NEW LANARK TRUST

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2025

CHARITY NUMBER SC008552

WHITELAW WELLS
Chartered Accountants

NEW LANARK TRUST

TRUSTEES' REPORT

For the year ended 31 January 2025

CONTENTS

Trustees' report	1
Independent auditors' report to the Trustees	9
Consolidated statement of financial activities	13
Consolidated balance sheet	14
Consolidated statement of cash flows	15
Notes	16

NEW LANARK TRUST

TRUSTEES' REPORT

For the year ended 31 January 2025

The Trustees present their annual report for the year ended 31 January 2025.

New Lanark is an authentic and enduring historic community. The intellectual tradition it preserves and celebrates remains of global contemporary relevance and interest. The site is one of the most important industrial heritage sites in the world and has significance for all who are interested in co-operation, utopianism and industrialisation. This historic legacy provides a powerful opportunity for education and learning. New Lanark retains relevance not just because of its intellectual roots, and historic fabric, but also because of its evolving nature as a living place where those values are upheld.

OBJECTIVES AND ACTIVITIES

The main objective of the Trust is to achieve the restoration, preservation, interpretation and presentation, for public use and access, of the historic, UNESCO inscribed World Heritage village of New Lanark of which the Trust is a major owner of land and buildings.

The Trust seeks to be innovative, progressive and pioneering in the use of historic buildings, in community co-operation and development. New Lanark offers private housing for rent, as well as business accommodation. It is committed to maintaining the site as a living, working community.

The Trust seeks to achieve the core objective by:

- maintaining the vitality of the village by ensuring that all buildings are occupied and put to appropriate use, including the residential accommodation in the village;
- engaging in appropriate commercial activity to generate income to support the core objective; and
- raising funds from outside sources to enable major restoration and preservation works to be undertaken and to supplement income earned from commercial activities

Operating directly and through subsidiaries, the Trust operates a hotel and leisure facility, self-catering Waterhouses, visitor centre, café, two retail shops, generation of hydro-electric power, the spinning of woollen yarn, the manufacture and sale of ice cream, and the letting of premises to commercial and residential tenants.

The contribution of volunteers is essential to the Trust, providing support in the Search Room and stewarding at events and exhibitions. Their generous commitment of time is appreciated and acknowledged, and the Trust has a continuing commitment to the recruitment and induction of volunteers.

The Trust acts in consultation and cooperation with a number of partners in relation to the management of the World Heritage site: South Lanarkshire Council, Historic Environment Scotland, Scottish Wildlife Trust, and with major capital funders including the Heritage Lottery Fund. The support of all of these bodies is acknowledged.

NEW LANARK TRUST

TRUSTEES' REPORT

For the year ended 31 January 2025

ACHIEVEMENTS AND PERFORMANCE

Commercial Activities. The Trust's trading subsidiaries have continued to run New Lanark's commercial activities during 2023/24 providing substantial employment opportunities for local people and generating funds to be re-invested in the restoration and on-going maintenance of the historic buildings and woodlands. However, the Trust remains hugely dependent upon support from public bodies. During the year, Historic Environment Scotland and the National Heritage Memorial Fund were the main contributors to the New Lanark Trust maintenance and repairs budget.

Grant funded projects. The National Heritage Memorial Fund awarded a grant for building maintenance of £2.4m during the year to January 2024 however none of this was drawn in that year. The works associated with this grant commenced in March 2024. Historic Environment Scotland gave a total of £70k for Learning and Outreach (£20k), World Heritage Site Co-Ordinator (£50k covering two members of staff). Historic Environment Scotland also donated £255k towards site maintenance.

These grants help New Lanark leave a legacy of the long aspired to improvements to the historic buildings and public realm.

Included in the group are four subsidiary entities:

<u>New Lanark Trading Ltd</u>
The principal activities of the company in the year under review were the operation of a visitor attraction, comprising the Visitor Centre, cafe and shop, with related activities including the manufacture of ice cream (which ceased in June 2024), textile production and the generation of hydroelectricity which it uses on site, selling any excess to the main grid. Commercial wool production ceased in the autumn of 2024 although the operating wool spinning machinery remains a part of the visitor attraction.

On 1 February 2024 the company took on the management of the hotel. On 1 February 2021 charitable status was awarded by OSCR.

<u>New Lanark Hotels Ltd</u>
New Lanark Hotels Limited ran the 38 bedroom hotel, eight self-catering Waterhouses and a Leisure Club. In the Autumn of 2023 the directors made the decision to simplify the structure of New Lanark group and cease the activities of the company. The company's licence to occupy the hotel was terminated by the Trust with effect from 31 January 2024. At this date New Lanark Trading's directors agreed to acquire certain assets and liabilities of New Lanark Hotels Limited. A liquidator was appointed to the company on 12 April 2024 for winding up the company.

