



the National Trust for Scotland

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The National Trust for Scotland Enterprises Limited

Directors' Report & Accounts

Year Ended 29 February 2012

Company Number – SC095585





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Directors' Report & Accounts for the Year ended 29 February 2012

Directors Report

The Directors submit their Report and Accounts for the year ended 29 February 2012.

Principal Activity

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.

Review of the Business

Net operating profit for the year before management charges and gift aid rose by 7% to £1.45m during the year to 29 February 2012. Income levels rose across all major activities which was particularly pleasing given the continuing economic uncertainty. High levels of cabin occupancy boosted the income from our cruises by 10% and functions income rose by 12%. The first full year of operation of the Robert Burns Birthplace Museum contributed to the increases in retail and catering revenue.

The rise in operating costs is almost entirely due to staff cost increases arising from the implementation of the second year of a three year pay deal. In total other costs have been kept constant and cost control will continue to be an important factor in the company's success in the coming years. We also plan to focus on our catering operations which only achieved a break-even position over the year and which we believe have the scope to deliver much better returns.

Overall, the directors are pleased to report that the Company generated an additional £145,000 in Gift Aid contributions for the National Trust for Scotland, taking total gift aid in the year to £666,702.

Directors

The Directors during the period were as follows:-

H.W. Berits

Professor Sir K. Calman

K. Mavor

I.A. Reid

Secretary

S. T. Small (*resigned 25 June 2012*)

R. J. Elliot (*appointed 27 June 2012*)

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.

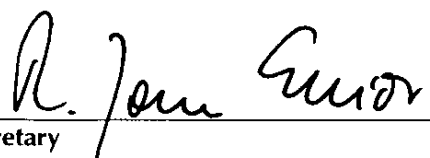
Auditors

The appointment of the Auditors, Baker Tilly UK Audit LLP, was approved at the Annual General Meeting held on 24 September 2011.

Disclosure of Information to Auditors

The directors confirm that, as far as they are aware, 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.

By order of the Board


R.J. Elliot, Secretary


Date



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Directors' Report & Accounts for the Year ended 29 February 2012

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 the most suitable accounting policies and then apply them consistently;
- * make judgments 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NATIONAL TRUST FOR SCOTLAND ENTERPRISES LIMITED

We have audited the financial statements on pages 4 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 on page 2, 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 29 February 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

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.

Baker Tilly UK Audit LLP

JANET HAMBLIN (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Date *6 July 2012*



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Profit and Loss Account for the Year ended 29 February 2012

	Notes	2012 £	2011 £
TURNOVER	1	10,202,590	9,758,680
COST OF SALES		(4,274,482)	(4,165,267)
GROSS PROFIT		5,928,108	5,593,413
ADMINISTRATIVE EXPENSES		(4,481,782)	(4,239,515)
OTHER OPERATING EXPENDITURE		(1,446,326)	(1,353,898)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	-	-
TAX ON ORDINARY ACTIVITIES	4	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

The result for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

The Notes on Page 6 and 7 form part of the Financial Statements



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The National Trust for
Scotland Enterprises Limited
SC095585

Balance Sheet as at 29 February 2012

	Notes	2012		2011	
		£	£	£	£
Current Assets					
Stock	5	1,196,751		1,207,613	
Debtors	6	1,107,819		912,553	
Bank		<u>1,210,745</u>		<u>1,341,603</u>	
			3,515,315		3,461,769
Current Liabilities					
Creditors: amounts falling due within one year	7		(3,465,390)		(3,402,920)
Net Current Assets			<u>49,925</u>		<u>58,849</u>
Creditors: amounts falling due after more than one year	8		(49,923)		(58,847)
			<u>2</u>		<u>2</u>
Capital and Reserves					
Called up share capital	9		2		2
Profit and Loss Account			-		-
Shareholders' Funds			<u>2</u>		<u>2</u>

Approved by the Board on 28.6.12 and signed on its behalf and authorised for issue by:

Professor Sir K. Calman

28.6.12

Date

The Notes on Pages 6 and 7 form part of the Financial Statements



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Notes to the Accounts for the Year ended 29 February 2012

1. Accounting Policies

a) Basis of Preparation

The Accounts have been prepared under the historical cost convention of accounting and in accordance with the United Kingdom Generally Accepted Accounting Practice.

b) Turnover

Turnover represents sales of goods and services to customers in the period and is recognised as the fair value of the consideration received or receivable.

c) Stock

Stocks and Work in Progress are valued at the lower of cost and net realisable value. Cost is stated at the purchase price incurred by the company. Net realisable value is based on estimated selling price.

d) Going Concern

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. 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.

	2012 £	2011 £
Gross Pay	3,035,006	2,921,941
Employers NI	170,210	161,561
Employers Pension	43,525	33,092
Agency Staff Costs	3,382	13,304
	<u>3,252,123</u>	<u>3,129,898</u>

3. Operating Profit

	2012 £	2011 £
Operating Profit is stated after charging:-		
Management Recharge	779,624	832,286
Gift Aid	666,702	521,612
Auditors' Remuneration – audit services	<u>6,250</u>	<u>6,000</u>

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

4. Taxation on profits on Ordinary Activities

All taxable profits on ordinary activities have been gift aided to the National Trust for Scotland and as a result, no tax liability has arisen in respect of the year ended 29 February 2012.

5. Stock

	2012 £	2011 £
Raw Materials	4,033	1,619
Finished Goods and goods for resale	1,192,718	1,202,179
Work in Progress	-	3,815
	<u>1,196,751</u>	<u>1,207,613</u>



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Notes to the Accounts for the Year ended 29 February 2012

6. Debtors

	2012 £	2011 £
Called Up Share Capital Not Paid	2	2
Prepaid Cruise Expenditure	1,107,817	912,551
	<u>1,107,819</u>	<u>912,553</u>

7. Creditors: Amounts falling due within one year

	2012 £	2011 £
Amounts Owed to Group Undertakings	2,821,538	2,732,263
Prepaid Holiday Cottage Income	246,012	254,130
Prepaid Functions Income	221,938	181,617
Prepaid Cruise Income	175,902	234,910
	<u>3,465,390</u>	<u>3,402,920</u>

8. Creditors: Amounts falling after more than one year

	2012 £	2011 £
Between one and two years		
Prepaid Holiday Cottage Income	9,493	12,772
Prepaid Functions Income	40,430	46,075
	<u>49,923</u>	<u>58,847</u>

9. Called Up Share Capital

As at 28 February 2011 and 29 February 2012

	Authorised No.	Allocated & Issued No.
Ordinary equity shares of £1 each	<u>100</u>	<u>2</u>

10. Commitments

	2012 £	2011 £
Charter agreements which expire: Within one year	250,000	100,000

11. Parent Company and Related Parties

The National Trust for Scotland, incorporated in Scotland is the parent company and ultimate controlling party.

Consolidated financial statements are prepared by The National Trust for Scotland, therefore advantage had been taken of the available exemption in accordance with FRS8, not to disclose transactions with The National Trust for Scotland. Consolidated financial statements of the National Trust for Scotland are available directly from The National Trust for Scotland via their website. The National Trust for Scotland Enterprises Ltd is also exempt from producing a cash flow forecast under FRS1 as a subsidiary of The National Trust for Scotland.