
THE WOOLLEN MILL (EDINBURGH) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 27 FEBRUARY 2016

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COMPANIES HOUSE

THE WOOLLEN MILL (EDINBURGH) LIMITED

COMPANY INFORMATION

DIRECTORS Kristian Lee
Steve Simpson (appointed 1 March 2016)
June Carruthers (resigned 1 March 2016)

COMPANY SECRETARY June Carruthers

REGISTERED NUMBER SC153052

REGISTERED OFFICE Waverley Mills
Langholm
Dumfriesshire
DG13 0EB

INDEPENDENT AUDITOR KPMG LLP
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS

THE WOOLLEN MILL (EDINBURGH) LIMITED

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THE WOOLLEN MILL (EDINBURGH) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 27 FEBRUARY 2016

The directors present their report and the financial statements for the year ended 27 February 2016.

PRINCIPAL ACTIVITIES

The business provides support services in relation to the overseas operations of The Edinburgh Woollen Mill (Group) Limited and its fellow subsidiary companies.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £8,000 (2015 -loss £30,000).

The directors do not recommend the payment of a dividend (2015 - £NIL).

DIRECTOR

The director who served during the year was:

Kristian Lee

FUTURE DEVELOPMENTS

The Company's underlying performance is expected to continue in the next financial period.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

AUDITORS

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



June Carruthers
Secretary

Date: 27 September 2016

THE WOOLLEN MILL (EDINBURGH) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 27 FEBRUARY 2016

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting 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; 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.

THE WOOLLEN MILL (EDINBURGH) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOOLLEN MILL (EDINBURGH) LIMITED

We have audited the financial statements of The Woollen Mill (Edinburgh) Limited for the year ended 27 February 2016, set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 27 February 2016 and of its loss 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.

OPINION ON OTHER MATTERS 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.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

THE WOOLLEN MILL (EDINBURGH) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOOLLEN MILL (EDINBURGH)
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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Philip Charles (Senior Statutory Auditor)

for and on behalf of
KPMG LLP, Statutory Auditor

Chartered Accountants

319 St Vincent Street
Glasgow
G2 5AS
27 September 2016

THE WOOLLEN MILL (EDINBURGH) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 27 FEBRUARY 2016

	Note	2016 £000	2015 £000
Administrative expenses		(8)	(30)
Loss on ordinary activities before tax		(8)	(30)
Tax on loss on ordinary activities	5	-	-
Loss for the year		(8)	(30)

There is no other comprehensive income for 2016 or 2015, other than the result shown above.

The notes on pages 8 to 12 form part of these financial statements.

THE WOOLLEN MILL (EDINBURGH) LIMITED
REGISTERED NUMBER: SC153052

BALANCE SHEET
AS AT 27 FEBRUARY 2016

	Note	27 February 2016 £000	28 February 2015 £000
Current assets			
Creditors: Amounts falling due within one year	6	(38)	(30)
Net current liabilities		<u>(38)</u>	<u>(30)</u>
Total assets less current liabilities		<u>(38)</u>	<u>(30)</u>
Net liabilities		<u><u>(38)</u></u>	<u><u>(30)</u></u>
Capital and reserves			
Called up share capital	7	-	-
Profit and loss account		(38)	(30)
Shareholders' deficit		<u><u>(38)</u></u>	<u><u>(30)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Kristian Lee
Director

Date: 27 September 2016

The notes on pages 8 to 12 form part of these financial statements.

THE WOOLLEN MILL (EDINBURGH) LIMITED

**STATEMENT OF CHANGES IN EQUITY
AS AT 27 FEBRUARY 2016**

	Retained earnings £000	Total equity £000
At 1 March 2015	(30)	(30)
Total comprehensive income		
Loss for the year	(8)	(8)
At 27 February 2016	<u><u>(38)</u></u>	<u><u>(38)</u></u>

**STATEMENT OF CHANGES IN EQUITY
AS AT 28 FEBRUARY 2015**

	Retained earnings £000	Total equity £000
Total comprehensive income		
Loss for the year	(30)	(30)
At 28 February 2015	<u><u>(30)</u></u>	<u><u>(30)</u></u>

The notes on pages 8 to 12 form part of these financial statements.

