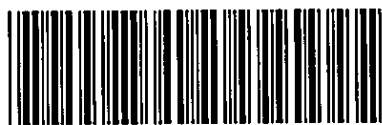


SCOTTISH ENTERPRISE TAYSIDE

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

REGISTERED NUMBER SC126821

WEDNESDAY



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SCOTTISH ENTERPRISE TAYSIDE

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

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SCOTTISH ENTERPRISE TAYSIDE

DIRECTOR AND ADVISORS

DIRECTORS

Jill Farrell
Charles Stewart

COMPANY SECRETARY

Stuart Clarke

INDEPENDENT AUDITOR

KPMG LLP
191 West George Street
Glasgow
G2 2LJ

BANKERS

Bank of Scotland plc
Gordon Street
GLASGOW
G1 3RS

SOLICITORS

Legal Services Department
Scottish Enterprise
Atrium Court
50 Waterloo Street
Glasgow
G2 6HQ

REGISTERED OFFICE

Atrium Court
50 Waterloo Street
GLASGOW
G2 6HQ

SCOTTISH ENTERPRISE TAYSIDE

DIRECTORS' REPORT

The directors present their report and audited financial statements of the Company, registered number SC126821, for the year ended 31 March 2012. The Company is now dormant and the directors have no plans to receive future income. Accordingly the financial statements are not prepared on a going concern basis.

PRINCIPAL ACTIVITY

Until 31 March 2008 the principal activity of Scottish Enterprise Tayside was to operate as a Local Enterprise Company delivering economic development services within the Tayside area under an operating contract with Scottish Enterprise. Scottish Enterprise is a public body duly constituted under the terms and provisions of the Enterprise and New Towns (Scotland) Act 1990. Scottish Enterprise Tayside, a company limited by guarantee, is a subsidiary undertaking of Scottish Enterprise.

On 1 April 2008, as a result of restructuring, certain roles and functions, and related commitments, of Scottish Enterprise Tayside were transferred to other public bodies, with the remaining business operations, their related commitments, and certain of the Company's assets and liabilities, being assumed by Scottish Enterprise. No new operational commitments were entered into by Scottish Enterprise Tayside after that date.

Other assets and liabilities were retained by the Company at that date for practical and operational reasons, the intention being to subsequently realise the assets and settle the liabilities, or when practical arrange for their transfer to Scottish Enterprise. These financial statements reflect progress towards achieving that intention.

RESULTS

The deficit on all activities for the year, after taxation, amounted to £129,000 (2011: deficit of £1,000).

FUTURE DEVELOPMENTS

As noted a small number of transactions may continue to be entered into in order to realise assets or settle liabilities retained by the company on 31 March 2008. Financial Statements will continue to be prepared until all these assets have been realised and liabilities settled at which point it is expected that the Company will be wound up.

DIRECTORS

The directors in office at the date of this report and at any point during the year are as follows:

Jill Farrell
Charles Stewart

EVENTS SINCE THE BALANCE SHEET DATE

There have been no significant post balance sheet events.

SCOTTISH ENTERPRISE TAYSIDE

DIRECTORS' REPORT (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008) and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

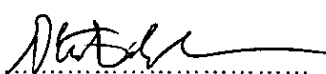
INDEPENDENT AUDITOR

A resolution to reappoint KPMG LLP will be put to the Annual General Meeting.

SMALL COMPANY EXEMPTION

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

By order of the Board:



Stuart Clarke
Company Secretary

18 June 2012

Registered number: SC126821

SCOTTISH ENTERPRISE TAYSIDE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCOTTISH ENTERPRISE TAYSIDE

We have audited the financial statements of Scottish Enterprise Tayside for the year ended 31 March 2012 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (UK Generally Accepted Accounting Practice applicable to Smaller Entities). These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 the director and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its deficit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the director's report in accordance with the small companies regime.



DJ Watt (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
191 West George Street
Glasgow, G2 2LJ

26 June 2012

SCOTTISH ENTERPRISE TAYSIDE**INCOME AND EXPENDITURE ACCOUNT****For the year ended 31 March 2012**

	Note	2012 £000	2011 £000
Operating expenditure		<u>(130)</u>	<u>(4)</u>
Operating deficit	3	(130)	(4)
Adjustment to investments written off		-	2
Bank interest receivable		<u>1</u>	<u>1</u>
		(129)	3
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(129)	(1)
Taxation charge	4	<u>-</u>	<u>-</u>
DEFICIT FOR THE YEAR	8	<u>(129)</u>	<u>(1)</u>

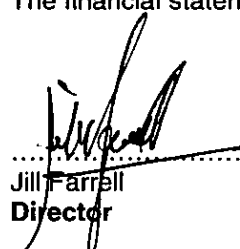
There are no recognised gains or losses other than the deficit for the above two financial years.

