

REGISTERED NUMBER: SC302008 (Scotland)

Abbreviated Accounts for the Year Ended 31 December 2010

for

Hazledene (Coalsnaughton) Limited

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Hazledene (Coalsnaughton) Limited (Registered number: SC302008)

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for the Year Ended 31 December 2010**

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Hazledene (Coalsnaughton) Limited

**Company Information
for the Year Ended 31 December 2010**

DIRECTOR:	M D Shaw
SECRETARY:	Mrs C Key
REGISTERED OFFICE:	80 George Street Edinburgh EH2 3BU
REGISTERED NUMBER:	SC302008 (Scotland)
SENIOR STATUTORY AUDITOR:	Andrew Howie
AUDITORS:	Grant Thornton UK LLP 95 Bothwell Street Glasgow Strathclyde G2 7JZ
SOLICITORS:	Semple Fraser LLP 80 George Street Edinburgh EH2 3BU

**Report of the Independent Auditors to
Hazledene (Coalsnaughton) Limited
Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages three to five, together with the full financial statements of Hazledene (Coalsnaughton) Limited for the year ended 31 December 2010 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 30/9/11 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 December 2010 prepared under Section 396 of the Companies Act 2006, and our report contained the following extract:

Emphasis of matter – going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £67,274 during the year ended 31 December 2010 and, at that date, it had net liabilities of £210,168. In the opinion of the director, the market value of the development exceeds the carrying value and sales proceeds will be sufficient to meet all liabilities. In addition, whilst no formal bank facilities will be in place beyond 28 February 2012 the director believes that the loan will not be recalled until funds are available from the sale of the development. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.



Andrew Howie (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
95 Bothwell Street
Glasgow
Strathclyde
G2 7JZ

Date: 30/9/11

Hazledene (Coalsnaughton) Limited (Registered number: SC302008)

Abbreviated Balance Sheet 31 December 2010

	Notes	2010 £	2009 £
CURRENT ASSETS			
Stocks		2,375,958	2,375,891
Debtors		<u>306</u>	<u>13,566</u>
		2,376,264	2,389,457
CREDITORS			
Amounts falling due within one year	2	<u>2,586,432</u>	<u>2,532,351</u>
NET CURRENT LIABILITIES		<u>(210,168)</u>	<u>(142,894)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(210,168)</u>	<u>(142,894)</u>
CAPITAL AND RESERVES			
Called up share capital	3	¹ <u>(210,169)</u>	¹ <u>(142,895)</u>
Profit and loss account			
SHAREHOLDERS' FUNDS		<u>(210,168)</u>	<u>(142,894)</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 29/9/10 and were signed by:


.....
M D Shaw - Director

The notes form part of these abbreviated accounts

Hazledene (Coalsnaughton) Limited (Registered number: SC302008)

Notes to the Abbreviated Accounts for the Year Ended 31 December 2010

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Going concern

The financial statements have been prepared on a going concern basis. The director considers that this basis is appropriate as plans have been prepared which will mean the market value of the development will exceed the book value and the profit on the ultimate sale of the development will enable the company to meet all of its liabilities. During the period to 31 December 2010 the company incurred a net loss of £67,274.

The company has financed the development with the assistance of a bank loan. This bank loan is due to be repaid in full on 28 February 2012. At the current time the development is being marketed for sale, however, it remains within the company and the loan remains intact. Whilst no formal bank facilities will be in place beyond 28 February 2012, the director believes that the loan will not be recalled until the development is sold and if it is not sold by 28 February 2012 the facilities will be renegotiated, although he has not yet commenced discussions with the bank.

Hazledene Group Limited, the company's intermediate parent undertaking, has agreed to provide financial support until the sale of the development.

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).

Stocks

Work in progress is stated at the lower of cost and net realisable value.

Costs represent direct material plus attributable overheads and finance charges incurred in development.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Hazledene (Coalsnaughton) Limited (Registered number: SC302008)

Notes to the Abbreviated Accounts - continued for the Year Ended 31 December 2010

2. CREDITORS

Creditors include an amount of £2,000,000 (2009 - £2,000,000) for which security has been given.

3. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2010 £	2009 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

4. ULTIMATE PARENT COMPANY

The ultimate parent company is Morden Limited, a company incorporated in the Channel Islands and owned by a trust.

5. RELATED PARTY DISCLOSURES

The company's immediate parent undertaking is Hazledene Homes Limited, a company incorporated in Scotland.

During the year, Hazledene Group Limited paid expenses of £57,598 (2009 £20,201) on behalf of Hazledene (Coalsnaughton) Limited. The company owed £574,087 (2009 £516,489) to Hazledene Group Limited at the end of the year. Mark Shaw, the director of Hazledene (Coalsnaughton) Limited is also a director of Hazledene Group Limited. The company's immediate parent, Hazledene Homes Limited, is a subsidiary of Hazledene Group Limited.