

**NGS TRADING COMPANY LIMITED**

***Company registration number SC312797***

**Financial Statements**

**For the year ended 31 March 2012**

TUESDAY



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SCT 18/12/2012 #215  
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**NGS TRADING COMPANY LIMITED**

**Financial statements for the year ended 31 March 2012**

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**NGS TRADING COMPANY LIMITED**

**Directors, officers and advisers**

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**Directors**

Anne Bonnar  
Michael Clarke  
James Knox  
John Leighton  
Marjory MacFarlane  
Isabella Miller  
Catrin Tilley  
Lesley Knox

**Secretary and registered office**

Mairi Rae  
73 Belford Road  
Edinburgh  
EH4 3DS

**Registered number**

SC312797

**Auditors**

Scott-Moncrieff  
Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

**Bankers**

Bank of Scotland  
300 Lawnmarket  
Edinburgh  
EH1 2PH

## NGS TRADING COMPANY LIMITED

### Directors' report for the year ended 31 March 2012

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The directors present their report and the financial statements of the company for the year ended 31 March 2012.

#### Principal activity

The principal activity of the company is retail and other commercial activities for the National Galleries of Scotland.

#### Directors

The directors who served during the year were:

Anne Bonnar (appointed 31 March 2011)  
Michael Clarke (appointed 31 March 2011)  
James Knox (appointed 31 March 2011)  
John Leighton (appointed 31 March 2011)  
Marjory MacFarlane (appointed 31 March 2011)  
Isabella Miller (appointed 31 March 2011)  
Catrin Tilley (appointed 31 March 2011)  
Lesley Knox (appointed 7 November 2011)

#### Directors' responsibilities statement

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 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;
- 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.

#### Disclosure of information to auditors

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- So far as the directors are aware, there is no relevant information of which the company's auditors are unaware, and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant information, and to establish that the company's auditors are aware of the information.

#### Auditors

The auditors, Scott-Moncrieff, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

NGS TRADING COMPANY LIMITED

Directors' report for the year ended 31 March 2012 (continued)

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The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime within part 15 of the Companies Act 2006.

This report was approved by the board on 18 May 2012 and signed on its behalf by:



Catrin Tilley

## **NGS TRADING COMPANY LIMITED**

### **Independent auditors' report to the members of NGS Trading Company Limited**

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We have audited the financial statements of NGS Trading Company Limited for the year ended 31 March 2012 which comprise the profit and loss account, balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors**

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 Practice's Board's (APB's) Ethical Standards for Auditors.

#### **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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

#### **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 March 2012 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

**NGS TRADING COMPANY LIMITED**

**Independent auditors' report to the members of NGS Trading Company Limited (continued)**

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**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; or
- the directors 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 directors' report.

*Scott-Moncrieff*

**Gillian Donald (Senior Statutory Auditor)  
for and on behalf of Scott-Moncrieff**

**Registered Auditor  
Chartered Accountants**  
Exchange Place 3  
Sempie Street  
Edinburgh  
EH3 8BL

Date: \_\_\_\_\_

*18 May 2012*

**NGS TRADING COMPANY LIMITED**

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

|                                                      | <u>Notes</u> | <u>2012</u> | <u>2011</u> |
|------------------------------------------------------|--------------|-------------|-------------|
|                                                      |              | £           | £           |
| <b>Turnover</b>                                      | 2            | 1,882,837   | -           |
| Cost of sales                                        |              | (688,279)   | -           |
| <b>Gross profit</b>                                  |              | 1,194,558   | -           |
| Administrative expenses                              |              | (949,616)   | -           |
| <b>Operating profit</b>                              | 3            | 244,942     | -           |
| Other interest receivable and similar income         |              | 3,701       | -           |
| Interest payable and similar charges                 |              | (7,262)     | -           |
| Contribution to parent undertaking under gift aid    |              | (240,343)   | -           |
| <b>Profit on ordinary activities before taxation</b> |              | 1,038       | -           |
| Taxation on profit on ordinary activities            | 4            | (1,038)     | -           |
| <b>Profit for the financial year</b>                 | 9            | -           | -           |

The notes on pages 8 to 10 form part of these financial statements.

**NGS TRADING COMPANY LIMITED**

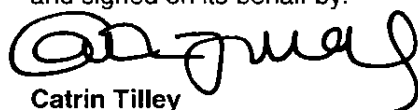
**Balance sheet at 31 March 2012**

|                                                                | <u>Notes</u> | <u>2012</u>       | <u>2011</u>       |
|----------------------------------------------------------------|--------------|-------------------|-------------------|
|                                                                |              | <u>£</u>          | <u>£</u>          |
| <b>Current assets</b>                                          |              |                   |                   |
| Stock                                                          |              | 441,541           | -                 |
| Debtors                                                        | 5            | 70,931            | 99                |
| Cash at bank and in hand                                       |              | 538,741           | 1                 |
|                                                                |              | <u>1,051,213</u>  | <u>100</u>        |
| <b>Creditors: amounts falling due within one year</b>          | 6            | <u>(467,113)</u>  | <u>-</u>          |
| <b>Net current assets</b>                                      |              | <u>584,100</u>    | <u>100</u>        |
| <b>Total assets less current liabilities</b>                   |              | <u>584,100</u>    | <u>100</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 7            | <u>(584,000)</u>  | <u>-</u>          |
| <b>Net assets</b>                                              |              | <u><u>100</u></u> | <u><u>100</u></u> |
| <b>Capital and reserves</b>                                    |              |                   |                   |
| Called up share capital                                        | 8            | <u>100</u>        | <u>100</u>        |