SCOTTISH ENTERPRISE TAYSIDE**BALANCE SHEET**
At 31 March 2012

	Note	2012 £000	2011 £000
FIXED ASSETS			
Investments	5	<u>-</u>	<u>551</u>
		-	551
Asset repayment provision	6	<u>-</u>	<u>(19)</u>
		-	532
CURRENT ASSETS			
Cash at bank and in hand		<u>-</u>	<u>147</u>
		-	147
CREDITORS: amounts falling due within one year	7	<u>-</u>	<u>(550)</u>
NET CURRENT LIABILITIES		<u>-</u>	<u>(403)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>-</u>	<u>129</u>
NET ASSETS		<u>-</u>	<u>129</u>
CAPITAL AND RESERVES	8	<u>-</u>	<u>129</u>

The financial statements are prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 6 to 11 were approved by the Director on 18 June 2012 and signed by:



.....
Jill Farrell
Director

18 June 2012

Registered number: SC126821

SCOTTISH ENTERPRISE TAYSIDE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2012

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies is set out below.

(b) Exemption from the preparation of consolidated accounts

Scottish Enterprise Tayside claims exemption from preparing consolidated accounts under section 400 of the Companies Act 2006. Exemption is granted on the basis that it is an intermediate parent company which is wholly owned by its parent, Scottish Enterprise. The financial results of Scottish Enterprise Tayside and its subsidiaries will be consolidated in the Ultimate Parent companies financial statements which are made up to the same date, 31 March 2012.

(c) Basis of operation

Until 31 March 2008 Scottish Enterprise Tayside principal activity was to operate as a Local Enterprise Company delivering economic development services within the Tayside area under an operating contract with Scottish Enterprise. Scottish Enterprise is a public body duly constituted under the terms and provisions of the Enterprise and New Towns (Scotland) Act 1990. Scottish Enterprise Tayside, a company limited by guarantee, is a subsidiary undertaking of Scottish Enterprise.

On 1 April 2008, as a result of restructuring, certain roles and functions, and related commitments, of Scottish Enterprise Tayside were transferred to other public bodies, with the remaining business operations, their related commitments, and certain of the Company's assets and liabilities, being assumed by Scottish Enterprise. No new operational commitments were entered into by Scottish Enterprise Tayside after that date.

Other assets and liabilities were retained by the Company at that date for practical and operational reasons, the intention being to subsequently realise the assets and settle the liabilities, or when practical arrange for their transfer to Scottish Enterprise. These financial statements reflect progress towards achieving that intention.

The operational commitments of the Company were assumed by either Scottish Enterprise or other public sector entities as at 1 April 2008 and the directors no longer consider the Company to be operating as a going concern. Any assets remaining will be realised within the normal course of business and for this reason, the directors believe that no amendment is required to the balances held in the financial statements.

The financial results reported in these financial statements relate wholly to business activities which have been discontinued by Scottish Enterprise Tayside.

(d) Investments

Investments are stated in the balance sheet at the lower of cost and net realisable value. In accordance with group policy repayable grants are not capitalised. Where investments have been funded by loans from Scottish Enterprise, provisions to reduce the value of the investment to below cost are charged to the Income and Expenditure Account in the year the reduction arises.

Where investments have been funded by Scottish Enterprise, other than by way of a repayable loan, the accounting treatment is to capitalise the investment in the balance sheet and set up a provision to reflect the liability to repay the capital proceeds to Scottish Enterprise. All income generated from these investments is repayable to Scottish Enterprise. Any reduction in the value of investment is matched through a corresponding reduction in the provision.

Interest income is recognised on an accrued basis. Income from unlisted investments is credited to the Income and Expenditure Account when it becomes due.

SCOTTISH ENTERPRISE TAYSIDE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2012 (continued)

2. TURNOVER

There was no turnover in the year to 31 March 2012 (2011: nil).

