

Registered No: 91421

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COMPANIES HOUSE

Ogilvie Homes Limited

Report and financial statements

30 June 2009

Registered No: SC091421

Director's report

The directors present their report and financial statements for the year ended 30 June 2009.

Results and dividends

The loss for the year, after taxation, amounted to £ 420,000 (2008: profit of £1,219,000). No ordinary dividend was paid during the year (2008: £750,000).

Review of the business

The company's principal activity during the year was residential property development.

The company has continued to successfully negotiate contracts in the social housing sector to offset the challenging conditions in the residential housing market.

The directors are satisfied with the level of the land bank the company has for future developments.

The key performance indicator is the land bank, which is in a healthy position at the year end.

Directors

The directors who served during the year were:

D H Ogilvie
J F Watson
A D Ogilvie
S P Lloyd
J Milne
R G H Moyes
J G McDade

Disabled employees

Disabled persons are employed by the company where a suitable vacancy occurs. The aptitudes and abilities of disabled persons are not easily met in those aspects of our business involving site work, however, they are given full and fair consideration where vacancies arise in more suitable areas such as joinery. Every effort is made to ensure that employees who become injured or disabled in the course of their employment are given training so that they can continue employment with the company.

Close company

The company is a close company within the provisions of the Income and Corporation Taxes Act, 1988.

Financial risk management objectives and policies

The company's principal financial instruments comprise cash and cash equivalents. Other financial assets and liabilities such as trade creditors and trade debtors arise directly from operating activities.

Interest rate risk: The company invests surplus cash in a floating rate interest yielding bank deposit account. The company's interest income and expenses are therefore affected by the movements in interest rates. The company does not undertake active hedging of this risk.

Directors' report

Directors' statement as to disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board



John Watson
Director and Secretary

Ogilvie House
Pirnhall Business Park
Whins of Milton
Stirling

20 NOVEMBER 2009

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Independent auditors' report

to the members of Ogilvie Homes Limited

We have audited the financial statements of Ogilvie Homes Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Independent auditors' report

to the members of Ogilvie Homes Limited (continued)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Walter B Campbell (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Glasgow

26/11/ 2009

Profit and loss account

for the year ended 30 June 2009

	Notes	2009 £000	2008 £000
Turnover	2	19,602	19,442
Cost of sales		16,446	13,802
Gross profit		3,156	5,640
Distribution costs		584	470
Administrative expenses		1,893	2,664
Operating profit	3	679	2,506
Interest receivable		17	128
Interest payable	5	1,097	1,032
(Loss)/profit on ordinary activities before taxation		(401)	1,602
Tax on (loss)/profit on ordinary activities	6	19	383
(Loss)/profit on ordinary activities after taxation	15	(420)	1,219

Statement of total recognised gains and losses

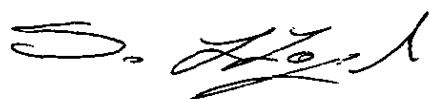
There are no recognised gains or losses other than the loss attributable to shareholders of the company of £ 420,000 in the year ended 30 June 2009 (2008: profit of £1,219,000).

Balance sheet

at 30 June 2009

	Notes	2009 £000	2008 £000
Fixed assets			
Tangible assets	8	-	-
Investments	9	1	1
		<u>1</u>	<u>1</u>
Current assets			
Stocks	10	27,304	26,036
Debtors	11	10,296	8,364
		<u>37,600</u>	<u>34,400</u>
Creditors: amounts falling due within one year	12	34,143	30,523
Net current assets		<u>3,457</u>	<u>3,877</u>
Net assets		<u>3,458</u>	<u>3,878</u>
Capital and reserves			
Share capital	14	-	-
Profit and loss account	15	3,458	3,878
Equity shareholders' funds		<u>3,458</u>	<u>3,878</u>

Approved by the Board



Steve Lloyd
Director

20 NOVEMBER 2009

Notes to the financial statements

at 30 June 2009

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention. The financial statements are prepared in accordance with applicable accounting standards.

