

Scottish Charity Number: SC029530
Scottish Company Number: SC201042

Cove Park

(limited by guarantee)

Consolidated Financial Statements *Year ended 31 December 2011*

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Cove Park

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Cove Park

Charity Information

Principal Address and Registered Office

Cove Park
Peaton Hill
Cove
Argyll & Bute
G84 0PE

Directors and Trustees

Peter A Jacobs
Eileen D Jacobs
Paul F Allen
Julian Forrester (*director only*)
Professor Seona Reid
John H Dover
Anthony McKee
Roanne Dods
Ruth Little

Company Secretary

Peter A Jacobs

Independent Auditors

Cook & Co.
Chartered Accountants
Baltic Chambers
50 Wellington Street
Glasgow
G2 6HJ

www.covepark.org

Cove Park

Report of the Trustees for the year ended 31 December 2011

The Trustees are pleased to present their Report together with the Consolidated Financial Statements for the year ended 31 December 2011.

Status of Charity and Governing Document

Cove Park ("the Charity") is a company limited by guarantee (No: SC201042, incorporated 26 October 1999) and is therefore governed by its Memorandum and Articles of Association. It is a registered Scottish charity, reference number: SC029530. The wholly owned subsidiary, Cove Park Enterprises Limited, is a company registered in Scotland (SC200626).

Directors and Trustees

The Directors from 1 January 2011 to the date of this Report were as follows:-

Peter A Jacobs
Eileen D Jacobs
Paul F Allen
Professor Seona Reid
John H Dover
Anthony P McKee
Julian Forrester (*director only*)
Roanne Dods (appointed 18 February 2011)
Ruth Little (appointed 18 February 2011)

Appointment of Trustees

New Trustees are appointed as and when required by the Charity's needs. Appointment is through a process of criteria that has been agreed upon by the current Trustees, and the period of appointment is in accordance with the Articles of Association. New trustees are provided with information which aims to familiarise them with the charity's values, aims and objectives, together with its day to day operations in addition to clarifying their statutory responsibilities as directors of a company limited by guarantee and trustees of a charity.

Administrative Structure

The trustees meet around three times throughout the year to discuss the operations of the charity, while the day-to-day running of the charity is delegated to Julian Forrester, with the support of the directors.

Statement of Risk

The Trustees continually review and assess the major strategic, operational and financial risks to which the Charity is exposed. From this review, the Trustees continue to update and establish procedures to mitigate those risks which are identified as a result. Main risks that have been identified are:

- Direction and Forward Planning of the Charity
- Control of Charity Assets
- Personnel
- Financial Management & Controls

For each of these risks, procedures have been put in place to mitigate and reduce the associated risk.

Cove Park

Report of the Trustees for the year ended 31 December 2011 (cont)

Charitable Objectives

The primary aims of the Charity are to advance the education of the public in all aspects of contemporary artistic practice by:

- providing residencies for individuals and collaborating groups which offer them the time, space and freedom to undertake significant research, to make new work and to find new ways of working.
- facilitating collaboration, the exchange of ideas and dialogue among resident artists.
- encouraging participation by the public in the process of making new work by means of events, workshops, special projects and public occasions.

Achievements and Performance

Residencies

Some 250 applications were received for individual residencies in Crafts, Visual Arts and Literature. Seventeen people were awarded residencies of from one month up to three months between May and August inclusive. Whilst our residency programme is funded by Creative Scotland, additional specific support was also given for:

- ceramics by the Pollitzer Trust and Cove Park's Founders London Talks series
- emerging artists by the Craignish Trust
- a Scottish composer by Creative Scotland
- Scottish crafts practitioners from HI Arts
- Japan-Scotland exchange by the Daiwa Foundation

The Jerwood Charitable Foundation supported our work in the performing arts through a partnership with Fuel Theatre Services. Together we hosted collaborating groups making new work in theatre, dance, opera, comedy and music from across the UK. The Foundation also supported our Creative Catalysts, individuals from fields both inside and outside the arts with a contribution to make to creative exchange.