THE WOOLLEN MILL (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 27 FEBRUARY 2016

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Woollen Mill (Edinburgh) Limited (the "Company") is a company incorporated and domiciled in the UK.

These financial statements are drawn up for the 52 week period ended 27 February 2016.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The principal accounting policies adopted by the Company have been applied consistently throughout the period.

The company's ultimate parent undertaking, The Edinburgh Woollen Mill (Group) Limited, includes the company in its consolidated financial statements. The consolidated financial statements of The Edinburgh Woollen Mill (Group) Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

First time application of FRS 100 and FRS 101

In the current year the Group has adopted FRS 100 and FRS 101 and applied IFRS 1. In previous years the financial statements were prepared in accordance with applicable UK GAAP.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior period. The change in basis of preparation has enabled the company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

The financial statements are prepared on the historic cost basis.

THE WOOLLEN MILL (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 27 FEBRUARY 2016

1. ACCOUNTING POLICIES (continued)

1.2 FINANCIAL REPORTING STANDARD 101 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
- - paragraph 79(a)(iv) of IAS 1; the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- disclosure in respect of capital management
- the effect of new but not yet effective IFRS's
- disclosure in respect of the compensation of key management personnel
- disclosure of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of The Edinburgh Woollen Mill (Group) Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 134(d), 134(f) and 135(c), 135(e) of IAS 36 Impairment of Assets

1.3 GOING CONCERN

The financial statements have been prepared on the going concern basis notwithstanding the net liabilities of £38,000 at 27 February 2016 (2015 - £30,000). The company is dependent for its working capital on funds provided by group companies. The company's ultimate parent undertaking, The Edinburgh Woollen Mill (Group) Limited, has indicated that for at least twelve months from the date of approval of these financial statements or, if shorter, for as long as the company remains a wholly owned subsidiary of the ultimate parent company, it will continue to make available such funds as are needed by the company to pay its liabilities as they fall due and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on the undertakings from The Edinburgh Woollen Mill (Group) Limited, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

THE WOOLLEN MILL (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 27 FEBRUARY 2016

1. ACCOUNTING POLICIES (continued)

1.4 TAXATION

Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors do not consider there to be any significant judgements made in the application of the accounting policies.

3. AUDITOR'S REMUNERATION

The companies audit fees have been borne by the parent company. The company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the ultimate parent company.

4. EMPLOYEES AND DIRECTORS REMUNERATION

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

No directors' emoluments were incurred in either period in relation to any services provided to the company. Retirement benefits are accruing to one director (2015 - one) under a group defined benefit pension scheme and two directors (2015 - one) under a group defined contribution scheme. Their remuneration is disclosed in the accounts of the ultimate parent company.

THE WOOLLEN MILL (EDINBURGH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27 FEBRUARY 2016**

5. Taxation

	52 weeks ended 27 February 2016 £000	52 weeks ended 28 February 2015 £000
Corporation tax		
Current tax on loss for the year	-	-
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on loss on ordinary activities	-	-
Factors affecting tax charge for the period		

The tax assessed for the period is lower than (2015 – *lower than*) the standard rate of corporation tax in the UK of 20.09% (2015 - 21.19%). The differences are explained below:

	52 weeks ended 27 February 2016 £000	52 weeks ended 28 February 2015 £000
Loss on ordinary activities before tax	<u>(8)</u>	<u>(30)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.09% (2015 - 21.19%)	(2)	(6)
Effects of:		
Non-deductible expenses	2	6
Total tax charge for the period	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the Company's future current tax charge accordingly.

THE WOOLLEN MILL (EDINBURGH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27 FEBRUARY 2016**

6. CREDITORS: Amounts falling due within one year

	27 February 2016 £000	28 February 2015 £000
Amounts owed to group undertakings	<u>38</u>	<u>30</u>

7. SHARE CAPITAL

	27 February 2016 £	28 February 2015 £
Allotted, called up and fully paid		
2- Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

8. CONTROLLING PARTY

The company's ultimate parent company is The Edinburgh Woollen Mill (Group) Limited which is incorporated in Scotland and prepares group financial statements in which the company is consolidated.

The company's immediate parent company is The Edinburgh Woollen Mill Limited.

By virtue of his shareholding in the ultimate parent company P. Day is the ultimate controlling party.

9. FIRST TIME ADOPTION OF FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.