

## **Edinburgh Quay Limited**

### **Directors' report and financial statements**

For the year ended 31 December 2012

Registered number SC190454



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## Directors' report

The directors present their annual report and the audited financial statements for the year ending 31 December 2012.

## Principal activity and business review

The principal activity of the company is that of property development.

## Results and dividends

The company made a profit for the year of £43,148 (2011: profit of £51,967).

## Directors

The directors who held office during the year and at the date of signing were as follows:

Andrew Sutherland

Stephen Dunlop

Pamela Grant

Deborah Hurst

Katie Hughes

Euan Haggerty

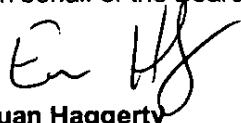
## Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## Auditor

The auditor is deemed to be reappointed under section 487(2) of the Companies Act 2006, and KPMG LLP will therefore continue in office.

On behalf of the Board



**Euan Haggerty**

Director

26 June 2013

Miller House  
2 Lochside View  
Edinburgh  
EH12 9DH

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG  
United Kingdom

## **Independent auditor's report to the members of Edinburgh Quay Limited**

We have audited the financial statements of Edinburgh Quay Limited for the year ended 31 December 2012 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 explained more fully in the Directors Responsibilities Statement set out 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 Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **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 31 December 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 Director's 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



**Hugh Harvie**  
(Senior Statutory Auditor)

**For and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants

28.6. 2013

**Profit and loss account  
 for the year ended 31 December 2012**

	Note	2012 £	2011 £
Turnover	1	30,800	33,006
Cost of sales		(3,847)	46,380
<b>Gross profit</b>		<b>26,953</b>	<b>79,386</b>
Administrative expenses		15,871	(27,787)
<b>Operating profit</b>		<b>42,824</b>	<b>51,599</b>
Net interest receivable	4	324	368
<b>Profit on ordinary activities before taxation</b>	2	<b>43,148</b>	<b>51,967</b>
Tax on profit on ordinary activities	5	-	-
<b>Profit for the financial year</b>	12	<b>43,148</b>	<b>51,967</b>

The company has no recognised gains or losses other than the profit for the above financial years.

The profit for the financial year has been derived from continuing activities.

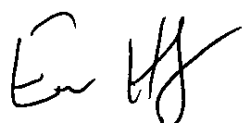
The notes on pages 6 to 11 form part of these financial statements.

**Balance sheet**  
**As at 31 December 2012**

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Investments	6	204	205
<b>Current assets</b>			
Stock	7	574,444	574,444
Debtors	8	58,106	223,134
Cash at bank		373,508	247,922
		<b>1,006,058</b>	<b>1,045,500</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(70,827)</b>	<b>(153,418)</b>
<b>Net current assets</b>		<b>935,231</b>	<b>892,082</b>
<b>Net assets</b>		<b>935,435</b>	<b>892,287</b>
<b>Capital and reserves</b>			
Called up share capital	11	100	100
Profit and loss account	12	935,335	892,187
<b>Shareholders' funds</b>	13	<b>935,435</b>	<b>892,287</b>

The notes on pages 6 to 11 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf by:



**Euan Haggerty**

Director

26 June 2013



**Deborah Hurst**

Director

**Notes**  
**(forming part of the financial statements)**

**1 Accounting policies**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below.

***Basis of preparation***

In relation to the company's short term working capital requirements, the directors have prepared cash flow forecasts which indicate that the company should continue to have sufficient resources available to it to enable it to continue in operational existence by meeting its day to day liabilities as they fall due for payment for a period of at least twelve months from the date of approval of these financial statements.

In light of the foregoing, the directors continue to believe that it remains appropriate to prepare the financial statements on a going concern basis.

The company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statement on the grounds of its size.

***Turnover***

Turnover represents income received from the rental of commercial property and excludes value added for tax. Turnover arises entirely in the United Kingdom.

***Development work in progress***

Development work in progress has been valued at cost plus attributable overheads or net realisable value if lower.

***Taxation and deferred taxation***

The charge for taxation is based on the loss for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

***Fixed assets – investments***

Investments are accounted for at cost, less provision for permanent diminution in value.