<u>New Lanark Homes Ltd</u>
New Lanark Trust is a Registered Private Landlord and has ownership of buildings that are rented out as 45 domestic tenancies. New Lanark Homes Ltd is the subsidiary operating company, with charitable status, that managed these on a day to day basis, including the collection of rent until 1 June 2021 when the management was transferred to the Trust and the activity of the charity ceased. The rental income is used for the sole purpose of the management, upgrade and repairs works to these properties. New Lanark Homes Limited is now dormant.

<u>Snow Newco Ltd</u>
On 10 April 2024, Snow Newco Limited was incorporated. The company does not yet trade and has had no activity to date.

FINANCIAL REVIEW

The Trust is supported by income from its commercial tenants and its trading subsidiaries. Currently these funds are augmented annually with grant income.

The group recorded net expenditure for the year amounting to £363,407 (2024: net income of £1,395). After transfers, there was net expenditure of £304,841 (2024: net income of £484,421) on unrestricted funds and net expenditure of £58,566 (2024: net expenditure of £483,026) relating to restricted projects. This excludes capital expenditure, which amounted to £nil (2024: £8,301) in the year.

Reserves Policy

Total reserves of the group at the year end were £18,949,877 (2024: £19,313,284). The unrestricted reserves of the group amount to £18,017,185 (2024: £18,322,026). The restricted reserves of the group amount to £932,692 (2024: £991,258). As at the year end the group had a deficit on General Funds £1,608,029. The policy of the group is to hold £600,000 in a general reserve as contingency funds. The trustees acknowledge that the trading results have been significantly adversely affected by the Covid pandemic and the slow recovery from this. As has been widely publicised, the tourism and hospitality sectors have been especially badly affected through this period. As a result of these circumstances the Trust has not been in a position to adhere to the policy whereby a general reserve of £600,000 is held as a contingent sum. The trustees are aware that it is desirable to hold such a reserve and will endeavour to return to this position once the trading environment has improved sufficiently.

The Trust has designated reserves of £19,625,214 (2024: £19,672,565), with £19,537,714 (2024: £19,585,065) representing the net book value of fixed assets held by the Trust that are not freely available to be used as working capital.

Investment Policy

The Trust operates a Treasury Management Policy to maximise interest, on low risk investments, on the Trust's funds and to monitor risk and investment in relation to liquid funds.

Risk Management

A comprehensive Risk Register, covering all aspects of New Lanark's activities, is maintained, and regularly reviewed by the Board of Trustees. Trustees seek to assess the likelihood of any adverse event and control, with close management control and forward planning, any impact that might have on the ability of the Trust to carry out its aims and objectives. In association with the Risk Register process, policies and procedures are in place covering health and safety / fire / risk assessments and Business Continuity Plans, all of which are reviewed and regularly updated.

The Trustees and senior management consider that the key risks and uncertainties are:-

Risk Description – Financial
Uncertainty of Capital Programme Possibility due to fall in reserves and/or failure to obtain grant funding
Strategy to manage Risk 1. Strengthening fundraising capacity 2. Utilise knowledge that exists within existing team to develop funding streams and potential partners. 3. Link to efforts to increase visitor numbers and income generation across site and trading companies including use of GRANTfinder software to identify potential funding opportunities 4. Maintenance activities to be prioritised by SMT to manage risk and stay with financial constraints in short -term.

Risk Description – Building / Structural
Fire risk to Mills 1, 2 and 3
Strategy to manage Risk 1. Installation of fire suppression systems in the hotel kitchen and sauna were completed in the year. 2. Continued staff training and evacuation drills. 3. Update Fire Risk Assessments for the three mills

Risk Description – Building / Structural
Structural issues with Church Building including retaining wall & access
Strategy to manage Risk 1. Regular inspection of the building by staff and architect and maintain to weather tight standard. 2. Recorded surveys of retaining wall onto path undertaken. Review results of ongoing survey to establish degree of movement and plan actions accordingly. 3. No access to the public to the building or surrounds - gate padlocked.

Risk Description – Financial
Continued financial & commercial viability Possible loss of subsidy / insolvency / business failure / unexpected financial loss / loss of revenue / fall in visitor numbers / significant changes to market
Strategy to manage Risk 1. Upgrade and updating of existing visitor attraction to meet expectations of visitors accustomed to 'modern' presentation of historic sites. 2. Continue to explore new avenues of marketing for the site as a whole. 3. Seek opportunities to combine advertising/publicity with retail partners/concession holders. 4. Working with partner organisations to promote site. 5. Forward planning to identify new audience and how to attract visitors including Temporary exhibition programme to encourage repeat visits. 6. Business interruption/continuity planning to be continually reviewed and further developed. 7. Continued marketing to capture new audiences. 8. Engage with Scottish Government to establish a level of support for the World Heritage Site.

PLANS FOR FUTURE PERIODS

Extensive ongoing capital expenditure is required for both building maintenance and refurbishment as well as the proposed expansion of the hydro power production scheme.

In July 2023 the Trust was awarded a grant of £2.4m for essential building maintenance work from the National Heritage Memorial Fund. This expenditure will be spread over two years and will enable specific work to be carried out on the School, Nursery Buildings, New Buildings and Long Row, however, work did not start on this work until March 2024.

The feasibility study for the expansion of the hydro scheme is ongoing with all relevant partners being kept appraised of progress. At the date of signing of these accounts there is no definitive figure of the total sum of the work required.

During the year to January 2024 the Trust secured planning consents for the redevelopment of the Wee Row Hostel into four shell-type townhouses for sale in the residential market. A planning permission was also secured for the conversion of [redacted] to a bar/bistro. The commencement date for both projects has yet to be decided upon.

As at the date of the singing of these accounts, the Trust has logged a Building Warrant application for the conversion of the four conference rooms in the hotel into 17 additional bedrooms. The cost of this will be circa £2,000,000 and this will be funded by a bank loan.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Organisational Structure

New Lanark Trust is an unincorporated charity, governed by Trust Deed, registered as a charity by the Office of the Scottish Charity Regulator. The Trust is administered by a Board of Trustees, who make the strategic decisions that shape the direction of the Trust, and all of whom give their support to the Trust on a voluntary basis. The Trustees appoint the Chief Executive and other Senior Management staff, who are responsible for the day-to-day running of the Trust.

During 2024/25 regular Trustee board meetings were held.

Recruitment, Appointment, Training and Induction of Trustees/Senior Management staff

Trustee vacancies are filled in accordance with the Trust Deed and its Recruitment Policy and appropriate induction for new Trustees is also carried out.

Pay and Remuneration of Key Personnel

Senior and Operational Management staff are remunerated in line with industry norms along with any increments set out at time of recruitment, or awarded as a result of any additional training, qualifications or responsibility. Otherwise, increments are usually limited to annual cost of living increases across all pay scales. New Lanark Trust operates a Defined Contribution pension scheme, open to employees over 25 years of age after three years' service. For most eligible staff the employee's contribution is matched by the employer up to a maximum of 5%. Otherwise, the Auto-Enrolment schemes are available to all employees in line with statutory requirements.

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont.)

Related Parties

The Trust continues to work closely with all parties interested in the wellbeing of New Lanark. Friends of New Lanark, a registered charity, continues to assist and promote the work of New Lanark Trust.

New Lanark Village Group is also a registered charity and acts as a community group for the residents of the village of New Lanark. As well as raising funds and organising social events for the resident community, the Village Group acts as the contact point for discussion of Trust restoration works and activities, in general, enabling the village residents to be consulted about village developments.

NEW LANARK TRUST

TRUSTEES' REPORT

For the year ended 31 January 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

[redacted]	Chairman Resigned 25/11/2024
	Resigned 12/09/2024
	Appointed 31/05/2024
	Appointed 31/05/2024
	Appointed 23/05/2025
	Appointed 23/05/2025 & Resigned 01/07/2025
	Appointed 23/05/2025
	Appointed 23/05/2025
	Appointed 23/05/2025

Key Management Personnel

[redacted]	Chief Executive
	Head of Estates
	Head of Finance
	Finance Manager
	Head of Heritage (joined July 2024)
	Head of Operations
	Ice Cream Production Manager
	Commercial Manager – Retail & Textiles
	Café Manager – Mill Café and Event Catering within Visitor Attraction
	Food & Beverage Manager (from August 2024)

Registered Office and Operational Address
Mill Number Three
New Lanark Mills, Lanark, ML11 9DB

Charity Number
SC008552

Independent Auditor
Whitelaw Wells
Statutory Auditor
9 Ainslie Place, Edinburgh, EH3 6AT

Bankers
Santander UK Plc
Bridle Road
Bootle, Merseyside, L30 4GB

Solicitors
DWF LLP
2 Lochrin Square
96 Fountainbridge, Edinburgh, EH3 9QA

NEW LANARK TRUST

TRUSTEES' REPORT

For the year ended 31 January 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Trust at the end of the year and of their financial activities during the year then ended. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 Trust will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Trust and which enable them to ensure that the financial statements comply with The Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Constitution of the Trust. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each Trustee has taken all the steps he ought to have taken as a Trustee in order to make themself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Trustees on 28 October 2025 and signed on their behalf by:

