

REGISTERED NUMBER: SC382902 (Scotland)

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2012
FOR
AC&H ORN 2 LIMITED

COMPANIES HOUSE

- 5 JUN 2013

EDINBURGH

WEDNESDAY



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05/06/2013
COMPANIES HOUSE

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FOR THE YEAR ENDED 31 AUGUST 2012

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AC&H ORN 2 LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2012

DIRECTOR:

R M S Milne

REGISTERED OFFICE:

7 Hopetoun Crescent
Edinburgh
Lothian
EH7 4AW

REGISTERED NUMBER:

SC382902 (Scotland)

AUDITORS:

Barstow & Millar
Chartered Accountants
Statutory Auditor
Midlothian Innovation Centre
Pentlandfield
Roslin
MIDLOTHIAN
EH25 9RE

REPORT OF THE INDEPENDENT AUDITORS TO
AC&H ORN 2 LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages three to four, together with the full financial statements of AC&H ORN 2 Limited for the year ended 31 August 2012 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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 accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

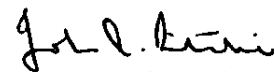
Other information

On 31-5-2013 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 August 2012 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

"Emphasis of matter - Going concern

In forming our opinion on the financial statements which, is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements concerning the company's ability to continue as a going concern."

The Company made a net loss of £357,519 during the year ended 31 August 2012 and, at that date, the Company's liabilities exceeded its assets by £554,065. These conditions, along with other matters explained in Note 1 of the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



John D Ritchie (Senior Statutory Auditor)
for and on behalf of Barstow & Millar
Chartered Accountants
Statutory Auditor
Midlothian Innovation Centre
Pentlandsfield
Roslin
MIDLOTHIAN
EH25 9RE

Date: 31/5/2013

ABBREVIATED BALANCE SHEET
31 AUGUST 2012

	Notes	2012 £	2011 £
CURRENT ASSETS			
Stocks		200,000	1,770,500
Debtors		1,025,287	415,625
Cash in hand		1	1
		<u>1,225,288</u>	<u>2,186,126</u>
CREDITORS			
Amounts falling due within one year		1,779,353	2,382,672
		<u>(554,065)</u>	<u>(196,546)</u>
NET CURRENT LIABILITIES			
		<u>(554,065)</u>	<u>(196,546)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>(554,065)</u>	<u>(196,546)</u>
CAPITAL AND RESERVES			
Called up share capital	2	1	1
Profit and loss account		(554,066)	(196,547)
		<u>(554,065)</u>	<u>(196,546)</u>
SHAREHOLDERS' FUNDS			
		<u>(554,065)</u>	<u>(196,546)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 31/5/13..... and were signed by:



.....
R M S Milne - Director

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2012

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The company made a net loss for the year of £357,519 and has net liabilities of £554,065 at the year end. The ability of the company to meet its liabilities as they fall due is dependent on the continued support of Knowe Properties Limited, the parent company. Knowe Properties Limited will not withdraw its loan of £1,678,698 to the detriment of other creditors. Knowe Properties Limited will continue to provide financial support to allow the company to meet its liabilities as they fall due. However, there remains material uncertainty over whether the company can continue as a going concern and, therefore, realise its assets and discharge its liabilities in the normal course of business.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents sale of property stock in the year.

Stocks

Stocks are valued at the amount that the property is expected to realise on sale which is below cost.

2. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2012 £	2011 £
1	Ordinary	1	<u>1</u>	<u>1</u>

3. **ULTIMATE PARENT COMPANY**

Knowe Properties Limited is regarded by the director as being the company's ultimate parent company.