Non-consolidation

The company is exempt from preparing consolidated financial statements by virtue of Section 400 of the Companies Act 2006 on the grounds that it and its subsidiaries are included within the financial statements of a larger group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The company is exempt from the requirements of Financial Reporting Standard 1 (Revised) to include a cash flow statement as part of its financial statements, as it is a wholly-owned subsidiary undertaking of Ogilvie Group Limited, which will produce a consolidated cash flow statement. The financial statements of this company are publicly available.

Depreciation

Depreciation is provided on all tangible fixed assets other than freehold land and investment properties at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Sales office equipment - over 3 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks and work-in-progress

Work-in-progress is valued at the cost of related land, direct materials and labour plus attributable production overheads less provision for foreseeable losses.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Long term contracts

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs (as defined in Stocks above) as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Notes to the financial statements

at 30 June 2009

1. Accounting policies (continued)

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account so as they become payable in accordance with the rules of the scheme.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be readily measured. Revenue from the sales of services and revenue from construction contracts is recognised by reference to the stage of completion. The stage of completion of the contract is determined either by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, or by reference to the completion of a physical proportion of the contract work, dependent upon the nature of the underlying contract.

Revenue from house sales is recognised by reference to the date of sale which is taken as the date a house is substantially complete following signing of missives.

2. Turnover

Turnover which is stated net of value added tax represents the invoiced amount of goods sold and services provided. The date of sale is taken as the date a house is substantially complete following signing of missives.

3. Operating profit

(a) This is stated after charging:

	2009 £000	2008 £000
Auditors' remuneration - audit services	11	11
(b) Directors' remuneration:		
Directors' emoluments excluding pension contributions	419	454
Defined pension contributions	48	49
Emoluments of highest paid director excluding pension contributions	142	144
Defined pension contributions of highest paid director	23	20

The number of directors who perform qualifying services for the company that are members of money purchase schemes is five.

Notes to the financial statements

at 30 June 2009

4. Staff costs

	2009 £000	2008 £000
Wages and salaries	1,823	1,678
Social security costs	183	178
Pension costs	133	127
	<u>2,139</u>	<u>1,983</u>

	2009 No.	2008 No.
The average weekly number of employees during the year was	<u>55</u>	<u>33</u>

5. Interest payable

	2009 £000	2008 £000
Bank overdraft interest	<u>1,097</u>	<u>1,032</u>

6. Tax on (loss)/profit on ordinary activities

The tax charge is made up as follows:

	2009 £000	2008 £000
<i>UK corporation tax:</i>		
UK corporation tax on profits of the period	-	378
Adjustments in respect of previous periods	19	4
	<u>19</u>	<u>382</u>
<i>Deferred tax:</i>		
Originating and reversal of timing differences	-	1
	<u>19</u>	<u>383</u>

Notes to the financial statements

at 30 June 2009

6. Tax on (loss)/profit on ordinary activities (continued)

Factors affecting the tax charge for the year:

The tax assessed on the (loss)/profit on ordinary activities for the period is higher (2008: lower) than the standard rate of corporation tax in the UK.

The differences are explained below:

	2009 £000	2008 £000
(Loss)/profit on ordinary activities before tax	(401)	1,602
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008: 29.5%)	(112)	473
<i>Effects of:</i>		
Disallowed expenses and non-taxable income	6	8
Depreciation in excess of capital allowances	-	(1)
Adjustments in respect of previous periods	19	4
Group relief surrendered/(received) for nil payment	106	(102)
Current tax charge for the period	19	382

7. Dividends

	2009 £000	2008 £000
Equity dividends at £nil (2008:- £7,500) per share	-	750

8. Tangible fixed assets

	<i>Sales office equipment £000</i>
<i>Cost:</i>	
At 1 July 2008 and 30 June 2009	15
<i>Depreciation:</i>	
At 1 July 2008 and 30 June 2009	15
<i>Net book value:</i>	
At 30 June 2009	-
At 1 July 2008	-

Notes to the financial statements

at 30 June 2009

9. Investments

	<i>Subsidiary undertaking</i>	<i>Joint venture</i>	<i>Total</i>
	£	£	£
<i>At cost:</i>			
At 1 July 2008 and 30 June 2009	100	500	600

Subsidiary undertakings:

The company holds 100% of the allotted and issued ordinary share capital of Ogilvie Abbotsford Limited. This subsidiary undertaking is dormant and registered in Scotland.

