

SLL Trading Limited
Directors' report and financial statements

31 March 2024

Registered number SC 225901

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Company Information

Company number

SC225901

Company Secretary

Nick Lansdell

Directors

Dr Avril Osborne (Chair)

Councillor Maureen Devlin (Vice Chair)

Councillor John Anderson

Dr Angela Beggan

Neil Brown

Councillor Andrea Cowan

Craig Cunningham

Chris Goudie

Councillor Ross Lambie

Alan Morrison

Lisa Maule

Councillor Mo Razzaq

Stephen Smellie

Registered Address

Council Offices

Almada Street

Hamilton

ML3 0EW

Auditors

Azets Audit Services

Chartered Accountants

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 March 2024.

Principal activity

The principal activity of the company is the provision of vending and catering services within the facilities operated by South Lanarkshire Leisure and Culture Limited.

Business Review

The Company achieved a £30,000 profit for the year (2023: £22,000). The prior year profit of £22,000 was donated to the parent company, South Lanarkshire Leisure and Culture Limited, through the gift aid scheme.

Directors

The directors who held office during the year are detailed on the company information page.

Robert Craig resigned 29 May 2024.

Directors Indemnities

The Directors have the benefit of an indemnity which is a qualifying third party indemnity provision. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the year, Directors' and Officers' liability insurance in respect of itself and its Directors.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm, so far as they each are aware, that

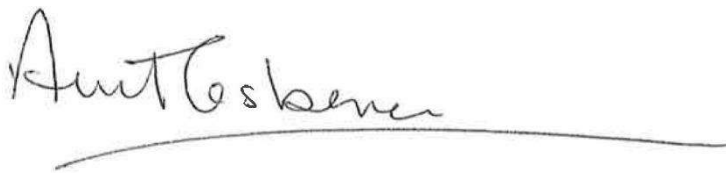
- there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant information and to establish that the Company's auditors are aware of that information.

Auditor

Azets audit services will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board



Dr Avril Osborne
Chair, SLL Trading Limited
13 November 2024

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). 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 and loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

Independent auditor's report to the members of SLL Trading Limited

Opinion

We have audited the financial statements of SLL Trading Limited (the 'company') for the year ended 31 March 2024, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of SLL Trading Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements to the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is available on the FRC's website at: www.frc.org.uk/auditorresponsibilities The description forms part of our Auditor's Report.

Independent auditor's report to the members of SLL Trading Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, and taxation, data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Independent auditor's report to the members of SLL Trading Limited (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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, as a body, those matters we are required to state to them under 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.

Azets Audit Services

Sally Cheeney (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Statutory Auditor
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

18 November 2024

Statement of comprehensive income
for the year ended 31 March 2024

	<i>Notes</i>	2024 £000	2023 £000
Turnover	5	1,197	1,162
Cost of sales		(1,094)	(1,061)
Gross profit		103	101
Administration expenses		(73)	(79)
Profit before taxation	6	30	22
Tax on profit on ordinary activities	8	-	-
Result for financial year		30	22
Other comprehensive income for the year		-	-
Total comprehensive income for the year		30	22

The results for the year are derived wholly from continuing operations.

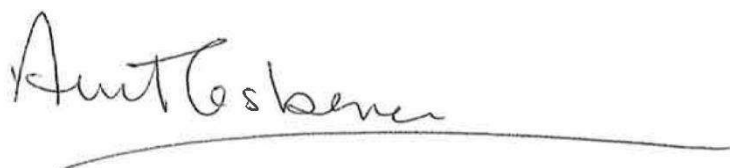
Notes on pages 13 to 17 form part of the financial statements.

Balance sheet
at 31 March 2024

	<i>Notes</i>	2024 £000	2023 £000
Current assets			
Stocks	<i>9</i>	101	90
Debtors	<i>10</i>	4	1
Cash at bank and in hand		492	544
		<hr/> 597	<hr/> 635
Creditors: amounts falling due within one year	<i>11</i>	(549)	(595)
		<hr/> 48	<hr/> 40
Net current assets		<hr/> 48	<hr/> 40
Net assets		<hr/> 48	<hr/> 40
Capital and reserves			
Share capital	<i>12</i>	-	-
Reserves	<i>13</i>	48	40
		<hr/> 48	<hr/> 40

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Directors on 13 November 2024 and signed on its behalf by:



Dr Avril Osborne
 Chair
 Company Registration number: SC225901
 13 November 2024

Notes on pages 13 to 17 form part of the financial statements.

