



the National Trust for Scotland

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The National Trust for Scotland Enterprises Limited

Director's Report & Accounts

Year Ended 28 February 2007

Company Number – SC95585





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Directors' Report & Accounts for the Year ended 28 February 2007

Directors Report

The Directors submit their Report and Accounts for the year ended 28 February 2007

Review of the Business

The share capital of the company is controlled by The National Trust for Scotland

The Company's principal activities are the running of retail, catering, holiday cottages, cruises, hospitality and other sundry trading activities at The National Trust for Scotland properties

Results for the Year

Trading conditions in the year to 28 February 2007 continue to be difficult with a further decline in visitor numbers. This again had an adverse effect on retail and catering revenues. The main improvement is due to the elimination of one off losses on events which has been offset by an increase in the management charges in 2007. The implementation of Electronic Point of Sale (EPOS) in 2008 should significantly improve administration in both catering and retail and provide appropriate information to allow more informed buying to increase turnover and profit.

Directors

The Directors during the period were as follows

M D Adderley (Appointed 12/02/07)

A L A S Macpherson

A C Maclean

L F Watt (Appointed 01/06/06)

No Director holds any shares of the company

Secretary

A C Maclean

Gift Aid

In accordance with the company's memorandum and articles of association, the whole of the profits of the company have been paid under gift aid to The National Trust for Scotland

Auditors

A resolution to re appoint Scott Moncrieff, Chartered Accountants, for a further year as auditors will be put to the members at the Annual General Meeting on 29 September 2007

By order of the Board


A. C. Maclean
Secretary

Date





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Statement of Director's Responsibilities In Respect Of The Accounts

Company Law requires the Directors to prepare financial statements for each financial year which 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 ensure that they are applied consistently,
- * Ensure that judgements and estimates are reasonable and prudent,
- * Ensure that the accounts are prepared on a going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for having proper accounting records kept which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure the accounts comply with the Companies Act 1985. 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.

In accordance with company law, as the company's directors, we certify that

- * so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- * as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Director

Date

Independent auditors' report to the members of The National Trust for Scotland Enterprises Limited

We have audited the financial statements of The National Trust for Scotland Enterprises Limited for the year ended 28 February 2007 which are set out pages 5 to 8. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- * the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2007 and of its profit for the year then ended,
- * the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- * the information given in the directors' report is consistent with the financial statements.

Scott Moncrieff

Date 21 June 2007

SCOTT MONCRIEFF
17 Melville Street
Edinburgh EH3 7PH
Registered Auditors
Chartered Accountants

Profit and Loss Account for the Year ended 28 February 2007

	Notes	2007	2006
		£	£
INCOME			
Retail		3,289,036	3,421,743
Catering		2,285,394	2,268,412
Cruises		1,507,795	1,545,368
Holiday Cottages		933,476	696,605
Functions		659,448	545,748
Other		<u>242,711</u>	<u>390,122</u>
		8,917,860	8,867,998
COST OF SALES		3,982,269	3,835,061
GROSS PROFIT		4,935,591	5,032,937
EXPENDITURE			
Salaries	3	948,941	913,513
Wages, Seasonal & Temp		<u>1,493,005</u>	<u>1,577,657</u>
Total Staff Costs		<u>2,441,946</u>	<u>2,491,170</u>
Marketing & Publications		114,077	149,393
Utilities		224,815	261,104
Maintenance & Equipment		139,133	267,417
Travel & Subsistence		60,758	85,270
Insurance		104,262	53,859
Consultants & Fees		122,048	157,748
Other Overheads		<u>815,854</u>	<u>1,191,462</u>
		<u>1,580,947</u>	<u>2,166,253</u>
Total Expenditure		4,022,893	4,657,423
NET OPERATING PROFIT	2	912,698	375,514
Other Income			
Interest Received / (Paid)			
Contribution from Ordinary Activities		<u>912,698</u>	<u>375,514</u>
Management Recharge	4	<u>580,069</u>	
Amount payable to The National Trust for Scotland by Gift Aid		<u>332,629</u>	<u>375,514</u>