**Notes (continued)**

<b>2</b>	<b>Profit on ordinary activities before taxation</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	<i>This is stated after charging:</i>		
	Auditor's remuneration:		
	Audit of these financial statements	<b>2,000</b>	1,800
	Audit of financial statements of subsidiaries pursuant to legislation	<b>2,725</b>	1,400
	Other services	<b>3,000</b>	3,150
		<hr/>	<hr/>

**3 Remuneration of directors and employees**

There were no emoluments paid to directors during the year (2011: nil). There were no employee or staff costs during the year (2011: nil).

**4 Net interest receivable**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank interest	<b>324</b>	368
	<hr/>	<hr/>

**5 Taxation**

Analysis of charge in year

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
Adjustment in respect of prior years	-	-
Total current tax	<hr/>	<hr/>

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge accordingly.

**Notes (continued)**

*Factors affecting the tax charge for the current year*

Current tax is lower than (2011: lower than) the standard rate of corporation tax in the UK 24.5%, (2011: 26.5%). The differences are explained below:

	2012 £	2011 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	43,148	51,967
	<hr/>	<hr/>
Current tax at 24.5% (2011: 26.5%)	10,571	13,771
Effects of:		
Tax losses utilised	(10,571)	(13,771)
	<hr/>	<hr/>
Total current tax (see above)	-	-
	<hr/>	<hr/>

**6 Investments**

	Shares in group undertakings £
Company	
<b>Cost</b>	
At beginning of the year	205
Disposal	(1)
	<hr/>
At end of the year	204
	<hr/>

**Notes (continued)**

The principal companies in which the company's interest at the year end is more than 20% is as follows:

	Country of Incorporation	Principal activity	Percentage of shares held	Profit/(loss) for the year	Net assets/(liabilities)
<b>Subsidiary undertakings</b>				£	£
Edinburgh Quay (One) Limited	UK	Property Development	100%	(1,034)	16,942
Edinburgh Quay Car Park Management Limited	UK	Property Management	100%	342	(45,048)
Edinburgh Quay (Queen Street) Limited	UK	Property Development	100%	nil	100
Edinburgh Quay (Three) Limited	UK	Property Development	100%	(1,050)	(1,048)

**7 Stocks**

	2012 £	2011 £
Development work in progress	<u>574,444</u>	<u>574,444</u>

**8 Debtors**

	2012 £	2011 £
Trade debtors	8,101	10,021
Other debtors	-	62,430
Amounts owed from group undertakings	50,005	150,683
	<u>58,106</u>	<u>223,134</u>

Notes (continued)

**9 Creditors: amounts falling due within one year**

	2012 £	2011 £
Trade creditors	1,225	4,733
Amounts owed to group undertakings	16,942	10,123
Accruals and deferred income	9,560	51,455
Other creditors	43,100	87,107
	<u>70,827</u>	<u>153,418</u>

**10 Deferred tax**

	2012 £	2011 £
At beginning of year	-	893,390
Transferred to profit and loss account	-	(893,390)
<b>At end of year</b>	<u>-</u>	<u>-</u>

**11 Share capital**

	2012 £	2011 £
<b>Authorised, allocated, called up and fully paid</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

**12 Profit and loss account**

	2012 £
At beginning of year	892,187
Profit for the year	<u>43,148</u>
<b>At end of year</b>	<u>935,335</u>

**Notes (continued)**

**13 Reconciliation of movements in shareholders' funds**

	2012 £	2011 £
Profit for the financial year	43,148	51,967
Opening shareholders' funds	892,287	840,320
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>935,435</b>	<b>892,287</b>
	<hr/>	<hr/>

**14 Related party disclosures**

The company is jointly controlled by The Miller Group Limited and Scottish Canals.

At December 2012, the following intercompany balances were outstanding:

Amounts owed by Edinburgh Quay Car Park Management Limited and Edinburgh Quay Three Limited of £48,715 and £1,290 (2011: £150,540 and £140) respectively.

Amounts owed by Edinburgh Quay Limited to Edinburgh Quay Queen Street Limited and Edinburgh Quay One Limited of £100 (2011: £100) and £16,842 (2011: £10,023 ) respectively.