Company No. 182285

# SPRINGFIELD PROPERTIES (DUNDEE) LIMITED

## ABBREVIATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST JANUARY 2002



# REPORT OF THE INDEPENDENT AUDITORS' TO SPRINGFIELD PROPERTIES (DUNDEE) LIMITED

# UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 2 to 6, together with the full financial statements of the company for the year ended 31st January 2002 prepared under Section 226 of the Companies Act 1985.

## Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

## Basis of audit opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

## Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 6 are properly prepared in accordance with those provisions.

Blueprint Audit Limited

**28th November 2002**

**Blueprint Audit Limited**
**Registered Auditors**

**1 Royal Terrace**
**Edinburgh**
**EH7 5AD**

# SPRINGFIELD PROPERTIES (DUNDEE) LIMITED

## ABBREVIATED BALANCE SHEET

## AS AT 31ST JANUARY 2002

| | Notes | £ | 2002<br>£ | £ | *2001*<br>*£* |
|---|---|---|---|---|---|
| **Fixed assets** | 2 | | | | |
| Tangible fixed assets | | | **4,485,928** | | *2,307,192* |
| Fixed asset investments | | | **158,287** | | *158,287* |
| | | | **4,644,215** | | *2,465,479* |
| **Current assets** | | | | | |
| Debtors | | **598,128** | | *587,467* | |
| Cash at bank and in hand | | **3,580** | | *1,101* | |
| | | **601,708** | | *588,568* | |
| **Creditors: amounts falling due within one year** | | **(1,402,392)** | | *(2,064,529)* | |
| **Net current (liabilities)** | | | **(800,684)** | | *(1,475,961)* |
| **Total assets less current liabilities** | | | **3,843,531** | | *989,518* |
| **Creditors: amounts falling due after more than one year** | | | **(1,717,375)** | | *-* |
| | | | **2,126,156** | | *989,518* |
| **Capital and reserves** | | | | | |
| Share capital | 4 | | **1,000** | | *1,000* |
| Revaluation reserve | | | **1,652,638** | | *1,068,170* |
| Profit and loss account | | | **472,518** | | *(79,652)* |
| **Shareholders' funds** | | | **2,126,156** | | *989,518* |

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

These abbreviated financial statements were approved by the board on 26th November 2002 and signed on its behalf by:

**P Sale**
**Director**

**A Cruickshank**
**Director**

## 1 Accounting policies

### Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Adoption of FRS 18 required a full review of all the company's accounting policies and estimation techniques. This review was conducted in accordance with FRS 18, which requires that, where a choice of treatment is available, the most appropriate accounting and estimation techniques shall be used. Implementation of FRS 18 resulted in no changes being made to the accounting policies.

### Consolidation

The financial statements contain information about Springfield Properties (Dundee) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group.

### Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

### Tangible fixed assets and depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets over their expected useful lives:

| | |
|---|---|
| Motor vehicles | 25% reducing balance |
| Fixtures and fittings | 25% straight line |
| Boat | 25% reducing balance |

### Investment properties

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surplus(es) or deficit(s) on revaluation of such properties are transferred to the investment property revaluation reserve. Depreciation is not provided in respect of heritable investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the Financial Statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

**Investments**

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

**Deferred taxation**

The company has adopted FRS 19 Deferred Tax in the current period. It requires full provision of deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and the tax computations. Under the previous accounting standard (SSAP 15 - Accounting for Deferred Tax) the company's policy was to provide for deferred tax under the liability method only on timing differences that, in the opinion of the directors, would reverse. The adoption of FRS 19 has resulted in a prior year adjustment that has reduced the company's deferred tax liability by £241,347 and increased the revaluation reserve by £241,347 as at 31st January 2001.

**Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

**Hire purchase and leased assets**

Assets held under hire purchase and finance leases contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

## 2 Fixed assets

| | Tangible fixed assets £ | Fixed asset investments £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| At 1st February 2001 | 2,338,367 | 158,287 | 2,496,654 |
| Additions | 2,712,806 | - | 2,712,806 |
| Disposals | (1,907,191) | - | (1,907,191) |
| Revaluations | 1,389,253 | - | 1,389,253 |
| **At 31st January 2002** | **4,533,235** | **158,287** | **4,691,522** |
| **Depreciation and amortisation** | | | |
| At 1st February 2001 | 31,175 | - | 31,175 |
| Charge for the year | 47,108 | - | 47,108 |
| On disposals | (30,976) | - | (30,976) |
| **At 31st January 2002** | **47,307** | **-** | **47,307** |
| **Net book value** | | | |
| **At 31st January 2002** | **4,485,928** | **158,287** | **4,644,215** |
| *At 31st January 2001* | *2,307,192* | *158,287* | *2,465,479* |

## 3 Shares in subsidiary undertaking

| Name of company | Country of registration | Details of investments | Proportion held by company | Nature of business |
|---|---|---|---|---|
| Dudhope Investments Limited | Scotland | Ordinary shares | 100% | Property letting |

The capital and reserves and profit or loss for the subsidiary as at its financial year ending with, or last before, the financial year of the holding company were as follows:

| | Profit/(loss) for the year £ | Capital and reserves £ |
|---|---|---|
| Dudhope Investments Limited | (17,990) | 385,660 |

## 4 Secured creditors

The bank loans and overdraft of £2,680,726 (2001: £1,083,569) are secured by a fixed and floating charge over all of the company's assets.

## 5 Share capital

| | 2002 | *2001* |
|---|---|---|
| | £ | *£* |
| **Authorised** | | |
| 1,000 Ordinary shares of £1.00 each | **1,000** | *1,000* |
| **Allotted** | | |
| 1,000 Allotted, called up and fully paid ordinary shares of £1.00 each | **1,000** | *1,000* |

## 6 Transactions with directors

During the year, motor vehicles with net book values of £7,170 and £10,970 were sold to Paul Sale and Angus Cruickshank respectively, directors of the company. These transactions took place under normal commercial terms.

Included in debtors is an amount due from Angus Cruickshank on his current account. The outstanding amounts were as follows: beginning of year £204,074 (creditor); end of year £21,001; maximum during year £233,774 (creditor).

Included in creditors is an amount due to Paul Sale on his current account. The outstanding amounts were as follows: beginning of year £9,246; end of year £471; maximum during year £48,471.

Interest is not charged on the outstanding balances.

## 7 Related parties

During the year the company sold a portfolio of properties to Dudhope Developments Limited at open market value. A gain on cost of £421,335 was recorded on this transaction.

Included within debtors are balances due from related companies. The balances due at 31st January 2002 were: Stormcone Limited £36,317 (2001: £8,490); Bellfield Properties Limited £1,140 (2001: £36,008) and; Forthtay Property Centre Limited £16,485 (2001: £12,387). Amounts due from the parent undertaking, Forthtay Limited, were £498,000 (2001: £500,000).

Included in creditors are balances due to related companies. The balances due at 31st January 2002 were: Dudhope Investments Limited £234,998 (2001: £234,716) and; Dudhope Developments Limited £42,533 (2001: £500,000).

The above companies are subsidiary undertakings of Forthtay Limited.

## 8 Ultimate parent undertaking

The company's immediate parent undertaking and controlling party is Forthtay Limited, a company registered in Scotland.