

REGISTERED NUMBER: SC440962 (Scotland)

New Lanark Ice Cream Limited
Report of the Directors and
Financial Statements
for the Year Ended 31 January 2016

Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
EH3 6AT

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New Lanark Ice Cream Limited

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for the Year Ended 31 January 2016**

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New Lanark Ice Cream Limited

**Company Information
for the Year Ended 31 January 2016**

DIRECTORS:	Ms L Davidson W Macleod
SECRETARY:	Miss E Murdoch
REGISTERED OFFICE:	Mill Number Three New Lanark Mills New Lanark Lanarkshire ML11 9DB
REGISTERED NUMBER:	SC440962 (Scotland)
SENIOR STATUTORY AUDITOR:	Kevin Cattnach
AUDITORS:	Whitelaw Wells Statutory Auditor 9 Ainslie Place Edinburgh EH3 6AT
BANKERS:	Royal Bank of Scotland 88 High Street Lanark ML11 7ET
SOLICITORS:	DWF LLP Number 2 Lochrin Square 96 Fountainbridge Edinburgh EH3 9QA

New Lanark Ice Cream Limited

Report of the Directors for the Year Ended 31 January 2016

The directors present their report with the financial statements of the company for the year ended 31 January 2016.

CESSATION OF TRADING

The company ceased trading on 31 January 2016. On 1 February 2016 the trade was transferred to New Lanark Trading Limited along with all assets and liabilities of the company.

PRINCIPAL ACTIVITY

The principal activity in the year was the manufacture and distribution of ice cream.

REVIEW OF BUSINESS

The Directors note the trading results for 2015/16. Sales of £148,916 delivered a profit of £17,285. Included in the figures this financial year are the ice cream retail sales and related costs transferred from New Lanark Trading Ltd. The factory will relocate to the Mechanics' Workshop in May 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2015 to the date of this report.

Ms L Davidson
W Macleod

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent charity.

None of the directors who held office at the end of the financial year had any beneficial interest in the shares of the company or any other group companies, although Ms L Davidson held one share in two fellow subsidiary companies as nominee on behalf of the parent charity.

RISK MANAGEMENT

A complete review of the current Risk Register has been carried out. As a result of this review, the Directors will be monitoring the highest risk category at each Board meeting. Having acknowledged the risks within this category, the Directors will seek to assess the likelihood of any adverse event and control any impact that it might have on the ability of New Lanark Trading Limited to carry out its aims and objectives, having taken over the New Lanark Ice Cream business. This will be achieved with close management control and forward planning.

BUSINESS CONTINUITY PLAN

Senior Management are currently preparing a Business Continuity Plan which will set out the company's strategies to deal with unexpected events which could damage or limit the day to day working of New Lanark Trading Ltd.

New Lanark Ice Cream Limited

Report of the Directors for the Year Ended 31 January 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

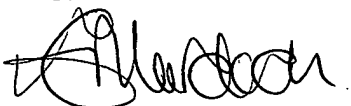
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware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

AUDITORS

The auditors, Whitelaw Wells, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:



Miss E Murdoch - Secretary

16 June 2016

**Report of the Independent Auditors to the Members of
New Lanark Ice Cream Limited**

We have audited the financial statements of New Lanark Ice Cream Limited for the year ended 31 January 2016 on pages six to thirteen. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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 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 Statement of Directors' Responsibilities set out on page three, 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 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 Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 company's affairs as at 31 January 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
New Lanark Ice Cream Limited**

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 from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



Kevin Cattnach (Senior Statutory Auditor)
for and on behalf of Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
EH3 6AT

16 June 2016

New Lanark Ice Cream Limited

**Income Statement
for the Year Ended 31 January 2016**

	Notes	2016 £	2015 £
TURNOVER	2	148,916	138,880
Cost of sales		<u>102,310</u>	<u>91,035</u>
GROSS PROFIT		46,606	47,845
Administrative expenses		<u>28,727</u>	<u>32,748</u>
OPERATING PROFIT	4	17,879	15,097
Interest receivable and similar income	5	<u>29</u>	<u>23</u>
		17,908	15,120
Interest payable and similar charges	6	<u>623</u>	<u>623</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		17,285	14,497
Tax on profit on ordinary activities	7	<u>-</u>	<u>5</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>17,285</u></u>	<u><u>14,492</u></u>

The notes form part of these financial statements

New Lanark Ice Cream Limited

**Other Comprehensive Income
for the Year Ended 31 January 2016**

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		17,285	14,492
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>17,285</u>	<u>14,492</u>

