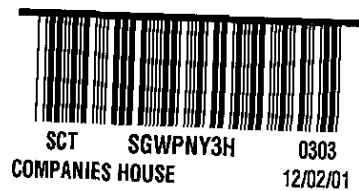


GEORGE HANSON (BUILDING CONTRACTORS) LIMITED**ANNUAL REPORT****YEAR ENDED 30 APRIL 2000**

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED

COMPANY INFORMATION

Directors	George Hanson Davina Hanson
Secretary	Davina Hanson
Company Number	122471
Registered Office	61 High Street Rothesay Isle of Bute PA20 9AX
Auditors	PKF 78 Carlton Place Glasgow G5 9TH
Solicitors	William Skelton 49 High Street Rothesay Isle of Bute PA20 9AU
Bankers	The Royal Bank of Scotland 37 Victoria Road Rothesay Isle of Bute PA20 0AN

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED

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GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 APRIL 2000

The directors submit their report and the financial statements for the year ended 30 April 2000.

Principal activity

The principal activity of the company during the year was that of building contractors.

Directors

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year were:

	Ordinary £1 shares	
	2000	1999
George Hanson	500	500
Davina Hanson	500	500

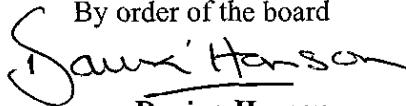
Auditors

Pannell Kerr Forster changed its name to PKF on 1 November 2000 and has signed its audit report in its new name. PKF will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

Basis of preparation

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

31 January 2001

By order of the board

Davina Hanson
Secretary

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
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.

The directors are responsible for keeping proper accounting records which 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
GEORGE HANSON (BUILDING CONTRACTORS) LIMITED**

We have audited the financial statements on pages 4 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and under the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 April 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

6/02/01
Glasgow


PKF
Registered Auditors

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 APRIL 2000

	Notes	2000 £	1999 £
TURNOVER	2	1,620,254	1,321,186
Cost of sales		(1,244,316)	(894,033)
GROSS PROFIT		375,938	427,153
Administrative expenses		(211,134)	(162,219)
Other operating income		11,031	10,124
OPERATING PROFIT	3	175,835	275,058
Profit on disposal of fixed assets		-	16,346
		175,835	291,404
Interest receivable and similar items		8,105	7,728
Interest payable and similar items		(1,367)	(1,264)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		182,573	297,868
TAXATION		(59,867)	(59,345)
PROFIT FOR THE FINANCIAL YEAR	10	122,706	238,523

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED

BALANCE SHEET


30 APRIL 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible	5	194,539	162,240
CURRENT ASSETS			
Stocks		460,972	520,810
Debtors	6	284,812	327,141
Cash at bank and in hand		360,833	103,814
		<u>1,106,617</u>	<u>951,765</u>
CREDITORS: amounts falling due within one year	7	(237,278)	(172,833)
NET CURRENT ASSETS		<u>869,339</u>	<u>778,932</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,063,878	941,172
PROVISIONS FOR LIABILITIES AND CHARGES	8	(2,839)	(2,839)
NET ASSETS		<u>1,061,039</u>	<u>938,333</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Profit and loss account	10	1,060,039	937,333
		<u>1,061,039</u>	<u>938,333</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 31 January 2001

Signed on behalf of the board of directors


George Hanson Director

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2000

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	Over the term of the lease
Plant & machinery, fixtures & fittings	20 % reducing balance or straight line
Motor vehicles	25 % reducing balance

(d) Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and are not depreciated. This treatment is contrary to the Companies Act 1985 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

(e) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(f) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(g) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2000

(h) Pensions

The company operates a defined contribution pension scheme and the pension charge in the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

2 TURNOVER

All turnover arose within the United Kingdom.