The company also has holds 100% of the allocated and issued ordinary share capital of Torbrex Development Company Limited. The subsidiary undertaking is dormant and registered in Scotland.

Joint venture:

The company holds 50% of the allotted and issued ordinary share capital of Freedom Homes (Stirling) Limited, incorporated in Scotland.

Group financial statements have not been prepared by virtue of Section 400 of the Companies Act 2006 as Ogilvie Homes Limited is a subsidiary undertaking of Ogilvie Group Limited for which group financial statements are prepared.

10. Stocks

	<i>2009</i>	<i>2008</i>
	£000	£000
Land held for development	8,641	9,191
Work in progress	18,663	16,845
	<u>27,304</u>	<u>26,036</u>

11. Debtors

	<i>2009</i>	<i>2008</i>
	£000	£000
Trade debtors	3,865	4,020
Amount due from joint venture	5,744	3,910
Other taxes and social security costs	321	161
Prepayments	8	7
Amount due by group undertaking	262	264
Deferred tax asset (note 13)	2	2
Corporation tax	94	-
	<u>10,296</u>	<u>8,364</u>

An amount of £ 5,300,000 (2008: £2,612,500) included within 'amount due from joint venture' is due after more than one year.

An amount of £ 1,333,000 (2008: £nil) included within 'Trade debtors' is due after more than one year.

Notes to the financial statements

at 30 June 2009

12. Creditors: amounts falling due within one year

	2009	2008
	£000	£000
Bank overdraft (see below)	5,177	1,393
Trade creditors	2,763	2,323
Amounts due to group undertakings	25,195	25,026
Corporation tax	-	47
Other taxes and social security costs	72	100
Other creditors	654	1,114
Accruals	282	520
	<u>34,143</u>	<u>30,523</u>

The bank overdraft is secured by a floating charge granted in favour of The Royal Bank of Scotland PLC.

Notes to the financial statements

at 30 June 2009

13. Deferred taxation

The deferred tax asset, calculated at 28% (2008: 28%), included in the balance sheet is as follows:

	£000
<i>Deferred tax asset:</i>	
At 1 July 2008	2
Provided during year	-
	<u>2</u>
At 30 June 2009	<u>2</u>

	2009	2008
	£000	£000
<i>The deferred tax consists of:</i>		
Accelerated capital allowances	2	2

14. Share capital

	2009	2008
	£	£
<i>Authorised:</i>		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

15. Reconciliation of shareholders' funds and movement on reserves

	Share capital	Profit and loss account	Total shareholders' funds
	£000	£000	£000
At 30 June 2007	-	3,409	3,409
Profit for the year	-	1,219	1,219
Dividends paid (note 7)	-	(750)	(750)
	<u>-</u>	<u>3,878</u>	<u>3,878</u>
At 30 June 2008	-	3,878	3,878
Loss for the year	-	(420)	(420)
	<u>-</u>	<u>3,458</u>	<u>3,458</u>
At 30 June 2009	-	3,458	3,458

16. Contingent liabilities

The company has a contingent liability for the overdrafts of the other group undertakings which it has guaranteed without limit.

The company has other contingent liabilities in respect of performance bonds granted by the Bank.

Notes to the financial statements

at 30 June 2009

17. Pensions

The group operates a defined contribution pension scheme, the assets of which are held separately from those of the group in an independently administered fund. Details of the scheme are contained in the financial statements of Ogilvie Group Limited.

18. Related party transactions

During the year, the company sold development works in the normal course of business to a joint venture company Freedom Homes (Stirling) Limited for £3,000,000 (2008: £715,000).

Included within debtors is an amount owed from Freedom Homes (Stirling) Limited of £5,744,000 (2008: £3,910,000). This amount appears in the financial statements of Freedom Homes (Stirling) Limited within creditors.

S P Lloyd and D H Ogilvie are directors of Freedom Homes (Stirling) Limited.

19. Ultimate parent company and controlling party

The parent undertaking of the group of undertakings for which group financial statements are drawn up and of which the company is a member is Ogilvie Group Limited registered in Scotland. Copies of Ogilvie Group Limited's financial statements can be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB.

The directors consider that Duncan H Ogilvie is the company's ultimate controlling party by virtue of his office and his shareholding through Ogilvie Group Limited.