

Company Registration No. SC214852 (Scotland)

DOVECOT STUDIOS LIMITED

DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

THURSDAY



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28/03/2013

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COMPANIES HOUSE

Saffery Champness

CHARTERED ACCOUNTANTS

DOVECOT STUDIOS LIMITED

COMPANY INFORMATION

Directors A E H Salvesen CBE
E E Salvesen
D W D Weir

Secretary D W D Weir

Company number SC214852

Registered office 10 Infirmary Street
Edinburgh
EH1 1LT

Accountants Saffery Champness
Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9BA

Bankers Bank of Scotland
38 St Andrew Square
Edinburgh
EH2 2YR

DOVECOT STUDIOS LIMITED

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DOVECOT STUDIOS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report and financial statements for the year ended 30 June 2012.

Principal activities

The principal activity of the company is that of tapestry handweaving, rug tufting, public exhibitions, facility hire and retail.

Directors

The following directors have held office since 1 July 2011:

A E H Salvesen CBE
E E Salvesen
D W D Weir

Statement of directors' responsibilities

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

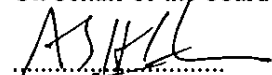
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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;
- 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



A E H Salvesen CBE

Director

21/3/13

DOVECOT STUDIOS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012**

		2012	2011
	Notes	£	£
Turnover		175,458	270,539
Cost of sales		<u>(366,187)</u>	<u>(319,923)</u>
Gross loss		(190,729)	(49,384)
Administrative expenses		(431,821)	(350,107)
Other operating income		<u>975,550</u>	<u>520,000</u>
Operating profit	2	353,000	120,509
Other interest receivable and similar income	3	-	5
Interest payable and similar charges		<u>-</u>	<u>(9,280)</u>
Profit on ordinary activities before taxation		353,000	111,234
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
Profit for the year	12	<u><u>353,000</u></u>	<u><u>111,234</u></u>

The notes on pages 5 to 10 form part of these financial statements.

DOVECOT STUDIOS LIMITED**BALANCE SHEET
AS AT 30 JUNE 2012**

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	5	22,573		11,132	
Investments	6	2		2	
		<u>22,575</u>		<u>11,134</u>	
Current assets					
Stocks	7	309,684		205,017	
Debtors	8	56,663		103,890	
Cash at bank and in hand		6,317		223,036	
		<u>372,664</u>		<u>531,943</u>	
Creditors: amounts falling due within one year	9	<u>(298,300)</u>		<u>(799,138)</u>	
Net current assets/(liabilities)			<u>74,364</u>		<u>(267,195)</u>
Total assets less current liabilities			<u>96,939</u>		<u>(256,061)</u>
Capital and reserves					
Called up share capital	11	2,747		2,747	
Share premium account	12	252,994		252,994	
Profit and loss account	12	(158,802)		(511,802)	
Shareholders' funds/(deficiency)			<u>96,939</u>		<u>(256,061)</u>

DOVECOT STUDIOS LIMITED

**BALANCE SHEET (continued)
AS AT 30 JUNE 2012**

For the financial year ended 30 June 2012 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The notes on pages 5 to 10 form part of these financial statements.

Approved by the Board for issue on 21/3/13.....



A E H Salvesen CBE
Director

Company Registration No. SC214852

DOVECOT STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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 April 2008).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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
Computer equipment	25% Straight Line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

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

1.6 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.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Grants receivable

There are no conditions attached to the grant received from the parent entity during the year and so the full amount has been credited to the profit and loss account.

1.9 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 399 of the Companies Act 2006 not to prepare group financial statements.