Special Projects

London Talks

This series is presented by Cove Park's Founders in order to raise funds and Cove Park's profile in London. In 2011 the Talks featured a screening of Xiaolu Guo's latest feature film, *UFO in Her Eyes*. Xiaolu had been a resident at Cove Park earlier in the year.

Artists in Schools

Awards from the St James Place Foundation and the Robertson Trust supported the continuation of this programme for schools in Argyll and Bute, specifically in 2011 for two artists to spend four weeks at Cove Park whilst visiting the Lochgilphead School for young people with severe disabilities.

The Fielding Programme

The Fielding Programme, now in its fifth year, continues to offer self-funded retreats and mentored residencies for verse and fiction writers in the Spring and Autumn.

Cove Park

Report of the Trustees for the year ended 31 December 2011 (cont)

Events

A variety of events for both public and interested professionals were held throughout the summer at Cove Park and in Glasgow. Highlights were Anne Carson, the distinguished poet and resident at Cove Park as recipient of the Muriel Spark Fellowship, giving a sold-out reading at the CCA and Cove Park's annual Open Day which attracted 150 people to an afternoon of open studios and readings.

AmbITION

A grant from Creative Scotland's AmbITION initiative funded a new web site and training in various IT programmes which assist communications, fund raising, alumni affairs and administration.

Future plans

Development Board

In late 2011 a Development Board was formed whose purpose is to advise on planning, fund raising and public relations and whose members are Fiona Bruce, Catherine Charles, Gerry Grimstone (Chairman), Alan Naftalin, Caroline Younger, Will Tuckett and Caroline Priestley (Board Secretary).

Residency Programme

With the involvement of this board and that of Cove Park's Trustees, the support of the Jerwood Charitable Foundation and with funding from Creative Scotland secured at current levels for 2012 and 2013, we are able to sustain, and possibly extend, the annual residency programme and look forward to developing international residencies in respect of both London's Olympic Games in 2012 and Glasgow's Commonwealth Games in 2014.

Capital Expansion

We also are looking towards a capital development to increase accommodation from 10 to 14 people and to expand the Artists Centre, including an upgrade to the public areas.

Financial Review

The results comprise the consolidated accounts of Cove Park and its wholly owned subsidiary Cove Park Enterprises Limited. The results and balances of the subsidiary are included in the consolidated financial statements as unrestricted funds.

The consolidated gross income for the year was £280,551 with £29,729 coming from charitable activities. There was a consolidated net surplus for the year of £15,922.

The financial statements show a consolidated position of reserves totalling £427,019. This represents the fixed assets of the charity (split between restricted and designated funds, Note 8), the general fund with a deficit of £96,497 and the restricted funds with a balance of £89,282. The trustees are fully aware of the deficit on the general fund and have taken active steps to remedy the situation. These have included reducing staff costs by £26,000 per annum, reducing some fees paid to artists from £400 per week to £300 and consolidating the residency programme into four months (May-August) so as to increase opportunities to earn additional income from projects and self-funded residencies during the rest of the year.

Cove Park

Report of the Trustees for the year ended 31 December 2011 (cont)

Statement of Directors' Responsibilities

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 charity and of its incoming resources and application of resources, including its surplus or deficit 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

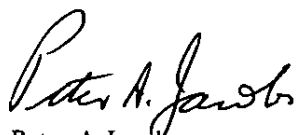
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

On behalf of the Trustees



Peter A Jacobs
Secretary

Date: 12 September 2012

Cove Park

Independent Auditors Report to the Trustees and Members of Cove Park

We have audited the financial statements of Cove Park for the year ended 31 December 2011 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, and the related notes. 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 trustees and 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 directors and members those matters we are required to state to them in a Report of the Auditors 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 company's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available to Small Entities, in the circumstances set out in Note 20 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the charitable company's affairs as at 31 December 2011 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Cove Park

Independent Auditors Report to the Trustees and Members of Cove Park (cont)

Emphasis of matter – Going Concern Basis

The financial statements have been prepared on a going concern basis, notwithstanding that the current liabilities exceed the current assets by £57,983. The company and its subsidiary are dependent upon the continued support of its bankers and a guarantee from director P Jacobs. The guarantor has indicated an intention to continue this support. In view of the significance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

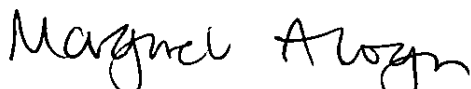
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



Margaret Logan (Senior Statutory Auditor)

For and on behalf of Cook & Co. Statutory Auditor

Cook & Co. is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

19 September 2012

50 Wellington Street
Glasgow G2 6HJ

Cove Park

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account)

for the year ended 31 December 2011

		Unrestricted Funds		Restricted	2011	2010
	Notes	General £	Designated £	Funds £	Total £	Total £
Incoming Resources						
<i>From Generated Funds</i>						
Gifts, donations and grants		7,829	3,109	239,883	250,821	280,118
<i>From Charitable Activities</i>						
Portfolio sales		840	-	-	840	5,095
Rental income		28,889	-	-	28,889	12,721
<i>From Investment Income</i>						
Bank interest		1	-	-	1	-
Total Incoming Resources		37,559	3,109	239,883	280,551	297,934
Resources Expended						
<i>Charitable Expenditure</i>						
Charitable Activities	2	3,970	-	228,863	232,833	297,375
Governance Costs	6	5,694	-	7,506	13,200	11,819
Other Resources Expended	7	192	15,505	2,899	18,596	19,023
Total resources expended		9,856	15,505	239,268	264,629	328,217
Surplus/(deficit) for the year and net incoming/ (outgoing) resources before transfers and exceptional items		27,703	(12,396)	615	15,922	(30,283)
Transfers	15	(1,911)	1,911		-	-
Net movement in funds for the year		25,792	(10,485)	615	15,922	(30,283)
Balance brought forward at 1 January 2011		(122,289)	444,719	88,667	411,097	441,380
Closing balance at 31 December 2011		(96,497)	434,234	89,282	427,019	411,097
Comprising:-						
<i>Unrestricted Funds</i>						
General	12	(96,497)	-	-	(96,497)	(122,289)
Designated Assets	12	-	399,234	-	399,234	409,719
Designated Capital Project	12	-	35,000	-	35,000	35,000
<i>Restricted Funds</i>						
	13	-	-	89,282	89,282	88,667
		(96,497)	434,234	89,282	427,019	411,097

The notes on pages 13 to 20 form part of these financial statements.

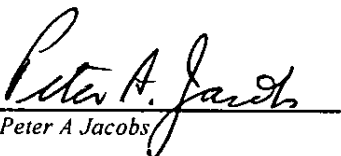
Cove Park

Consolidated Balance Sheet as at 31 December 2011

	Notes	2011	2010
		£	£
Fixed Assets			
Tangible assets	8	485,002	498,385
		<u>485,002</u>	<u>498,385</u>
Current Assets			
Stocks		10,976	11,060
Debtors	10	13,656	28,600
Cash at bank and in hand		621	669
		<u>25,253</u>	<u>40,329</u>
Creditors: Amounts falling due within one year	11	<u>83,236</u>	<u>127,617</u>
Net Current Liabilities		(57,983)	(87,288)
Total Assets less Current Liabilities		<u>427,019</u>	<u>411,097</u>
Net Assets		<u><u>427,019</u></u>	<u><u>411,097</u></u>
Represented by:			
<i>Unrestricted Funds</i>			
General	12	(96,497)	(122,289)
Designated	12	434,234	444,719
<i>Restricted Funds</i>	13	89,282	88,667
		<u>427,019</u>	<u>411,097</u>

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

On behalf of the Board


Peter A Jacobs

Approved by the Board on 12 September 2012

The notes on pages 13 to 20 form part of these financial statements.

Cove Park

Statement of Financial Activities - Company (Incorporating Income and Expenditure Account) for the year ended 31 December 2011

		Unrestricted Funds		Restricted	2011	2010
	Notes	General	Designated	Funds	Total	Total
		£	£	£	£	£
Incoming Resources						
From Generated Funds						
Gifts, donations and grants		7,829	3,109	239,883	250,821	280,117
From Charitable Activities						
Rental income		28,889	-	-	28,889	12,721
From Investment Income						
Bank interest		1	-	-	1	-
Total Incoming Resources		36,719	3,109	239,883	279,711	292,838
Resources Expended						
Charitable Expenditure						
Charitable Activities		3,717	-	228,863	232,580	295,971
Governance Costs		4,633	-	7,506	12,139	11,119
Other Resources Expended		-	15,505	2,899	18,404	19,023
Total resources expended		8,350	15,505	239,268	263,123	326,113
Surplus/(deficit) for the year and net (outgoing)/incoming resources before transfers and exceptional items		28,369	(12,396)	615	16,588	(33,275)
Transfers	15	(1,911)	1,911	-	-	-
Net movement in funds for the year		26,458	(10,485)	615	16,588	(33,275)
Balance brought forward at 1 January 2011		(109,056)	444,719	88,667	424,330	457,605
Closing balance at 31 December 2011		(82,598)	434,234	89,282	440,918	424,330
Comprising:-						
Unrestricted Funds						
General	12	(82,598)	-	-	(82,598)	(109,056)
Designated Assets	12	-	399,234	-	399,234	409,719
Designated Capital Project	12	-	35,000	-	35,000	35,000
Restricted Funds	13	-	-	89,282	89,282	88,667
		(82,598)	434,234	89,282	440,918	424,330

The notes on pages 13 to 20 form part of these financial statements.

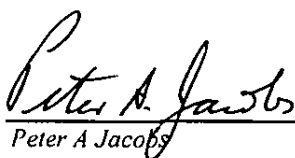
Cove Park

Company Balance Sheet at 31 December 2011

	Notes	2011	2010
		£	£
Fixed Assets			
Tangible assets	8	485,002	498,385
Investments	9	1	1
		<u>485,003</u>	<u>498,386</u>
Current Assets			
Debtors	10	13,652	28,600
Cash at bank and in hand		617	669
		<u>14,269</u>	<u>29,269</u>
Creditors: Amounts falling due within one year	11	<u>58,354</u>	<u>103,325</u>
Net Current Liabilities		(44,085)	(74,056)
Total Assets less Current Liabilities		<u>440,918</u>	<u>424,330</u>
Net Assets		<u><u>440,918</u></u>	<u><u>424,330</u></u>
Represented by:			
Unrestricted Funds			
General	12	(82,598)	(109,056)
Designated	12	434,234	444,719
Restricted Funds	13	89,282	88,667
		<u>440,918</u>	<u>424,330</u>

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

On behalf of the Board


Peter A Jacobs

Approved by the Board on 12 September 2012

The notes on pages 13 to 20 form part of these financial statements.

Cove Park

Notes to the Financial Statements for the year ended 31 December 2011

1. Accounting Policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice Accounting and Reporting by Charities (revised 2005).

Basis of consolidation

The consolidated financial statements comprise the audited financial statements of the company and its subsidiary undertaking made up to 31 December 2011. The subsidiary is accounted for using acquisition accounting. No goodwill arose on the acquisition of the subsidiary undertaking.

Cashflow statement

The charity has taken advantage of the exemption in Financial Reporting Standard 1 from the requirement to produce a cashflow statement as it qualifies as a small company.

Incoming resources

Income from donations and grants, including capital grants, is included in the financial statements as receivable except as follows:-

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions, which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, be for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Interest receivable

Interest is included when receivable by the charity.

Expenditure

Expenditure is accounted for on an accruals basis. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Buildings	-	2% on cost
Leasehold property improvements	-	10% on cost
Computer equipment	-	15% on cost
Fixtures & fittings	-	15% on cost
Plant & machinery	-	20% on cost
Motor vehicles	-	25% on cost

Cove Park

Notes to the Financial Statements *for the year ended 31 December 2011*

1. Accounting Policies *(continued)*

Statement of Financial Activities

For the purpose of the Statement of Financial Activities as shown on pages 8 and 10, funds are defined as follows:

Unrestricted funds comprise grants and other income received for the objects of the charity without further specified purpose and are available as general funds.

Designated funds represent unrestricted funds that have been earmarked by the directors for particular purposes.

Restricted funds comprise grants, donations and other income received for spending on specified purposes as laid down by the donors.

Gifted Assets

All receipts of fixed assets by way of gift are capitalised and included in the balance sheet. The market value of the gifted asset is credited to the unrestricted designated fund, against which depreciation is charged in accordance with the relevant accounting policy.

Cove Park

Notes to the Financial Statements for the year ended 31 December 2011

2. Charitable Activities

Activity	Staff Costs £	Programme Costs £	Support Costs £	2011 Total £	2010 Total £
Advancement of education of public in all aspects of contemporary art.	16,441	210,376	6,016	232,833	297,375
	16,441	210,376	6,016	232,833	297,375
	(Note 3)	(Note 4)	(Note 5)		
<i>Of which</i>					
Relating to unrestricted funds	-	2,928	1,042	3,970	144,575
Relating to designated funds	-	-	-	-	-
Relating to restricted funds	16,441	207,448	4,974	228,863	152,800

3. Staff Costs

	2011 £	2010 £
Gross salaries	15,972	30,165
Employer's NIC	469	3,168
	16,441	33,333
Allocated as follows:		
Charitable activities	16,441	30,000
Governance costs	-	3,333
	16,441	33,333

The average number of employees was 2 (2010 - 2).

No employee received remuneration of £60,000 or more.

No director received remuneration.

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Notes to the Financial Statements for the year ended 31 December 2011

4. Programme costs

Included within Charitable Activities are various expenses incurred which contribute to the overall principal activity of the charity. The total of these costs are split across the funds as per Note 2 of the financial statements. Such costs include the direct costs of the charitable activities which enable these activities to be undertaken.

5. Support Costs

	<i>Unrestricted Funds</i>		<i>Restricted Funds</i>	2011	2010
	General	Designat.		Total	Total
	£	£	£	£	£
Land manager	-	-	-	-	740
Board member expenses	-	-	2,721	2,721	460
Sundries	-	-	348	348	2,661
Bank charges	304	-	1,548	1,852	892
Recruitment	-	-	-	-	549
Bank interest	738	-	357	1,095	1,661
	1,042	-	4,974	6,016	6,963

6. Governance Costs

	<i>Unrestricted Funds</i>		<i>Restricted Funds</i>	2011	2010
	General	Designat.		Total	Total
	£	£	£	£	£
Salaries	-	-	-	-	3,333
Audit and accountancy fees	1,617	-	7,319	8,936	8,486
Professional fees	563	-	187	750	-
Producer's fee	3,514	-	-	3,514	-
	5,694	-	7,506	13,200	11,819

7. Other Resources Expended

	<i>Unrestricted Funds</i>		<i>Restricted Funds</i>	2011	2010
	General	Designat.		Total	Total
	£	£	£	£	£
Depreciation	-	15,505	2,899	18,404	19,023
Taxation	192	-	-	192	-
	192	15,505	2,899	18,596	19,023
<i>Relating to Cove Park</i>	-	15,505	2,899	18,404	-

Cove Park

Notes to the Financial Statements for the year ended 31 December 2011

8. Tangible Fixed Assets

	Leasehold buildings	Property Improv.	Computer Equipment	Fixtures & Fittings	Plant & Machinery	Motor Vehicles	Total
<i>Cost</i>	£	£	£	£	£	£	£
As at 1 January 2011	547,805	60,801	22,257	17,470	4,783	17,750	670,866
Additions	-	-	5,020	-	-	-	5,020
Disposals	-	-	(35)	-	-	-	(35)
At 31 December 2011	547,805	60,801	27,242	17,470	4,783	17,750	675,851
<i>Depreciation</i>							
As at 1 January 2011	74,071	48,011	17,619	12,520	4,783	15,476	172,480
Charge for year	10,956	2,930	2,578	1,320	-	620	18,404
Depreciation on disposals	-	-	(35)	-	-	-	(35)
At 31 December 2011	85,027	50,941	20,162	13,840	4,783	16,096	190,849
<i>Net Book Value</i>							
At 31 December 2011	462,778	9,860	7,080	3,630	-	1,654	485,002
At 31 December 2010	473,734	12,790	4,638	4,950	-	2,274	498,386
Split by fund:-							
Restricted							85,768
Designated assets							399,234
							485,002

9. Fixed Asset Investments

	2011	2010
	£	£
Shares in group undertakings	1	1

The company's investment at the Balance Sheet date consists of the share capital of the following:-

Cove Park Enterprises Limited

Nature of business: Management and sale of various portfolios of artworks.

Class of shares:	% holding
Ordinary	100

	2011	2010
	£	£
Aggregate capital and reserves	(13,898)	(13,964)
Profit for the year	65	2,261

During the year Cove Park paid expenses totalling £2,156 (2010: £979) on behalf of Cove Park Enterprises Limited and received income of £840 (2010: nil) for Cove Park Enterprises Limited. At 31 December 2011 Cove Park owed £3,364 (2010: £4,681) to Cove Park Enterprises Limited.

Cove Park

Notes to the Financial Statements for the year ended 31 December 2011

10. Debtors: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Prepayments and accrued income	13,652	28,600	13,652	28,600
VAT	4	-	-	-
	<u>13,656</u>	<u>28,600</u>	<u>13,652</u>	<u>28,600</u>

11. Creditors: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	44,346	74,327	18,171	47,915
VAT	-	112	-	-
Other taxes and social security costs	-	680	-	680
Amount due to group undertaking	-	-	3,364	4,680
Other creditors	-	5,000	-	5,000
Accrued expenses and deferred income	38,838	47,498	36,819	45,050
Corporation Tax	52	-	-	-
	<u>83,236</u>	<u>127,617</u>	<u>58,354</u>	<u>103,325</u>

The bank has a guarantee granted by Peter A Jacobs for £130,000 and an inter company guarantee between Cove Park and Cove Park Enterprises Limited.

12. Unrestricted funds

	Balance at 01.01.11	Incoming Resources	Outgoing Resources	Transfers	Balance at 31.12.11
	£	£	£	£	£
General fund	(122,289)	37,559	(9,856)	(1,911)	(96,497)
Designated funds					
Designated assets fund	409,719	3,109	(15,505)	1,911	399,234
Designated capital project fund	35,000	-	-	-	35,000
	<u>444,719</u>	<u>3,109</u>	<u>(15,505)</u>	<u>1,911</u>	<u>434,234</u>
Total unrestricted funds	<u>322,430</u>	<u>40,668</u>	<u>(25,361)</u>	<u>-</u>	<u>337,737</u>

The unrestricted funds are held for the following purposes:-

General Fund - to support the general activities of the charity.

Designated Assets Fund - The net book value of the charity's assets, distinguishing their value from unrestricted general funds immediately available for use.

Designated Capital Project Fund - funds set aside for development of the site.

Cove Park

Notes to the Financial Statements for the year ended 31 December 2011

13. Restricted funds	Balance at 01.01.11	Incoming Resources	Outgoing Resources	Transfers	Balance at 31.12.11
	£	£	£	£	£
Creative Scotland	-	138,100	(134,586)	-	3,514
Japan	-	10,000	(10,000)	-	-
Artists in Schools	-	18,500	(18,500)	-	-
Fielding Programme	-	5,415	(5,415)	-	-
AmbITion	-	17,955	(17,955)	-	-
Jerwood	-	39,200	(39,200)	-	-
Craignish Trust	-	5,000	(5,000)	-	-
Music	-	5,713	(5,713)	-	-
Cubes	87,510	-	(1,902)	-	85,608
Restricted Assets	1,157	-	(997)	-	160
Total restricted funds	88,667	239,883	(239,268)	-	89,282

The various funds are held for the following purposes:

Creative Scotland - Support for the residency programme as a whole.

Japan - an exchange programme between Scottish and Japanese visual artists funded by the Daiwa Foundation.

Artists in Schools - a programme for secondary school students in Argyll and Bute funded by St. James Place Foundation and the Robertson Trust.

Fielding Programme - self fund residencies for writers.

AmbITion - A project to develop IT skills among staff, funded by Creative Scotland.

Jerwood - a series of one-week, two-week and one-month residences for UK-based performing artists and companies.

Craignish Trust - support for residencies in ceramics funded by the Craignish trust

Music - residency for a young composers in partnership with the BBC Scottish Symphony and supported by creative Scotland.

Cubes - the net book value of the charity's restricted assets relating to the cubes.

Restricted Assets - the net book value of the charity's restricted assets.

14. Analysis of Net Assets by Funds

	<i>Unrestricted</i>		<i>Restricted</i>	<i>Total</i>
	General	Designated		
	£	£	£	£
Fixed Assets		399,234	85,768	485,002
Current Assets				
Stocks	10,976	-	-	10,976
Debtors	13,656	-	-	13,656
Cash at bank and in hand	(37,893)	35,000	3,514	621
Creditors < 1 year	(83,236)	-	-	(83,236)
Net Assets	(96,497)	434,234	89,282	427,019

Cove Park

Notes to the Financial Statements for the year ended 31 December 2011

15. Fund Transfers

	Unrestricted		Restricted
	General	Designated	
	£	£	£
General funds used to purchase fixed assets	(1,911)	1,911	-
	<u>(1,911)</u>	<u>1,911</u>	<u>-</u>

16. Directors' Expenses & Related Parties

The directors received the following reimbursements during the year.

	No. of Directors	2011 £	2010 £
Travel expenses	2	2,721	460
		<u>2,721</u>	<u>460</u>

Directors P & E Jacobs make a contribution to the charity of an amount approximately equal to the travel expenses reimbursed. These amounts are contained within the heading of gifts, donations and grants.

P & E Jacobs made further donations in the year amounting to £3,525 (2010: £7,900).

Also included within donations is £600 received from Director, Professor Seona Reid (2010: £600).

At the end of the year Cove Park owed Cove Park Enterprises Limited £2,524 (2010: £4,680).

During the year Director J Forrester received fees of £35,137 (2010: £23,496) for his services as centre director.

17. Liability of Members

The charity is limited by guarantee, with the liability of each member limited to £1. The number of members at 31 December 2011 was 5.

18. Surplus

The surplus is stated after charging:

	2011 £	2010 £
Depreciation - owned assets	18,401	19,023
Audit & accountancy fees	<u>8,935</u>	<u>8,486</u>
Directors' remuneration	<u>-</u>	<u>9,301</u>

19. Taxation

No liability to UK Corporation Tax arises for Cove Park in light of the company's charitable status.

Cove Park Enterprises Limited had a liability to UK Corporation Tax of £52 at 31 December 2011. They also paid a liability of £141 which was not reflected in the previous years accounts. These are shown within the consolidated accounts within Other Resources Expensed. (Note 7)

20. APB Ethical Standard - Provisions Available for Smaller Entities

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and to assist with the preparation of the financial statements. We also use our auditors for payroll purposes and for the preparation of monthly management accounts.

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Appendix to the Financial Statements for the year ended 31 December 2011

Programme Costs (per page 14, Note 2)

	<i>Unrestricted Funds</i>		<i>Restricted</i>	<i>2011</i>	<i>2010</i>
	<i>General</i>	<i>Designat.</i>	<i>Funds</i>	<i>Total</i>	<i>Total</i>
	£	£	£	£	£
Direct project costs	-	-	122,666	122,666	77,848
Administrator	-	-	-	-	2,750
Advertising	-	-	1,557	1,557	3,230
Catering	-	-	7,358	7,358	3,788
Programme assistant	-	-	9,095	9,095	10,292
Organisational development	-	-	-	-	15,963
Fundraising	-	-	1,958	1,958	28,970
Heat, light & utilities	842	-	10,412	11,254	14,509
Housekeeping	119	-	1,466	1,585	5,132
Insurance	-	-	3,810	3,810	3,790
Laundry & cleaning	376	-	2,339	2,715	1,629
Memberships & subscriptions	-	-	118	118	397
Postage & stationery	-	-	1,004	1,004	727
Programme producer	-	-	30,328	30,328	34,755
Centre Director fees	-	-	-	-	17,496
Site maintenance & repairs	1,222	-	11,468	12,690	36,723
Telephone	288	-	1,308	1,596	1,933
Travel	-	-	2,561	2,561	262
Framing	84	-	-	84	-
	2,931	-	207,448	210,379	260,194