

HMRC serve winding up notice on Summerhall

His Majesty's Revenue Commissioners (HMRC) have presented a petition to wind up the limited company, Summerhall Management Limited, on the basis that corporation tax is due but remains unpaid. This notice will be published in the Edinburgh Gazette on Tuesday.

The company is run by a sole director, Robert McDowell, whose family trust, Oesselmann Estates Limited, owns the buildings which used to be the veterinary school at the edge of The Meadows. Summerhall Management is run by Mr McDowell and he believes there is no corporation tax due to HMRC and has been "working with professional advisers to address and resolve matters with HMRC".

DEFENCE

The defence to the petition is a simple one – that Summerhall Management Limited has not made any profits, and so no tax is due. The company acts as a commercial liaison between the owner of the building and the tenants.

Robert McDowell said: "Summerhall Management Limited are defending the proceedings raised and we hope a resolution can be achieved which will allow us to deal with this and move on

quickly.

“At this time, we must follow a very strict set of guidelines imposed upon us of what we can and cannot do, please bear with us whilst we work to fully understand the situation. The team are already in communication with those we work with who may be affected by this action, but we intend to trade as best we can, and in line with what is permissible, whilst we defend this action.

“The landlord, for whom we manage the building for on their behalf, have also been made aware and will be in direct communication with their tenants as required.”

CHARITY

A separate entity, Summerhall Arts, is a charity registered with The Scottish Charity Regulator (OSCR). It was set up last year to support the artistic community. Since the announcement that the building at Summerhall was to be sold, Summerhall Arts began a crowdfunder to cover running costs. The organisation has also worked behind the scenes to get a lease in place for three years to ensure continuity for the artists who use Summerhall, although it is not yet clear if that has been finalised.

Sam Gough Chief Executive, Summerhall Arts said earlier in the year: “Summerhall was put on the market by the current owners in May. Since then, we have been working flat out to find a way to safeguard the consistent artistic delivery and the year-round programme of events at Summerhall, not just through the sales process, but into the future. Whilst the Fringe and other events for this year are safe, we have been conscious that a longer-term future for the management of the building and the delivery of the arts has been less certain.”

CLOSING DATE

The closing date for offers in relation to Summerhall passed on 18 September. No news has yet been released about the potential buyer.

Summerhall has developed into an arts village, with more than 100 small businesses, freelancers and brands working from studios and offices. Summerhall also houses a leading visual arts programme, a live music programme – Mare Music – as well as commercial lettings, a cinema, pub and café. The artistic programme is curated in-house in the building by both Summerhall Management Ltd and the charity – Summerhall Arts. Summerhall Management Ltd has worked alongside Oesselmann Estate Limited with an in-house Buildings Manager and Maintenance and Lettings team, to run the building. Curation of arts and events has been run by Summerhall Management Ltd for the last 13 years.

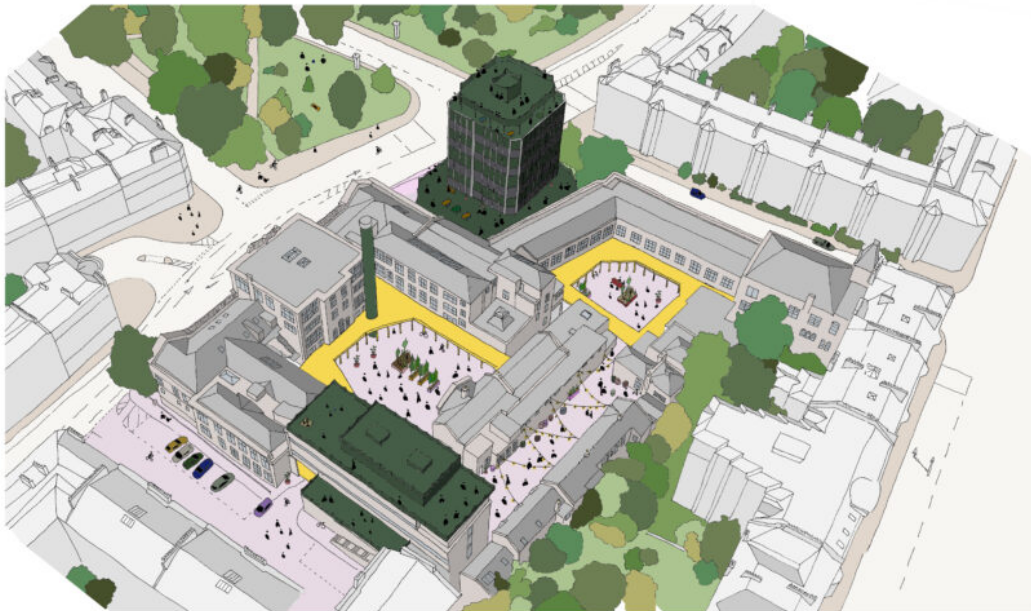
The buildings comprise the old Dick Vet and two Brutalist buildings beside. While not making a financial bid, Fraser/Livingstone Architects came up with a “glamorous proposal” at the closing date putting forward an alternative use for the tower blocks as a hotel and student led accommodation.

The Summerhall Arts Proposal “looks to reorganise the creative uses of the building more effectively and release the two unloved Brutalist buildings” into a hotel and student accommodation. Their plans would also allow the current tenants to remain on site if they wish to stay.

Malcolm Fraser a partner in the firm is quite clear that the proposal is not an actual monetary offer, but it is an idea which he firmly believes will attract funding and investment. And it does involve the CEO of Summerhall Arts, Sam Gough, whose involvement would hopefully “coalesce around an arts-led future for the site – but with glamorous renewal to support it

financially”.

Fraser/Livingstone Architects explained in the accompanying documents that: “Both of these will be high-end, with the hotel aiming to attract a guest of the Taylor-Swift-at-Murrayfield variety – understanding that the higher end will cross-subsidise the arts best, while all new hotel and student users will gain value from, and add value to, Summerhall’s principal arts use.”



Aerial view courtesy of Fraser/livingstone Architects