Statement of changes in equity
for the year ended 31 March 2024

	Share capital £000	Retained earnings £000	Total equity £000
As 1 April 2023	-	40	40
Comprehensive income for the year			
Profit for the year	-	30	30
Total comprehensive income for the year	<u>-</u>	<u>70</u>	<u>70</u>
Distribution of shares: payment under gift aid	-	(22)	(22)
At 31 March 2024	<u>-</u>	<u>48</u>	<u>48</u>

Statement of changes in equity
for the year ended 31 March 2023

	Share capital £000	Retained earnings £000	Total equity £000
As 1 April 2022	-	34	34
Comprehensive income for the year			
Profit for the year	-	22	22
Total comprehensive income for the year	<u>-</u>	<u>56</u>	<u>56</u>
Distribution of shares: payment under gift aid	-	(16)	(16)
At 31 March 2023	<u>-</u>	<u>40</u>	<u>40</u>

Notes

(forming part of the financial statements)

1. General Information

The continuing activities of SLL Trading Limited ('the company') is the provision of vending, catering and retail services within the facilities operated by South Lanarkshire Leisure and Culture Limited.

The company is a private company limited by shares and is incorporated in Scotland. The company's registered number is SC 225901.

The address of the company's registered office is Floor 5, Council Offices, Almada Street, Hamilton, ML3 0EW.

These financial statements are presented in Pound Sterling (GBP), as that is the currency in which the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 March 2024.

All amounts in the financial statements are rounded to the nearest thousand (£'000) unless otherwise stated.

2. Statement of compliance

The financial statements are prepared in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' issued by the Financial Reporting Council and the Companies Act 2006.

3. Accounting Policies

Basis of preparation of financial statements

The financial statements are prepared in accordance with Section 1A 'Small Entities' of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' issued by the Financial Reporting Council and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 4).

The following principal accounting policies have been applied in the preparation of these financial statements. These policies have been consistently applied to the years presented, unless otherwise stated.

Going concern

The directors are of the opinion that the company will continue to trade for the foreseeable future due to the net assets and cash position. The financial statements have therefore been prepared on a going concern basis. Following Both the Directors and South Lanarkshire Council remain committed to addressing any remaining trading challenges to ensure SLLC remains a going concern.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Notes

(forming part of the financial statements)

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Stocks

Stocks of materials and consumables are stated at lower of cost and net realisable value in the ordinary course of operating.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowances for doubtful debts.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Notes

(forming part of the financial statements)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Company has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and are measured at fair value.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Cash Flow Statement

The Company has not presented a cash flow statement. It has taken advantage of the exemption contained in FRS 102 as the Parent Charity, South Lanarkshire Leisure and Culture (SCIO), has included a consolidated cash flow statement within its group financial statements for the period ended 31 March 2024 (note 14).

4. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The directors do not consider there to be any accounting judgements required in preparing these accounts. The directors are satisfied that accounting policies are appropriate and applied consistently.

5. Analysis of turnover

An analysis of turnover by class of business is as follows:	2024	2023
	£000	£000
Provision of vending, catering and retail services	1,197	1,162

6. Profit on ordinary activities before taxation

	2024	2023
	£000	£000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Auditor's remuneration: audit of these financial statements	3	3
Rental charges under operating leases	0	0

Notes

(forming part of the financial statements)

7. Staff numbers and costs

The company had no employees during the year.

No directors received any remuneration or payments from the company during the year.

8. Taxation

The company gift aids all available profits to South Lanarkshire Leisure and Culture Limited and has no liability to tax.

9. Stocks	2024	2023
	£000	£000
Catering/café stock	53	40
Gift shop stock	45	48
Vending stock	3	2
	<u>101</u>	<u>90</u>
10. Debtors	2024	2023
	£000	£000
Amounts due from parent undertaking	0	0
Other debtors	0	1
Trade debtors	4	0
	<u>4</u>	<u>1</u>
11. Creditors: amounts falling due within one year	2024	2023
	£000	£000
Trade creditors	-	22
Amounts due to parent undertaking	448	517
Other creditors including taxation	36	34
Accruals and deferred income	65	22
	<u>549</u>	<u>595</u>
12. Share capital	2024	2023
	£	£
<i>Authorised:</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid:</i>		
Ordinary shares £1 each	<u>1</u>	<u>1</u>

Each share is entitled to one vote in any circumstance.

Notes

(forming part of the financial statements)

13. Reserves

The reserves include all current and prior period retained profit or losses.

14. Parent company

The company is a wholly owned subsidiary of South Lanarkshire Leisure and Culture SCIO, a charity registered in Scotland (charity number SC032549). The principal purpose of that Charity is the management and development of indoor and outdoor sport and leisure facilities, community halls, arts venues, country parks, libraries and museums, and associated initiatives and events throughout South Lanarkshire. The financial statements of that charity are available from Floor 5, Council Offices, Almada Street, Hamilton, ML3 0EW.

15. Related party transactions

The company has taken advantage of the exemption under FRS 102 from the requirement to disclose the information of transactions with entities which are part of the group on the basis that the consolidated group financial statements are publicly available (note 14).