The notes form part of these financial statements


New Lanark Ice Cream Limited (Registered number: SC440962)

**Balance Sheet
31 January 2016**

	Notes	2016 £	2015 £
CURRENT ASSETS			
Stocks	8	22,676	10,848
Debtors	9	21,756	16,749
Cash at bank		33,827	59,965
		<u>78,259</u>	<u>87,562</u>
CREDITORS			
Amounts falling due within one year	10	67,379	93,967
		<u>67,379</u>	<u>93,967</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>10,880</u>	<u>(6,405)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>10,880</u>	<u>(6,405)</u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Retained earnings	12	10,780	(6,505)
		<u>10,880</u>	<u>(6,405)</u>
SHAREHOLDERS' FUNDS		<u>10,880</u>	<u>(6,405)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 16 June 2016 and were signed on its behalf by:


W Macleod - Director

The notes form part of these financial statements

New Lanark Ice Cream Limited

**Statement of Changes in Equity
for the Year Ended 31 January 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2014	100	(20,997)	(20,897)
Changes in equity			
Total comprehensive income	-	14,492	14,492
Balance at 31 January 2015	100	(6,505)	(6,405)
Changes in equity			
Total comprehensive income	-	17,285	17,285
Balance at 31 January 2016	100	10,780	10,880

The notes form part of these financial statements

New Lanark Ice Cream Limited

Notes to the Financial Statements for the Year Ended 31 January 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company ceased trading on 31 January 2016. On 1 February 2016 the trade was transferred to New Lanark Trading Limited along with all assets and liabilities of the company. The company was able to meet its obligations as they fell due up to the date of transfer and any obligations beyond that date will be met by New Lanark Trading Limited. The directors have therefore continued to adopt the going concern basis in preparation of the accounts.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover and revenue recognition

Turnover represents sales of ice cream, excluding value added tax. Turnover is recognised at the point an order is fulfilled.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Related parties transactions

The company is a wholly owned subsidiary of New Lanark Trust, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members of the New Lanark group.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, including loans from the parent entity, since these are repayable on demand.

New Lanark Ice Cream Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2016**

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2016	2015
United Kingdom	100.00%	100.00%
	<u>100.00%</u>	<u>100.00%</u>

3. STAFF COSTS

The company has no employees. Wage costs included in the financial statements represent costs recharged from other group members for five employees; two work full time for the company and three work part time on a seasonal basis.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	3,150	3,100
Rental charge by New Lanark Trust	5,995	5,861
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	<u> </u>	<u> </u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Deposit account interest	29	23
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Interest paid to New Lanark Trust	623	623
	<u> </u>	<u> </u>
	<u>623</u>	<u>623</u>

New Lanark Ice Cream Limited

Notes to the Financial Statements - continued for the Year Ended 31 January 2016

7. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	-	5
	<u>-</u>	<u>5</u>
Tax on profit on ordinary activities	-	5
	<u>-</u>	<u>5</u>

8. STOCKS

	2016 £	2015 £
Stocks	22,676	10,848
	<u>22,676</u>	<u>10,848</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	14,079	15,444
Amount owed by group company	382	385
VAT	6,555	-
Prepayments and accrued income	740	920
	<u>21,756</u>	<u>16,749</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	7,411	4,532
Amounts owed to group undertakings	56,475	82,346
Corporation tax	-	5
VAT	-	3,642
Accruals and deferred income	3,493	3,442
	<u>67,379</u>	<u>93,967</u>

Included in amounts owed to group undertakings is a loan of £25,000 due to New Lanark Trust. The loan is repayable on demand and accrues interest at 2% above bank base rate.

New Lanark Ice Cream Limited

Notes to the Financial Statements - continued for the Year Ended 31 January 2016

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

12. RESERVES

Retained
earnings
£

At 1 February 2015	(6,505)
Profit for the year	<u>17,285</u>
At 31 January 2016	<u>10,780</u>

13. ULTIMATE PARENT COMPANY

The company is a 100% subsidiary undertaking of New Lanark Trust which is an unincorporated charity recognised by the Office of the Scottish Charity Regulator, whose principal place of business is Mill Number Three, New Lanark Mills, Lanark, Scotland. Consolidated financial statements are available on request.

14. FIRST YEAR ADOPTION

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 a restatement of comparative items was needed. No restatements were required. Accordingly, no reconciliation of opening balances and net income / (expenditure) for the year has been prepared.