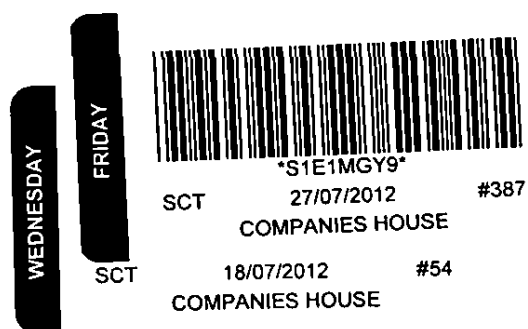


FESTIVAL FRINGE TRADING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2011

Registered number: SC 130813



FESTIVAL FRINGE TRADING LIMITED

FINANCIAL STATEMENTS

for the year ended 30 November 2011

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Independent Auditor's report	4
Profit and loss account	6
Balance sheet	7
Notes on financial statements	8 - 10
The following pages do not form part of the audited Financial statements:	
Trading, Profit and Loss Account	Appendix 1

FESTIVAL FRINGE TRADING LIMITED**COMPANY INFORMATION****30 November 2011**

INCORPORATED	Scotland
NUMBER	SC 130813
DIRECTORS	Baroness Smith of Gilmorehill Peter Utton
SECRETARY	Kath Mainland
REGISTERED OFFICE	180 High Street Edinburgh EH1 1QS
BANKERS	Royal Bank of Scotland plc 31 North Bridge Edinburgh EH1 1SF
AUDITORS	Baker Tilly UK Audit LLP Chartered Accountants First Floor, Quay 2 139 Fountainbridge Edinburgh EH3 9QG

FESTIVAL FRINGE TRADING LIMITED

DIRECTORS' REPORT

30 November 2011

The directors present their report and the audited financial statements for the year ended 30 November 2011.

Principal activity

The principal activity of the company is the sale of souvenir items relating to the Edinburgh Festival Fringe and the provision of information regarding the Edinburgh festivals and tourism.

The directors normally review the level of future reserves required and gift aid the majority of any profit to Edinburgh Festival Fringe Society. An amount of £36,000 gift aid has been agreed for the year to 30 November 2011 (2010: £40,000). This allows the trading company to build its reserves to allow for continued future development.

The directors are satisfied with the results for 2011 and hope that trading can be increased in the future.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows.

	30 November 2011 Ordinary shares	1 December 2010 Ordinary shares
Baroness Smith of Gilmorehill	-	-
Peter Utton	-	-

Auditors

Baker Tilly UK Audit LLP have agreed to offer themselves for re-appointment as auditors of the company.

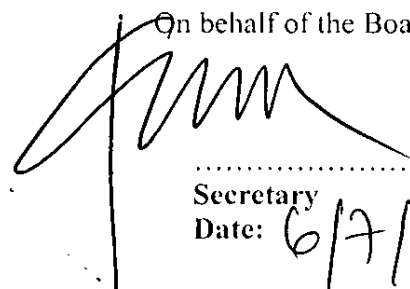
Statement as to Disclosure of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies exemption.

180 High Street
Edinburgh
EH1 1QS

On behalf of the Board

Secretary
Date: 6/7/12
KATH M MAINLAND

FESTIVAL FRINGE TRADING LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FESTIVAL FRINGE TRADING LIMITED

We have audited the financial statements on pages 5 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are 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 website 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 30 November 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
FESTIVAL FRINGE TRADING LIMITED (CONT)**

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 directors' 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 in accordance with the small companies regime take advantage of the small companies exemption in preparing the directors' report.

Baker Tilly UK Audit LLP

JANET HAMBLIN (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

First Floor, Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

Date *17 July 2012*

FESTIVAL FRINGE TRADING LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30 November 2011

		2011	2010
	Note	£	£
Turnover	1	118,239	139,021
Cost of sales		(49,711)	(56,902)
Gross profit		<u>68,528</u>	<u>82,119</u>
Administrative expenses	2	(32,127)	(32,536)
Other operating charges		(36,000)	(40,000)
Operating profit	3	<u>401</u>	<u>9,583</u>
Other income	4	279	13
Profit on ordinary activities before taxation		<u>680</u>	<u>9,596</u>
Taxation	5	(143)	(2,015)
Profit on ordinary activities after taxation	8	<u><u>537</u></u>	<u><u>7,581</u></u>

