

Company Registration No. SC214852 (Scotland)

DOVECOT STUDIOS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2002

Saffery Champness
CHARTERED ACCOUNTANTS



DOVECOT STUDIOS LIMITED

COMPANY INFORMATION

Directors	A E H Salvesen E E Salvesen D W D Weir
Secretary	D W D Weir
Company number	SC214852
Registered office	Donaldsons College West Coates Edinburgh EH12 5JJ
Accountants	Saffery Champness 40 Melville Street Edinburgh EH3 7TW
Bankers	Bank of Scotland 38 St Andrew Square Edinburgh EH2 2YR
Solicitors	Maclay Murray & Spens 3 Glenfinlas Street Edinburgh EH3 6AQ

DOVECOT STUDIOS LIMITED

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DOVECOT STUDIOS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2002

The directors present their report and financial statements for the period ended 30 June 2002.

Principal activities

The principal activity of the company is that of tapestry handweaving and rug tufting.

The company was first formed under the name M M & S Limited on 17 January 2001. It subsequently changed its name to ETC (2001) Limited. On 29 May 2001 the company name was changed to Dovecot Studios Limited.

Directors

The following directors have held office since 17 January 2001:

A E H Salvesen	(Appointed 1 June 2001)
E E Salvesen	(Appointed 1 June 2001)
D W D Weir	(Appointed 1 June 2001)
Vindex Limited	(Appointed 17 January 2001 and resigned 1 June 2001)
Vindex Services Limited	(Appointed 17 January 2001 and resigned 1 June 2001)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	30 June 2002	17 January 2001
A E H Salvesen	502	-
E E Salvesen	-	-
D W D Weir	1	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



D W D Weir

Director

13.11.02

DOVECOT STUDIOS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2002**

	Notes	Period ended 30 June 2002 £
Cost of sales		(1,895)
Administrative expenses		(36,150)
Other operating income		50
Operating loss	2	(37,995)
Other interest receivable and similar income		1,374
Loss on ordinary activities before taxation		(36,621)
Tax on loss on ordinary activities	3	-
Loss on ordinary activities after taxation	8	(36,621)

The notes on pages 5 to 8 form part of these financial statements.

DOVECOT STUDIOS LIMITED**BALANCE SHEET
AS AT 30 JUNE 2002**

	Notes	2002 £	£
Fixed assets			
Tangible assets	4		11,763
Investments	5		2
			<u>11,765</u>
Current assets			
Stocks and work in progress		55,700	
Cash at bank and in hand		21,706	
		<u>77,406</u>	
Creditors: amounts falling due within one year	6	(75,690)	
		<u></u>	
Net current assets			<u>1,716</u>
Total assets less current liabilities			<u>13,481</u>
Capital and reserves			
Called up share capital	7		503
Share premium account	8		49,599
Profit and loss account	8		(36,621)
			<u>13,481</u>
Shareholders' funds			<u>13,481</u>

DOVECOT STUDIOS LIMITED

BALANCE SHEET (continued)
AS AT 30 JUNE 2002

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The notes on pages 5 to 8 form part of these financial statements.

The financial statements were approved by the Board on 13.11.2002



A E H Salvesen
Director

DOVECOT STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% Straight Line
Fixtures, fittings & equipment	25% Straight Line

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. For work in progress the cost is calculated based on directly attributable wages, materials and other expenses.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating loss 2002 £

Operating loss is stated after charging:

Depreciation of tangible assets	1,126
Directors' emoluments	29,250
	<u> </u>

3 Taxation

Current tax charge

-

On the basis of these financial statements no provision has been made for corporation tax.

DOVECOT STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 JUNE 2002**

4 Tangible fixed assets

	£
Cost	
At 17 January 2001	-
Additions	12,889
At 30 June 2002	12,889
Depreciation	
At 17 January 2001	-
Charge for the period	1,126
At 30 June 2002	1,126
Net book value	
At 30 June 2002	11,763

DOVECOT STUDIOS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 JUNE 2002****5 Fixed asset investments**

	Shares in group undertakings and participating interests £
Cost	
At 17 January 2001	-
Additions	2
At 30 June 2002	2

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
The Edinburgh Tapestry Company Limited	Scotland	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £2	Profit for the year
The Edinburgh Tapestry Company Limited		
		-

6 Creditors: amounts falling due within one year

	2002 £
Trade creditors	128
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2
Taxation and social security	1,818
Other creditors	73,742
	75,690

DOVECOT STUDIOS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 JUNE 2002**

7 Share capital	2002
	£
Authorised	
100,000 Ordinary Shares of £ 1 each	<u>100,000</u>
Allotted, called up and fully paid	
503 Ordinary Shares of £ 1 each	<u>503</u>

On incorporation 2 subscriber ordinary shares of £1 each were allotted and fully paid at par. During the period 501 further ordinary shares of £1 each were allotted and fully paid at a price of £100 each to provide working capital for the company.

8 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Retained loss for the period	-	(36,621)
Premium on shares issued during the period	<u>49,599</u>	<u>-</u>
Balance at 30 June 2002	<u>49,599</u>	<u>(36,621)</u>

9 Control

The ultimate controlling party is A E H Salvesen, a director of the company.