

Company No: 106918

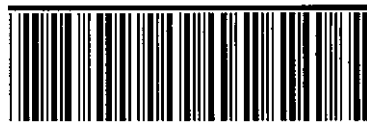
MODERN HOUSING LIMITED

ABBREVIATED

FINANCIAL STATEMENTS

- for the year ended -

30 JUNE 1994



SCT *S01DQ00W* 290
COMPANIES HOUSE 11/1/95

WM. LOCKHART & CO.
Chartered Accountants
21 West Nile Street, Glasgow G1 2PS

MODERN HOUSING LIMITED

DIRECTORS

Alexander Smith
Doreen Smith

SECRETARY

Doreen Smith

AUDITORS

Wm. Lockhart & Co.
Chartered Accountants
21 West Nile Street
Glasgow G1 2PS

PRINCIPAL BANKERS

Royal Bank of Scotland Plc
98 Buchanan Street
Glasgow G63 0TQ

MODERN HOUSING LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1994

Page

- | | |
|---|-----------------------------------|
| 1 | Auditors' report |
| 2 | Balance sheet |
| 3 | Notes to the financial statements |

MODERN HOUSING LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF MODERN HOUSING LIMITED
PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of the company for the year ended 30 June 1994. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on pages 1 and 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part 1 of Schedule 8 to that Act in respect of the year ended 30 June 1994, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with that Schedule.

On 28 April 1995 we reported, as auditors of the company, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1994, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of the directors and auditors

As described in the Directors' Report 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 June 1994 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Wm. Lockhart

WM. LOCKHART & CO.,
CHARTERED ACCOUNTANTS
& REGISTERED AUDITOR,
21 WEST NILE STREET,
GLASGOW. G1 2PS

Date: 21 August 1995

MODERN HOUSING LIMITED

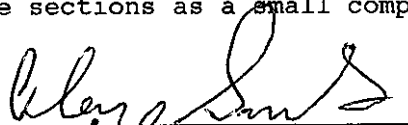
ABBREVIATED BALANCE SHEET AT 30 JUNE 1994

	Notes	£	1994 £	£	1993 £
FIXED ASSETS					
Tangible assets	2		304,325		205,173
CURRENT ASSETS					
Stocks		203,101		194,000	
Debtors		<u>30,967</u>		<u>95,982</u>	
		234,068		289,982	
CREDITORS: Amounts falling due within one year	4	<u>360,426</u>		<u>316,300</u>	
NET CURRENT LIABILITIES			(126,358)		(26,318)
TOTAL ASSETS LESS CURRENT LIABILITIES			177,967		178,855
CREDITORS: Amounts falling due after more than one year	5		<u>150,000</u>		<u>150,000</u>
			<u>27,967</u>		<u>28,855</u>
CAPITAL AND RESERVES					
Called up share capital	6		100		100
Profit and loss account			<u>27,867</u>		<u>28,755</u>
			<u>27,967</u>		<u>28,855</u>

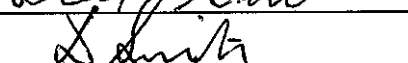
In preparing these abbreviated accounts:-

- We have relied upon the exemptions for individual accounts under sections 246 and 247 of the Companies Act 1985.
- We have done so on the grounds that the company is entitled to the benefit of those sections as a small company.

A Smith



D Smith



Directors

21 August 1995

The notes on pages 3 to 5 form part of these financial statements.

MODERN HOUSING LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1994

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

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

1.2 CASH FLOW STATEMENT

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cash flow statement as it qualifies as a small company.

1.3 TURNOVER

Turnover represents the amounts derived from the sale and rental of property both of which activities fall within the company's ordinary activities.

1.4 DEPRECIATION

Depreciation is provided on the straight line method on all fixed assets, other than heritable property, at rates calculated to write off the cost, less estimated residual value of each asset, as follows:

Fixtures and fittings	20%
Motor vehicles	25%

In accordance with Statement of Standard Accounting Practice 19 no depreciation is charged on heritable property as this category consists wholly of investment properties which are maintained accordingly.

1.5 STOCK

Stocks are stated at the lower of cost and net realisable value. Cost is based upon actual cost of property acquisition plus directors' estimates of direct costs and attributable overheads incurred in bringing each property to its current state.

1.6 DEFERRED TAXATION

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences, except for those which are not expected to reverse in the future.

1.7 GRANTS

Improvement grants are credited to the cost of refurbishment of the properties to which they relate.

MODERN HOUSING LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1994

2. TANGIBLE ASSETS

	Heritable property	Fixtures & fittings	Motor Vehicles	Total
	£	£	£	£
Cost:				
At 1 July 1993	366,613	841	36,239	403,693
Additions during year	320,462	-	11,043	331,505
Disposals	-	-	(25,349)	(25,349)
Transferred to stock of properties for resale	(144,105)	-	-	(144,105)
At 30 June 1994	<u>542,970</u>	<u>841</u>	<u>21,933</u>	<u>565,744</u>
Grants receivable:				
At 1 July 1993	177,500	-	-	177,500
Received during year	82,228	-	-	82,228
Transferred to stock of properties for resale	(7,500)	-	-	(7,500)
At 30 June 1994	<u>252,228</u>	<u>-</u>	<u>-</u>	<u>252,228</u>
Net cost at 30 June 1994	<u>290,742</u>	<u>841</u>	<u>21,933</u>	<u>313,516</u>
Depreciation:				
At 1 July 1993	-	168	20,852	21,020
Charge for the year	-	168	6,133	6,301
Disposals	-	-	(18,130)	(18,130)
At 30 June 1994	<u>-</u>	<u>336</u>	<u>8,855</u>	<u>9,191</u>
Net book amounts:				
At 30 June 1994	<u>290,742</u>	<u>505</u>	<u>13,078</u>	<u>304,325</u>
At 30 June 1993	<u>189,113</u>	<u>673</u>	<u>15,387</u>	<u>205,173</u>

3. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994 £	1993 £
Profit for the financial year before dividends	29,112	21,224
Less: Dividend paid	<u>30,000</u>	<u>-</u>
Opening shareholders' funds	(888) <u>28,855</u>	21,224 <u>7,631</u>
Closing shareholders' funds	<u>27,967</u>	<u>28,855</u>

MODERN HOUSING LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 1993

	1994	1993
	£	£
4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank overdraft (note 7)	274,555	235,761
Accrued charges	3,943	9,695
Hire purchase creditor	4,667	2,469
Corporation tax	17,715	12,406
Other taxes and social security costs	31,492	26,969
Building society loan (note 7)	<u>28,054</u>	<u>29,000</u>
	<u>360,426</u>	<u>316,300</u>
5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Bank loan (note 7)	<u>150,000</u>	<u>150,000</u>
6. SHARE CAPITAL		
<u>Authorised</u>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted, called up and fully paid</u>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
7. BORROWINGS		
Total bank borrowings are secured by a bond and floating charge over the entire assets of the company together with standard securities over the company's properties at 491/517 Merry Street, Motherwell and 414-428 Brandon Street, Motherwell. Building society borrowings are secured over the specific property to which the loan relates, all of which are properties held for resale.		