The Notes on Page 7 and 8 form part of the Financial Statements

Balance Sheet as at 28 February 2007

	Notes	2007		Restated 2006	
		£	£	£	£
Current Assets					
Stock					
Work In Progress		9,465		9,625	
Raw Materials		9,199		9,870	
Finished Goods and goods for resale		<u>860,702</u>		<u>935,365</u>	
			879,366		954,860
Debtors					
Called up share capital not paid	11	2		2	
Prepayments and accrued income	8	<u>611,862</u>		<u>427,839</u>	
			611,864		427,841
			<u>1,491,230</u>		<u>1,382,701</u>
Creditors: amounts falling due within one year					
Amounts owed to group undertakings		835,078		915,354	
Accruals and deferred income	9	<u>633,009</u>		<u>459,771</u>	
			1,468,087		1,375,125
Creditors: amounts falling due after more than one year					
Accruals and deferred income	10	23,141		7,574	
		<u>2</u>		<u>2</u>	
Capital and Reserves					
Called up share capital	11	2		2	
Profit and Loss Account					
Shareholders' Funds		<u>2</u>		<u>2</u>	

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 Standards for Smaller Entities

On Behalf of the Board

Director

Date

21/6/2007

The Notes on Pages 7 and 8 form part of the Financial Statements



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Notes to the Accounts for the Period ended 28 February 2007

1. Accounting Policies

- a The Accounts have been prepared under the historical cost convention of accounting and in accordance with applicable accounting standards

Depreciation has been provided on a straight line basis in order to systematically allocate the consumption of the assets' (owned by The National Trust for Scotland for use fully by Enterprises Ltd) over their useful economic lives. The rates used are

Computers	25% per annum
Fixtures & Fittings	20% per annum
Motor Vehicles	25% per annum

- b Stocks are valued at the lower of cost and net realisable value

2. Operating Profit

	2007 £	2006 £
Operating Profit is stated after charging		
Depreciation	159,846	150,823
Auditors' Remuneration	5,000	5,000

3. Staff Costs

The Staff of the company are employed by the National Trust for Scotland and their salaries and wages are recharged to this company

4. Management Charge

The National Trust for Scotland charges the company a management fee based on time spent by the National Trust for Scotland employees on company business and as such any directors emoluments are charged by way of recharge

5. Interest payable and similar charges

	2007 £	2006 £
Leases, HP finance and loan interest allocated for the year	69,903	136,734

6. Taxation on profits on Ordinary Activities

All profits on ordinary activities have been gift aided to the National Trust for Scotland

7. Tangible Fixed Assets

All fixed assets upon which depreciation is charged are owned by and capitalised through the books of The National Trust for Scotland and depreciation is recharged to Enterprises Ltd for fully using these assets.

8. Debtors

	2007 £	2006 £
Prepaid Cruise Expenditure	611,862	427,839



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9. Creditors: Amounts falling due within one year

	2007	Restated 2006
	£	£
Accruals & deferred income		
Prepaid Holiday Cottage Income	274,853	180,894
Gift Vouchers in Circulation	17,275	18,935
Prepaid Functions Income	143,890	93,758
Prepaid Cruise Income	196,991	166,185
	<u>633,009</u>	<u>459,771</u>

The prior year adjustment to accruals & deferred income and amounts due to group undertakings is shown in note 13

10. Creditors: Amounts falling after more than one year

	2007	2006
	£	£
Prepaid Holiday Cottage Income	9,665	7,574
Prepaid Functions Income	13,476	
	<u>23,141</u>	<u>7,574</u>

11. Called Up Share Capital

	Authorised	Allocated & Issued	Allocated & Issued
	No	No	No
Ordinary equity shares of £1 each	100	2	2

12. Commitments

	2007	2006
	£	£
Charter agreements which expire Within one year	1,228,515	
Charter agreements which expire More than one year	300,000	
	<u>1,528,515</u>	

13. Prior Year Balance Sheet Restatement

The prior year figures for accruals and deferred income and the amounts owed to group undertakings have been adjusted. This adjustment was made in relation to cruise income to recognise both the cash deposits and the associated deferral which had previously only been recognised on completion of the cruise. This adjustment was also made in relation to functions income to recognise deposits paid for functions which had previously only been recognised once the function had taken place.

Creditors: amounts falling due within one year	2006	Movement	2006 Restated
Accruals & Deferred Income	204,754	255,017	459,771
Amounts owed to Group Undertakings	1,170,371	(255,017)	915,354