

SHBA LIMITED T/A HOMES FOR SCOTLAND

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002



SCT SE163KHH 0007
COMPANIES HOUSE 28/04/03

REPORT OF THE INDEPENDENT AUDITORS' TO SHBA LIMITED T/A HOMES FOR SCOTLAND

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 3 to 5, together with the full financial statements of the company for the year ended 31st December 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

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 3 to 5 are properly prepared in accordance with those provisions.

Other information

On 16th April 2003 we reported, as auditors of SHBA Limited T/A Homes for Scotland, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 2002, and our audit report was as follows:

We have audited the financial statements on pages 4 to 9 of SHBA Limited T/A Homes for Scotland for the year ended 31st December 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

REPORT OF THE INDEPENDENT AUDITORS' TO SHBA LIMITED T/A HOMES FOR SCOTLAND

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

Fundamental uncertainty: going concern

Continuation of the company's activities is dependent on the continued support of the company's members. These financial statements have been drawn up on a going concern basis which assumes that the company will be able to continue trading and meet its liabilities as they fall due. Details of the circumstances relating to the fundamental uncertainty are described on page 4. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Blueprint Audit Limited

16th April 2003

1 Royal Terrace
Edinburgh
EH7 5AD

Blueprint Audit Limited
Registered Auditors

SHBA LIMITED T/A HOMES FOR SCOTLAND

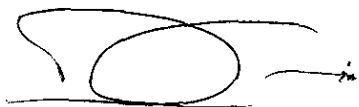
ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 2002

	Notes	£	2002 £	£	2001 £
Fixed assets					
Tangible fixed assets	2		10,865		12,584
Current assets					
Stock		1,109		-	
Debtors		264,422		27,685	
Cash at bank and in hand		57,131		16,725	
		322,662		44,410	
Creditors: amounts falling due within one year		(334,903)		(25,757)	
Net current (liabilities)/assets			(12,241)		18,653
Total assets less current liabilities			(1,376)		31,237
Provisions for liabilities and charges					
Deferred taxation			(1,200)		-
			(2,576)		31,237
Reserves					
Capital and reserves					
Profit and loss account			(2,576)		31,237
Shareholders' funds			(2,576)		31,237

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 15th April 2003 and signed on its behalf by:



D J Gill
Director



I B Innes
Director

SHBA LIMITED T/A HOMES FOR SCOTLAND

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention.

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.

Basis of preparation: going concern

During the year the company suffered a loss of £33,813 (2001 : profit of £31,327) and at its balance sheet date had net current liabilities of £12,241 (2001 : net current assets of £18,653) and overall net liabilities of £2,576 (2001 : net assets of £31,237). The company meets its day to day working capital requirements through support from the company's members.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the company's members. If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to amend the balance sheet values of assets to their recoverable amounts and to provide for further liabilities which might arise.

The directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

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 by reducing balance method over their expected useful lives:

Motor vehicles	25%
Office equipment	33%

Stocks

Stocks are stated at the lower of cost and net realisable value.

SHBA LIMITED T/A HOMES FOR SCOTLAND

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

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. Adoption of FRS 19 resulted in no changes being made to the previous year as the amounts involved are not significant.

Contribution to pension funds

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

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 £
Cost	
At 1st January 2002	17,469
Additions	2,450
At 31st December 2002	19,919
Depreciation	
At 1st January 2002	4,885
Charge for the year	4,169
At 31st December 2002	9,054
Net book value	
At 31st December 2002	10,865
<i>At 31st December 2001</i>	<i>12,584</i>