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

The financial statements were authorised for issue by the board of directors on \_\_\_\_\_ and signed on its behalf by:

18 May 2012

  
Catrin Tilley  
Director

**Company Registration No: SC312797**

The notes on pages 8 to 10 form part of these financial statements.

# NGS TRADING COMPANY LIMITED

## Notes to the financial statements for the year ended 31 March 2012

### 1 Accounting policies

#### Going concern

The company's trading activities depend on the continued operation of its parent undertaking, National Galleries of Scotland.

#### Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### Turnover

Turnover represents value of the goods and services supplied by the company during the year, excluding value added tax.

#### Stocks

Stocks of goods for resale are valued at the lower of cost and estimated net realisable value.

#### Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### Hire purchase and lease transactions

Rentals under operating leases are charged to the profit and loss account as they fall due.

### 2 Turnover

The turnover is attributable to the one principal activity of the company.

### 3 Operating profit

This is stated after charging:

|                                                      | 2012  | 2011 |
|------------------------------------------------------|-------|------|
|                                                      | £     | £    |
| Auditors' remuneration - Audit fee                   | 4,500 | -    |
| Auditors' remuneration - fees for non audit services | 500   | -    |

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 assist with the preparation of the financial statements.

### 4 Taxation on profit on ordinary activities

|                                       | 2012  | 2011 |
|---------------------------------------|-------|------|
|                                       | £     | £    |
| United Kingdom corporation tax at 20% | 1,038 | -    |

**NGS TRADING COMPANY LIMITED**

**Notes to the financial statements for the year ended 31 March 2012 (continued)**

**5 Debtors**

|               | <u>2012</u>   | <u>2011</u> |
|---------------|---------------|-------------|
|               | £             | £           |
| Trade debtors | 23,512        | -           |
| Other debtors | 47,419        | 99          |
|               | <u>70,931</u> | <u>99</u>   |

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

|                                    | <u>2012</u>    | <u>2011</u> |
|------------------------------------|----------------|-------------|
|                                    | £              | £           |
| Trade creditors                    | 634            | -           |
| Amounts owed to parent undertaking | 393,978        | -           |
| Other creditors                    | 68,686         | -           |
| Corporation tax                    | 1,038          | -           |
| Other tax and social security      | 2,777          | -           |
|                                    | <u>467,113</u> | <u>-</u>    |
| Secured creditors                  | <u>73,000</u>  | <u>-</u>    |

**7 Creditors: amounts falling due after more than one year**

|                                    | <u>2012</u>    | <u>2011</u> |
|------------------------------------|----------------|-------------|
|                                    | £              | £           |
| Amounts owed to parent undertaking | <u>584,000</u> | <u>-</u>    |
| <b>Analysis of loan repayments</b> |                |             |
| Between one and two years          | 73,000         | -           |
| Between two and five years         | 219,000        | -           |
| In five years or more              | 292,000        | -           |
|                                    | <u>584,000</u> | <u>-</u>    |
| Secured creditors                  | <u>584,000</u> | <u>-</u>    |

Amounts owed to parent undertaking are repayable by annual instalments of £73,000 and are secured by a floating charge over the company's assets.

**8 Called up share capital**

|                                           | <u>2012</u> | <u>2011</u> |
|-------------------------------------------|-------------|-------------|
|                                           | £           | £           |
| <b>Allotted, called up and fully paid</b> |             |             |
| <b>Equity shares:</b>                     |             |             |
| Ordinary shares of £1 each                | <u>100</u>  | <u>100</u>  |

# NGS TRADING COMPANY LIMITED

## Notes to the financial statements for the year ended 31 March 2012 (continued)

### 9 Reserves

|                     | Profit and<br>loss<br>account |
|---------------------|-------------------------------|
|                     | £                             |
| At 1 April 2011     | -                             |
| Profit for the year | -                             |
| At 31 March 2012    | -                             |

### 10 Parent Undertaking

The parent undertaking is The Board of Trustees for the National Galleries of Scotland, a body corporate established by the National Galleries of Scotland Act 1906 (Scottish Charity Number SCO03728).

In the directors' opinion, there is no ultimate controlling party.

### 11 Related parties

The parent undertaking prepares consolidated financial statements. The company has taken advantage of the exemption contained in FRSSE (2008) and has therefore not disclosed transactions with its parent.