

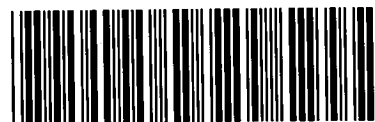
Company Registration No. 05138159 (England and Wales)

SNOW FACTOR LTD

**ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 NOVEMBER 2016**



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COMPANIES HOUSE

INDEPENDENT AUDITOR'S REPORT TO SNOW FACTOR LTD UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the financial statements of Snow Factor Ltd for the year ended 30 November 2016 prepared under section 396 of the Companies Act 2006.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated financial statements in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with regulations made under that section.



Alan Aitchison (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
Centenary House
69 Wellington Street
Glasgow
G2 6HG
31 August 2017

SNOW FACTOR LTD**ABBREVIATED BALANCE SHEET
AS AT 30 NOVEMBER 2016**

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	2	576,146	659,044
Current assets			
Stocks		16,125	9,971
Debtors		367,578	479,585
Cash at bank and in hand		357,960	761,847
		<u>741,663</u>	<u>1,251,403</u>
Creditors: amounts falling due within one year		<u>(928,183)</u>	<u>(1,434,489)</u>
Net current liabilities		<u>(186,520)</u>	<u>(183,086)</u>
Total assets less current liabilities		<u>389,626</u>	<u>475,958</u>
Creditors: amounts falling due after more than one year		-	(17,565)
Provisions for liabilities		<u>(8,025)</u>	<u>(14,998)</u>
Net assets		<u><u>381,601</u></u>	<u><u>443,395</u></u>
Capital and reserves			
Called up share capital	3	3	3
Share premium account		1,100,000	1,100,000
Profit and loss account		<u>(718,402)</u>	<u>(656,608)</u>
Shareholders' funds		<u><u>381,601</u></u>	<u><u>443,395</u></u>

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

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors and authorised for issue on 31 August 2017 and are signed on its behalf by:


J Smith
Director

SNOW FACTOR LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2016

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

At the year end the company had net current liabilities of £186,520 (2015: £183,086). The directors have prepared financial projections for the group, of which the company is a trading subsidiary, covering a period exceeding 12 months. These projections show that, as a result of the revenue growth and cost reduction initiatives introduced, the companies will generate sufficient cash flows and profits to enable it to meet its liabilities as they fall due and operate within its agreed bank facilities for a 12 month period from the date of signing these financial statements.

The company has taken advantage of the exemption in the Financial Reporting Standard for Smaller Entities (effective January 2015) from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer. Revenue received in advance of it being earned is deferred and included in deferred income.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Expenditure of £1,000 or more on individual tangible fixed assets is capitalised at cost. Expenditure on assets below this threshold is charged directly to the profit and loss account in the period it is incurred.

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Leasehold improvements	4% - 20% straight line
Operations and snow equipment	15% - 50% straight line
Office and computer equipment	20% - 50% straight line

Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Stock

Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

SNOW FACTOR LTD
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2016

1 Accounting policies (Continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Fixed assets

	Tangible assets
	£
Cost	
At 1 December 2015	1,493,811
Additions	32,369
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At 30 November 2016	1,526,180
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Depreciation	
At 1 December 2015	834,767
Charge for the year	115,267
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At 30 November 2016	950,034
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Net book value	
At 30 November 2016	576,146
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At 30 November 2015	659,044
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3 Share capital

	2016	2015
	£	£
Allotted, called up and fully paid		
3 Ordinary shares of £1 each	3	3
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SNOW FACTOR LTD
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2016

4 Contingent liabilities

HMRC opened an enquiry into the Company and its related Companies' use of certain notifiable VAT structures. Whilst this investigation is underway it is not possible to pre-empt the outcome, however, there is potential that VAT and related interest and penalties may become payable. It is the Directors' belief that this situation will resolve itself with minimal or no net cost to the business, however, related training companies have confirmed they will settle any ultimate VAT liability arising.

A second enquiry has been reviewed by HMRC in respect of the use of reduced rates of VAT on lift income. Again, it is management's belief that this will resolve itself with minimal or no net cost to the business. Given the stage of the enquiries, it is not possible at this time to accurately calculate any potential VAT liability that may arise.

The company has provided inter-company bank guarantees in respect of bank loans and overdrafts of Ice Factor International Ltd and Ice Factor (Kinlochleven) Limited. The total amount due by Ice Factor International Ltd at 30 November 2016 is £220,450 (2015: £611,685) and the amount due by Ice Factor (Kinlochleven) Limited at 30 November 2016 was £nil (2015: £189,502). Ice Factor International Ltd owned the entire share capital of the company and its fellow subsidiary Ice Factor (Kinlochleven) Limited.