344)
Net debt at 1 December 2007	(162,123)	(114,779)
Net debt at 30 November 2008	<u>(126,949)</u>	<u>(162,123)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Dec 2007 £	Cash flows £	At 30 Nov 2008 £
Net cash:			
Cash in hand and at bank	<u>31,782</u>	<u>2,181</u>	<u>33,963</u>
Debt:			
Hire purchase agreements	(193,905)	32,993	(160,912)
Net debt	<u>(162,123)</u>	<u>35,174</u>	<u>(126,949)</u>

The notes on pages 10 to 16 form part of these financial statements.

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

1. ACCOUNTING POLICIES

Basis of accounting

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

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.

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:

Vehicle Registration Plates - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost.

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:

Fixtures & Fittings - 25% reducing balance

Motor Vehicles - 25% reducing balance

Investment properties

The investment property is held for long term investment. In accordance with Statement of Standard Accounting Practice 19, no depreciation is provided in respect of investment properties. This represents a departure from the Companies Act 1985 requirements to provide for a systematic annual depreciation of fixed assets. However the directors consider that, since this property is held for investment, rather than consumption, adoption of this policy is necessary to give a true and fair view.

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.

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

1. ACCOUNTING POLICIES *(continued)*

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.

Fixed asset investments

The fixed asset investments are recorded at cost less any provision for the reduction in the value of the stated investment.

2. TURNOVER

The turnover and profit before tax are attributable to the principal activities of the company. Turnover was generated 100% in the United Kingdom (2007 - 100%).

3. OPERATING PROFIT

Operating profit is stated after charging:

	2008 £	2007 £
Directors' emoluments	—	—
Amortisation of intangible assets	—	183
Depreciation of owned fixed assets	41,238	5,821
Depreciation of assets held under hire purchase agreements	70,737	92,967
Loss on disposal of fixed assets	2,318	31,045
Auditor's remuneration - as auditor	2,500	2,300

4. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Finance charges	13,422	11,246

BOURTREE INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 NOVEMBER 2008****6. TAXATION ON ORDINARY ACTIVITIES****(a) Analysis of charge in the year**

	2008	2007
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 28% (2007 - 24.16%)	27,451	37,067
Total current tax	<u>27,451</u>	<u>37,067</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2007 - 24.16%).

	2008	2007
	£	£
Profit on ordinary activities before taxation	<u>108,337</u>	<u>156,631</u>
Profit on ordinary activities by rate of tax	30,334	37,842
Movement in deferred tax	5,152	(826)
Disallowable expenses	141	51
Tax chargeable at higher rates	(8,176)	-
Total current tax (note 6(a))	<u>27,451</u>	<u>37,067</u>

7. INTANGIBLE FIXED ASSETS

	Registration Plates
	£
COST	
At 1 December 2007	1,830
Disposals	(1,830)
At 30 November 2008	<u>-</u>
AMORTISATION	
At 1 December 2007	1,112
On disposals	(1,112)
At 30 November 2008	<u>-</u>
NET BOOK VALUE	
At 30 November 2008	<u>-</u>
At 30 November 2007	<u>718</u>

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
COST				
At 1 December 2007	49,600	49,793	566,278	665,671
Additions	—	—	180,487	180,487
Disposals	—	—	(103,787)	(103,787)
At 30 November 2008	<u>49,600</u>	<u>49,793</u>	<u>642,978</u>	<u>742,371</u>
DEPRECIATION				
At 1 December 2007	—	34,128	285,577	319,705
Charge for the year	—	3,915	108,060	111,975
On disposals	—	—	(74,837)	(74,837)
At 30 November 2008	<u>—</u>	<u>38,043</u>	<u>318,800</u>	<u>356,843</u>
NET BOOK VALUE				
At 30 November 2008	<u>49,600</u>	<u>11,750</u>	<u>324,178</u>	<u>385,528</u>
At 30 November 2007	<u>49,600</u>	<u>15,665</u>	<u>280,701</u>	<u>345,966</u>

Operating lease agreements

Included in motor vehicles above are assets held for the purpose of letting under operating leases. At 30 November 2008 the cost of these assets was £642,978 (2007 - £566,278) and the accumulated depreciation was £318,800 (2007 - £285,577).

Hire purchase agreements

Included within the net book value of £385,528 is £212,211 (2007 - £278,900) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £70,737 (2007 - £92,967).