3 OPERATING PROFIT

The operating profit is stated after charging:

	2000	1999
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	31,838	22,233
- held under finance lease or hire purchase contracts	-	3,502
Audit fees	5,500	5,046
Pension cost	15,480	15,480
	<u><u> </u></u>	<u><u> </u></u>

4 DIRECTORS' EMOLUMENTS AND BENEFITS

	2000	1999
	£	£
Aggregate of directors' emoluments and other benefits as defined in paragraph 1 of Schedule 6 to the Companies Act 1985	60,072	54,006
	<u><u> </u></u>	<u><u> </u></u>

The numbers of directors accruing benefits under pension schemes were:

	No	No
Money purchase schemes	2	2
	<u><u> </u></u>	<u><u> </u></u>

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2000

5 TANGIBLE FIXED ASSETS

	Land & buildings £	Plant & machinery fixtures & fittings £	Motor vehicles £	Total £
Cost				
At 1 May 1999	92,274	118,370	82,965	293,609
Additions	18,166	35,499	22,500	76,165
Disposals	-	(6,500)	(19,605)	(26,105)
At 30 April 2000	<u>110,440</u>	<u>147,369</u>	<u>85,860</u>	<u>343,669</u>
Depreciation				
At 1 May 1999	12,669	73,160	45,540	131,369
Charge for year	3,194	16,420	12,224	31,838
On disposals	-	(5,500)	(8,577)	(14,077)
At 30 April 2000	<u>15,863</u>	<u>84,080</u>	<u>49,187</u>	<u>149,130</u>
Net book amount				
At 30 April 2000	<u>94,577</u>	<u>63,289</u>	<u>36,673</u>	<u>194,539</u>
At 30 April 1999	<u>79,605</u>	<u>45,210</u>	<u>37,425</u>	<u>162,240</u>

The net book amount of land and buildings includes £88,081 (1999 - £71,165) in respect of investment properties. The directors are of the opinion that the carrying value of these assets will not differ materially from the open market value.

The net book amounts of assets held under hire purchase contracts included above were:

	2000 £	1999 £
Motor vehicles	<u>-</u>	<u>10,504</u>

6 DEBTORS

	2000 £	1999 £
Trade debtors	187,934	221,089
Amounts due from related undertakings	93,139	90,767
Other debtors	3,739	15,285
	<u>284,812</u>	<u>327,141</u>

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2000

7 CREDITORS:

Amounts falling due within one year

	2000	1999
	£	£
Trade creditors	83,662	57,143
Corporation tax	79,212	59,345
Other tax and social security	25,569	7,026
Other creditors	48,835	49,319
	<u>237,278</u>	<u>172,833</u>

8 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 May 1999 and 30 April 2000	<u>2,839</u>

Deferred tax is analysed as follows:

	Provided		Not provided
	2000	1999	2000
	£	£	£
Capital allowances	<u>2,839</u>	<u>2,839</u>	<u>2,641</u>
			<u>1,062</u>

9 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No.	£
At 1 May 1999 and 30 April 2000			
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

10 RESERVES

	£
Profit and loss account	
At 1 May 1999	937,333
Profit for the year	122,706
At 30 April 2000	<u>1,060,039</u>

GEORGE HANSON (BUILDING CONTRACTORS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2000

11 OTHER COMMITMENTS

At 30 April 2000 the company had annual commitments under operating leases as follows:

	Land & buildings	
	2000	1999
	£	£
Expiry date:		
Within 1 year	1,000	1,000
Between 1 and 5 years	8,500	6,752
	<hr/>	<hr/>

12 TRANSACTIONS WITH RELATED PARTIES

Included within other debtors is a loan of **£1,339** (1999 - £1,339) to George Hanson a director. The maximum amount outstanding during the year was **£1,339**.

During the year the company engaged in the following transactions with the undernoted entities in which George Hanson has an interest. Davina Hanson also has an interest in the limited company.

	R Paterson & Son	Apex Timber & Joinery Services Ltd.
Sales	45,307	5,354
Materials/Subcontractors/Overheads	57,994	88,149

Included in debtors are sums due to the company amounting to £43,249 by R Paterson & Son, including non trading balances amounting to £12,267, and £86,226 by Apex Timber & Joinery Services Limited, including non trading balances amounting to £80,872.

Included in trade creditors are sums due by the company to R Paterson & Son and Apex Timber & Joinery Services Limited amounting to £24,750 and £10,016 respectively. Included in other creditors is an amount due to Apex Timber & Joinery Services Limited of £13,000 in respect of management charges.

13 PENSION COSTS

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund.