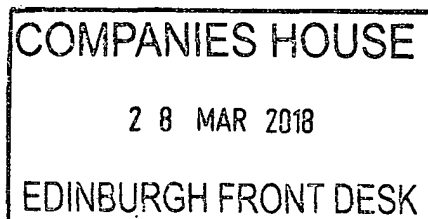


Company Registration No. SC295845 (Scotland)

**Dovecot Properties Limited**

**Financial statements  
for the year ended 30 June 2017**

**Pages for filing with the Registrar**



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COMPANIES HOUSE

**Saffery Champness**  
CHARTERED ACCOUNTANTS

## **Dovecot Properties Limited**

### **Company information**

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<b>Directors</b>	Alastair Salvesen David Weir
<b>Secretary</b>	David Weir
<b>Company number</b>	SC295845
<b>Registered office</b>	10 Infirmary Street Edinburgh EH1 1LT
<b>Independent auditors</b>	Saffery Champness LLP Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA
<b>Bankers</b>	Bank of Scotland plc 38 St Andrew Square Edinburgh EH2 2YR
<b>Solicitors</b>	Murray Beith Murray WS 3 Glenfinlas Street Edinburgh EH3 6AQ

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# **Dovecot Properties Limited**

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**Dovecot Properties Limited**

**Statement of financial position  
As at 30 June 2017**

			2017	2016
	Notes	£	£	£
<b>Fixed assets</b>				
Investment properties	6		7,400,000	7,400,000
<b>Current assets</b>				
Debtors	7	94,443		93,868
Cash at bank and in hand		24,936		21,129
		<u>119,379</u>		<u>114,997</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(43,208)</u>		<u>(38,826)</u>
<b>Net current assets</b>			<u>76,171</u>	<u>76,171</u>
<b>Total assets less current liabilities</b>			<u><u>7,476,171</u></u>	<u><u>7,476,171</u></u>
<b>Capital and reserves</b>				
Called up share capital	9		3	3
Share premium account	10		7,226,554	7,226,554
Profit and loss reserves			<u>249,614</u>	<u>249,614</u>
<b>Total equity</b>			<u><u>7,476,171</u></u>	<u><u>7,476,171</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28/3/17 and are signed on its behalf by:

  
Alastair Salvesen  
Director

Company Registration No. SC295845

**Dovecot Properties Limited**

**Statement of changes in equity  
For the year ended 30 June 2017**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2015</b>		3	7,676,554	(5,791)	7,670,766
<b>Year ended 30 June 2016:</b>					
Profit and total comprehensive income for the year		-	-	168,202	168,202
Distributions to parent charity under gift aid	5	-	-	(168,202)	(168,202)
Dividends	5	-	-	(194,595)	(194,595)
Transfers		-	(450,000)	450,000	-
<b>Balance at 30 June 2016</b>		3	7,226,554	249,614	7,476,171
<b>Year ended 30 June 2017:</b>					
Profit and total comprehensive income for the year		-	-	181,704	181,704
Distributions to parent charity under gift aid	5	-	-	(181,704)	(181,704)
<b>Balance at 30 June 2017</b>		3	7,226,554	249,614	7,476,171

**1 Accounting policies**

**Company information**

Dovecot Properties Limited is a private company limited by shares incorporated in Scotland. The registered office is 10 Infirmary Street, Edinburgh, EH1 1LT.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Turnover**

Turnover represents rent and other income receivable, net of VAT, from letting of owned properties and is recognised on an accruals basis.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

**1.3 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

**1 Accounting policies (continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.4 Cash and cash equivalents**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.5 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Notes to the financial statements (continued)  
For the year ended 30 June 2017

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**1 Accounting policies (continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.6 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Investment properties held at fair value are based on the most recent valuation undertaken. Given the specialist nature of the property the last formal valuation was carried out on 30 June 2010 per note 7.

**3 Operating profit**

	2017	2016
	£	£
Operating profit for the year is stated after charging:		
Auditor's remuneration	4,975	5,200
	<u>          </u>	<u>          </u>

**4 Taxation**



**Dovecot Properties Limited****Notes to the financial statements (continued)****For the year ended 30 June 2017****4 Taxation (continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	181,704	168,202
Expected tax charge based on the standard rate of corporation tax in the UK of 19.75% (2016: 20.00%)	35,887	33,640
Adjustments in respect of prior years	953	11,348
Group relief	(2,427)	(11,348)
Qualifying charitable donations	(34,413)	(33,640)
Tax expense for the year	-	-

**5 Dividends and distributions**

	2017 per share £	2016 per share £	2017 £	2016 £
Ordinary shares				
Interim paid	-	64,865	-	194,595

	2017 £	2016 £
Distributions to parent charity under gift aid		
Amounts paid	181,704	168,202

Dovecot Properties Limited and its parent, The Dovecot Foundation, have entered into a Deed of Covenant agreement where the company distributes its annual profit to the The Dovecot Foundation by way of gift aid payment.

**6 Investment property**

	2017 £
Fair value	
At 1 July 2016 and 30 June 2017	7,400,000

**Dovecot Properties Limited**

**Notes to the financial statements (continued)**

**For the year ended 30 June 2017**

**6 Investment property (continued)**

The investment property was valued as at 30 June 2010 by Ryden LLP, Chartered Surveyors, on a depreciated replacement cost basis of valuation. Given the specialist nature of the building, being a unique art gallery and studio, the directors consider that the valuation is still appropriate at 30 June 2017.

**7 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	254	-
Amounts owed by group undertakings	86,289	84,000
Other debtors	7,900	9,868
	<u>94,443</u>	<u>93,868</u>

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	659	2,252
Amounts due to group undertakings	9,738	3,783
Other taxation and social security	11,213	11,320
Other creditors	21,598	21,471
	<u>43,208</u>	<u>38,826</u>

**9 Called up share capital**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Issued and fully paid</b>		
3 Ordinary shares of £1 each	3	3
	<u>3</u>	<u>3</u>

**Dovecot Properties Limited**

**Notes to the financial statements (continued)**

**For the year ended 30 June 2017**

**10 Share premium account**

	2017 £	2016 £
At beginning of year	7,226,554	7,676,554
Transfers	-	(450,000)
At end of year	<u>7,226,554</u>	<u>7,226,554</u>

During the prior year a special resolution was approved under which £450,000 was transferred from the share premium account to profit and loss reserves.

**11 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditors' report was unqualified.

The senior statutory auditor was David Hughes.

The auditor was Saffery Champness LLP.

**12 Related party transactions**

The company has elected to take advantage of the exemption granted under Section 33 *Related Party Disclosures* of FRS 102 available to wholly owned subsidiaries and has not disclosed transactions with other group companies.

At the year end, a balance of £86,289 (2016: £84,000) was due from Dovecot Studios Limited. Dovecot Studios Limited is a related party due to common ownership by The Dovecot Foundation.

**13 Parent company**

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