3. OPERATING DEFICIT

This is stated after charging:

	2012 £000	2011 £000
Auditors' remuneration - audit	2	2
- non audit	<u>-</u>	<u>2</u>

On 29 March 2012, the company agreed to transfer its interests in shares and loans to Scottish Enterprise for no consideration. Where the company had provision to remit the proceeds from sale or repayment of these assets to Scottish Enterprise, the provision has consequently been released and no gain or loss was realised by the company.

Directors' remuneration

The emoluments of the directors who served during the year were paid through Scottish Enterprise and it is not possible to apportion their time spent in relation to this company.

4. TAXATION CHARGE

	2012 £000	2011 £000
Based on deficit for the year:		
Corporation tax at 26% (2011: 28%)	<u>-</u>	<u>-</u>

At the balance sheet date there are no factors which will significantly affect the future tax charge either for the company. Tax arises primarily on net interest receivable.

The tax assessed on the deficit on ordinary activities for the period is lower than (2011: the same as) the standard rate of corporation tax in the UK of 26% (2011: 28%). The differences are reconciled below:

	2012 £000	2011 £000
Deficit on ordinary activities before taxation	<u>(129)</u>	<u>(1)</u>
Deficit on ordinary activities multiplied by standard rate of corporation tax in the UK 26% (2011: 28%)	(34)	-
Effect of expenses not deductible for tax purposes and non taxable income	<u>34</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

SCOTTISH ENTERPRISE TAYSIDE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2012 (continued)

5. INVESTMENTS

	Equity £000	Loans £000	Loans to Subsidiaries £000	Total £000
Cost:				
At 1 April 2011	199	336	834	1,369
Repayments	-	-	-	-
Transferred to parent company	(199)	(336)	(834)	(1,369)
Written off	-	-	-	-
At 31 March 2012	-	-	-	-
Diminution in value:				
At 1 April 2011	189	336	293	818
Transferred to parent company	(189)	(336)	(293)	(818)
Provided for	-	-	-	-
At 31 March 2012	-	-	-	-
Net book value				
At 31 March 2012	-	-	-	-
Net book value				
At 31 March 2011	10	-	541	551

On 29 March 2012, the company agreed to transfer its interest in shares and loans to Scottish Enterprise for no consideration. Where the company had provision to remit the proceeds from sale or repayment of these assets to Scottish Enterprise, the provision has consequently been released (see note 6, Asset Repayment Provision) and no gain or loss was realised by the company.

6. ASSET REPAYMENT PROVISION

	Investments £000	Total £000
Balance at 1 April 2011	19	19
Revaluations	-	-
Repayments	-	-
Transferred to parent company	(19)	(19)
At 31 March 2012	-	-

7. CREDITORS: amounts falling due within one year:

	2012 £000	2011 £000
Amounts owed to parent undertaking	-	550
Corporation tax	-	-
	-	550

SCOTTISH ENTERPRISE TAYSIDE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2012 (continued)

8. STATEMENT ON MOVEMENT IN RESERVES

	2012 £000	2011 £000
At 1 April	129	130
Deficit for the year	(129)	(1)
At 31 March	<u>-</u>	<u>129</u>

9. SHARE CAPITAL

The company does not have a share capital and is limited by guarantee. The liability of members is limited to £1 each. At 31 March 2012 the company had 1 member (2011: 1).

10. RELATED PARTY TRANSACTIONS

As provided by FRS 8, the Company has taken exemption from disclosing transactions and balances with other members of the Scottish Enterprise Group. Although Scottish Enterprise does not hold any share capital of the Company, it does produce group consolidated financial statements incorporating the financial statements of the Company. As a consequence, the Company is exempt from the requirement to disclose further information with regard to related party transactions which are eliminated on that consolidation.

11. OTHER FINANCIAL COMMITMENTS

The cost of meeting continuing commitments under the terms of its operating contract with Scottish Enterprise is funded by Scottish Enterprise.

12. CONTINGENT LIABILITIES

Until 31 March 2008 a floating charge existed over the assets of the company. As part of the restructuring the majority of assets transferred to Scottish Enterprise and so in respect of these assets this liability is extinguished. In respect of the remaining assets a liability still remains to Scottish Enterprise until such time as the assets are sold or transferred at which point the liability will be extinguished.

13. ULTIMATE PARENT UNDERTAKING

The director regards Scottish Enterprise, whose principal place of business is Atrium Court, 50 Waterloo Street, Glasgow G2 6HQ, as the company's ultimate parent undertaking. A copy of the consolidated accounts can be obtained from the above address.