DOVECOT STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012**

2	Operating profit	2012	2011
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	7,081	4,443
	Directors' remuneration	47,250	45,000
	and after crediting:		
	Grant income	<u>975,550</u>	<u>520,000</u>

3	Investment income	2012	2011
		£	£
	Bank interest	-	5
		<u>-</u>	<u>5</u>

4 **Taxation**

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

5 **Tangible fixed assets**

	Plant & machinery	Computer equipment	Other tangible fixed assets
	£	£	£
Cost			
At 1 July 2011	20,665	12,983	33,648
Additions	<u>5,400</u>	<u>13,122</u>	<u>18,522</u>
At 30 June 2012	<u>26,065</u>	<u>26,105</u>	<u>52,170</u>
Depreciation			
At 1 July 2011	13,578	8,938	22,516
Charge for the year	<u>1,521</u>	<u>5,560</u>	<u>7,081</u>
At 30 June 2012	<u>15,099</u>	<u>14,498</u>	<u>29,597</u>
Net book value			
At 30 June 2012	<u>10,966</u>	<u>11,607</u>	<u>22,573</u>
At 30 June 2011	<u>7,087</u>	<u>4,045</u>	<u>11,132</u>

DOVECOT STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012**

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 July 2011 & at 30 June 2012	2
Net book value	
At 30 June 2012	2
At 30 June 2011	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	£1 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	-	-

7 Stocks and work in progress	2012 £	2011 £
Finished Goods	257,058	176,718
Raw Materials	16,474	16,889
Work in Progress	36,152	11,410
	<u>309,684</u>	<u>205,017</u>

DOVECOT STUDIOS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012**

8 Debtors	2012	2011
	£	£
Trade debtors	17,859	51,713
Amounts owed by group undertakings and undertakings in which the company has a participating interest	209	5,820
Other debtors	38,595	46,357
	<u>56,663</u>	<u>103,890</u>
9 Creditors: amounts falling due within one year	2012	2011
	£	£
Trade creditors	84,506	30,182
Other taxation and social security	7,416	6,861
Other creditors	92,779	61,171
Amounts due to related undertakings	113,599	700,924
	<u>298,300</u>	<u>799,138</u>
10 Pension costs		
Defined contribution		
	2012	2011
	£	£
Contributions payable by the company for the year	<u>1,284</u>	<u>2,244</u>
11 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
2,747 Ordinary Shares of £1 each	<u>2,747</u>	<u>2,747</u>

DOVECOT STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2012

12 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 July 2011	252,994	(511,802)
Profit for the year	-	353,000
Balance at 30 June 2012	<u>252,994</u>	<u>(158,802)</u>

13 Financial commitments

At 30 June 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2013:

	2012 £	2011 £
Operating leases which expire: In over five years	<u>144,000</u>	<u>140,000</u>

14 Control

The directors consider the ultimate controlling party to be The Dovecot Foundation. The entire issued share capital of the company is held by The Dovecot Foundation.

DOVECOT STUDIOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2012

15 Related party transactions

Transactions entered into with related parties during the year can be summarised as follows:

	2012 £	2011 £
Dovecot Properties Limited:		
Expenses paid by company to be recharged	-	(603)
Studio rent and service charges charged to the company	241,693	214,709
Studio rent and service charges paid on account by the company	(307,568)	(80,000)
Other expenses charged to the company	<u>2,316</u>	<u>4,749</u>
The Dovecot Foundation:		
Expenses paid by company to be recharged	-	(3,310)
Expenses advanced to the company during the year	3,310	1,210
Expenses charged to the company during the year	(99)	(285)
Grant paid to company	<u>440,000</u>	<u>520,000</u>

	2012 £	2011 £
The balances due to/ (from) related parties at the year end were as follows:		
The Edinburgh Tapestry Company Limited	2	2
A E H Salvesen's 1985 Charitable Trust	-	516,800
Dovecot Properties Limited	118,246	181,805
The Dovecot Foundation	<u>99</u>	<u>(3,310)</u>

The Edinburgh Tapestry Company Limited is a group undertaking.

D W D Weir, a director of the company, is also a director of Dovecot Properties Limited.

A E H Salvesen, a company director, is also a director of The Dovecot Foundation and Dovecot Properties Limited, and a Trustee of the A E H Salvesen's 1985 Charitable Trust.