

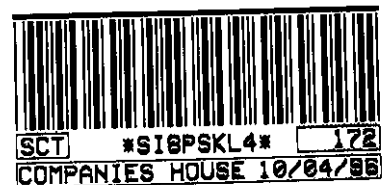
Company No: 106918

MODERN HOUSING LIMITED
ABBREVIATED FINANCIAL STATEMENTS

- for the year ended -

30 JUNE 1995

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



MODERN HOUSING LIMITED

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FOR THE YEAR ENDED 30 JUNE 1995

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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 1995. 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 1995, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with that Schedule.

On 6 February 1996 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 1995, 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 1995 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: 6 February 1996

MODERN HOUSING LIMITED

ABBREVIATED BALANCE SHEET AT 30 JUNE 1995

	Notes	£	1995	£	£	1994	£
FIXED ASSETS							
Tangible assets	2		449,410			304,325	
CURRENT ASSETS							
Stocks		320,691			203,101		
Debtors		30,303			30,967		
Cash at bank and in hand		<u>4,456</u>			<u>-</u>		
		355,450			234,068		
CREDITORS: Amounts falling due within one year		<u>527,763</u>			<u>360,426</u>		
NET CURRENT LIABILITIES			(<u>172,313</u>)			(<u>126,358</u>)	
TOTAL ASSETS LESS CURRENT LIABILITIES			277,097			177,967	
CREDITORS: Amounts falling due after more than one year	3		<u>253,667</u>			<u>150,000</u>	
			<u>23,430</u>			<u>27,967</u>	
CAPITAL AND RESERVES							
Called up share capital	4		100			100	
Profit and loss account			<u>23,330</u>			<u>27,867</u>	
			<u>23,430</u>			<u>27,967</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

6 February 1996

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 1995

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 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%/25%
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.

1.4 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.

1.5 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.

1.6 GRANTS

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

1.7 LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account evenly over the period of the contract.

MODERN HOUSING LIMITED**ABBREVIATED ACCOUNTS****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1995****2. TANGIBLE ASSETS**

	Heritable property	Fixtures & fittings	Motor Vehicles	Total
	£	£	£	£
Cost:				
At 1 July 1994	542,970	841	21,933	565,744
Additions during year	193,904	27,554	29,381	250,839
Disposals	-	-	(25,133)	(25,133)
At 30 June 1995	<u>736,874</u>	<u>28,395</u>	<u>26,181</u>	<u>791,450</u>
Grants receivable:				
At 1 July 1994	252,228	-	-	252,228
Receivable during year	<u>74,500</u>	<u>-</u>	<u>-</u>	<u>74,500</u>
At 30 June 1995	<u>326,728</u>	<u>-</u>	<u>-</u>	<u>326,728</u>
Net cost at 30 June 1995	<u>410,146</u>	<u>28,395</u>	<u>26,181</u>	<u>464,722</u>
Depreciation:				
At 1 July 1994	-	336	8,855	9,191
Charge for the year	-	6,681	6,545	13,226
Disposals	-	-	(7,105)	(7,105)
At 30 June 1995	<u>-</u>	<u>7,017</u>	<u>8,295</u>	<u>15,312</u>
Net book amounts:				
At 30 June 1995	<u>410,146</u>	<u>21,378</u>	<u>17,886</u>	<u>449,410</u>
At 30 June 1994	<u>290,742</u>	<u>505</u>	<u>13,078</u>	<u>304,325</u>

MODERN HOUSING LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1995

	1995	1994
	£	£
3. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Hire purchase creditor	3,667	-
Bank loan (note 5)	<u>250,000</u>	<u>150,000</u>
	<u>253,667</u>	<u>150,000</u>
4. 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>
5. 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.		