9. INVESTMENTS

	Investments in Subsidiary Undertakings £
COST	
At 1 December 2007 and 30 November 2008	<u>100,200</u>
NET BOOK VALUE	
At 30 November 2008 and 30 November 2007	<u>100,200</u>

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

9. INVESTMENTS *(continued)*

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

At 30 November 2008, Hutcheon Services Limited had aggregate capital and reserves of £944,653 (2007 - £797,946) and its retained profit for that year was £146,707 (2007 - £71,673).

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.

10. DEBTORS

	2008 £	2007 £
Amounts owed by group undertakings	1,100,185	610,735
Other debtors	—	10,000
	<u>1,100,185</u>	<u>620,735</u>

11. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Amounts owed to group undertakings	604,844	124,127
Corporation tax	27,451	37,067
Other taxation and social security	8,557	7,376
Hire purchase agreements	90,121	101,781
Accruals and deferred income	2,500	2,200
	<u>733,473</u>	<u>272,551</u>

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

	2008 £	2007 £
Hire purchase agreements	<u>70,791</u>	<u>92,124</u>

13. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2008 £	2007 £
Amounts payable within 1 year	90,121	101,781
Amounts payable between 2 to 5 years	70,791	92,124
	<u>160,912</u>	<u>193,905</u>

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

14. CONTINGENCIES

The company guarantees the bank borrowings of its holding company, HSB Holdings Limited, to a maximum of £1,800,000 and is supported by a bond and floating charge. The amount due to the bank by HSB Holdings Limited at 30 November 2008 was £1,722,055.

The company also guarantees the bank borrowings of its subsidiary company, Hutcheon Services Limited and is supported by a bond and floating charge. The amount due to the bank by Hutcheon Services Limited at 30 November 2008 was £Nil.

15. RELATED PARTY TRANSACTIONS

Bourtree Investments Limited provided management services, computer hire and car/van rental services during the year to Hutcheon Services Limited, a wholly owned subsidiary, to a value of £631,277 (2007 - £634,873).

Amounts due to Hutcheon Services Limited at 30 November 2008 amounted to £604,844 (2007 - £124,127).

Bourtree Investments Limited make bank loan repayments on behalf of HSB Holdings Limited. Loan repayments made in the year amounted to £128,450 (2007 - £91,628). It also met payroll costs on behalf of HSB Holdings Limited amounting to £241,199 (2007 - £212,422). The company also received management services of £275,000 (2007 - £220,000) from HSB Holdings Limited.

At 30 November 2008, the amount due from HSB Holdings Limited was £1,100,185 (2007 - £610,736).

16. SHARE CAPITAL

Authorised share capital:

	2008	2007
	£	£
100,200 Ordinary shares of £1 each	<u>100,200</u>	<u>100,200</u>

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>100,200</u>	<u>100,200</u>	<u>100,200</u>	<u>100,200</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008	2007
	£	£
Profit for the financial year	80,886	119,564
Opening shareholders' funds	<u>734,726</u>	<u>615,162</u>
Closing shareholders' funds	<u>815,612</u>	<u>734,726</u>

BOURTREE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2008

18. ULTIMATE PARENT COMPANY

The ultimate parent company is HSB Holdings Limited, a company incorporated in Scotland.

BOURTREE INVESTMENTS LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 30 NOVEMBER 2008

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 4 to 5.**

BOURTREE INVESTMENTS LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 NOVEMBER 2008**

	2008	2007
	£	£
TURNOVER	631,295	640,881
OVERHEADS		
Administrative expenses	509,536	473,004
OPERATING PROFIT	121,759	167,877
Hire purchase and finance lease charges	(13,422)	(11,246)
PROFIT ON ORDINARY ACTIVITIES	<u>108,337</u>	<u>156,631</u>

BOURTREE INVESTMENTS LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 NOVEMBER 2008

	2008 £	2007 £
ADMINISTRATIVE EXPENSES		
General expenses		
Motor expenses	21,173	14,466
General expenses	1,382	2,236
Entertaining	503	—
Management charges payable	369,424	323,790
Legal and professional fees	45	—
Auditors remuneration	2,500	2,300
Amortisation	—	183
Depreciation	111,975	98,788
Loss on disposal of fixed assets	2,318	31,045
	<u>509,320</u>	<u>472,808</u>
Financial costs		
Bank charges	216	196
	<u>509,536</u>	<u>473,004</u>