FESTIVAL FRINGE TRADING LIMITED
SC 130813
BALANCE SHEET

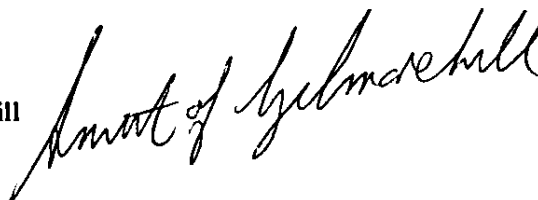
as at 30 November 2011

	Note	2011 £	2010 £
Current assets			
Stocks		17,851	12,542
Debtors	6	4,767	4,790
Cash at bank and in hand		2,441	3,736
		<u>25,059</u>	<u>21,068</u>
Creditors: amounts falling due within one year	7	(9,127)	(5,673)
Net current assets		<u>15,932</u>	<u>15,395</u>
Total assets less current liabilities		<u>15,932</u>	<u>15,395</u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	15,832	15,295
Total shareholders' funds	8	<u>15,932</u>	<u>15,395</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved and authorised for issue by the directors on 22 JUNE 2012, and are signed on their behalf by:

.....
Baroness Smith of Gilmorehill
Director



FESTIVAL FRINGE TRADING LIMITED**NOTES ON FINANCIAL STATEMENTS****30 November 2011****1 Accounting policies****Basis of accounting**

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

Going Concern

Festival Fringe Trading Limited (the Company) has net assets of £15,932 at 30 November 2011 and it generated a profit of £537 in the year after a gift aid donation of £36,000. It is reliant for future trading on the viability of Edinburgh Festival Fringe Society. Edinburgh Festival Fringe Society, including its trading subsidiary (The Society), generated net incoming resources of £347,856 (2010: £333,690) for the year and at the 30 November 2011 had net assets of £925,893 (2010: £578,037). The Society had net current assets of £453,281 (2010: £75,718) at 30 November 2011. However the Trustees are conscious of the pressures of the economic climate as such they have considered the appropriateness of the going concern policy status of the Company.

Edinburgh Festival Fringe Society Limited received grant funding from the City of Edinburgh Council, Creative Scotland and the Scottish Government. Good progress has been made over the last three years in stabilising the Society's funds. The City of Edinburgh Council and Creative Scotland have both confirmed support for the Society over the next two years. The Trustees therefore believe it is appropriate to prepare these financial statements on a going concern basis. The Finance, Audit and Risk Committee will continue to review the long term financial future of the Society and the Company.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal. Provision is made for obsolete and slow moving items.

Turnover

Turnover represents the amounts (excluding Value Added Tax) derived from the operating activities of the company. Turnover is recognised through goods sold and services provided to third parties when receivable. All of the company's turnover was derived from within the United Kingdom.

2 Directors' Remuneration

No remuneration was paid to the directors for their service to the Company.

FESTIVAL FRINGE TRADING LIMITED

NOTES ON FINANCIAL STATEMENTS

30 November 2011

3 Operating profit

	2011	2010
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	3,000	2,500
Gift aid	36,000	40,000

4 Other income

	2011	2010
	£	£
Interest receivable	279	13

5 Tax

	2011	2010
	£	£
U.K. corporation tax	143	2,015

6 Debtors

	2011	2010
	£	£
VAT recoverable	4,767	4,790

There are no amounts falling due after more than one year.

7 Creditors: amounts falling due within one year

	2011	2010
	£	£
Trade creditors	47	-
Other Creditors	3,000	3,022
Taxation	143	2,015
Amounts due to group undertakings	5,937	636
	<u>9,127</u>	<u>5,673</u>

The bank holds a floating charge and bond over the assets of the company. There are no amounts falling due after more than one year.

FESTIVAL FRINGE TRADING LIMITED

NOTES ON FINANCIAL STATEMENTS

30 November 2011

8 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	537	7,581
Net increase in shareholders' funds	537	7,581
Opening shareholders' funds	15,395	7,814
Closing shareholders' funds	15,932	15,395

9 Called up share capital

	2011		2010	
	Number of shares	£	Number of shares	£
Allotted called up And fully paid (equity)				
Ordinary shares of £1 each	100	100	100	100

10 Profit and loss account

	2011 £
1 December 2010	15,295
Profit for the year	537
30 November 2011	15,832

11 Ultimate parent undertaking

The ultimate controlling party is Edinburgh Festival Fringe Society Limited, a company limited by guarantee and registered in Scotland. Edinburgh Festival Fringe Society is a registered charity.

12 Related Parties Transaction

Under Financial Reporting Standard 8, the company is exempt from disclosing related party transactions with its parent undertaking due to consolidated accounts being prepared which are publicly available.