[redacted] **Chairman**

NEW LANARK TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

For the year ended 31 January 2025

Qualified Opinion

We have audited the consolidated financial statements of New Lanark Trust group (the 'charitable group') for the year ended 31 January 2025, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 January 2025 and of its income and expenditure 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for Qualified Opinion

On 12th April 2024 New Lanark Hotels Limited, a subsidiary undertaking of which New Lanark Trust has a 100% holding, was placed in liquidation. The accounting records of New Lanark Hotels Limited were prepared to 31 January 2025, and included in the consolidated accounts, however we were unable to obtain sufficient access to the underlying records or supporting documentation thereof. We were unable to satisfy ourselves by alternative means concerning the accounting records of the New Lanark Hotels Limited by using other audit procedures. Consequently, we were unable to determine whether any adjustments to the figures relating to New Lanark Hotels Limited included in the consolidated profit and loss account or balance sheet was necessary.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the 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 other 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 qualified opinion.

Material uncertainty related to going concern

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

We draw attention to notes 1(a) and 23 in the financial statements concerning the charity's, and the groups', ability to continue as a going concern. As at the year end the charity had a surplus on General Fund of £7,933, the group a deficit of £1,608,029 and the group had net current liabilities of £1,057,299. These conditions indicate the existence of a significant material uncertainty which casts doubt about the charity's, and the group's, ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 8, the trustees 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 trustees determine 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; detailed testing was carried out on income, expenditure and all balance sheet items in line with our testing plan and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out income and expenditure testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

NEW LANARK TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

For the year ended 31 January 2025

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
EH3 6AT

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

28 October 2025

NEW LANARK TRUST

CONSOLIDATED STATEMENT OF FINACIAL ACTIVITIES

For the year ended 31 January 2025

	Note	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Income and endowments from:					
Donations and legacies					
Donations	4	9,125	-	9,125	3,526
Income from charitable activities					
Donations - gift aided admissions		4,507	-	4,507	18,867
Operation of a visitors centre		1,613,952	-	1,613,952	1,423,600
Grants receivable - revenue	4	-	687,715	687,715	872,950
Rents receivable		211,184	-	211,184	212,485
Other income from charitable activities		-	-	-	113,379
Income from other trading activities					
Primary purpose trading operations		2,652,521	-	2,652,521	2,363,904
Recharged expenses		95,725	-	95,725	69,189
Investments					
Bank interest receivable		394	-	394	1,933
Total income		4,587,408	687,715	5,275,123	5,079,833
Expenditure on:					
Raising funds	5	2,100,794	-	2,100,794	1,982,375
Charitable activities	5	2,854,646	746,281	3,600,927	3,096,063
Intercompany loan write back		(63,191)	-	(63,191)	-
Total expenditure		4,892,249	746,281	5,638,530	5,078,438
Net (expenditure)/income before transfers		(304,841)	(58,566)	(363,407)	1,395
Transfer between funds	18	-	-	-	-
Net movement in funds	2	(304,841)	(58,566)	(363,407)	1,395
Funds at 1 February 2024		18,322,026	991,258	19,313,284	19,311,889
Funds at 31 January 2025	18	18,017,185	932,692	18,949,877	19,313,284

There have been no recognised gains or losses other than the results for the year shown above. All income and expenditure derive from continuing activities. The notes on pages 16 to 34 form part of these financial statements.

NEW LANARK TRUST

CONSOLIDATED BALANCE SHEET

As at 31 January 2025

			2025		2024
Fixed assets	**Note**	**£**	**£**	**£**	**£**
Intangible assets	6		-		-
Tangible fixed assets					
Heritage assets: Historic buildings	7		19,203,892		19,203,892
Other land and buildings	8		786,424		796,282
Other tangible fixed assets	9		136,838		184,333
Investments	10		-		-
			20,127,154		20,184,507
Current assets					
Stock for resale		93,711		207,968	
Debtors	11	355,004		195,228	
Cash and bank balances	12	178,745		158,790	
		627,460		561,986	
Current liabilities					
Amounts due within one year	13	(1,684,759)		(1,141,467)	
Net current (liabilities)/ assets			(1,057,299)		(579,481)
Creditors: amounts due after one year	14		(119,978)		(291,742)
Net assets	17		18,949,877		19,313,284
Funds					
Unrestricted non-designated funds	18		(1,608,029)		(1,350,539)
Unrestricted designated funds	18		19,625,214		19,672,565
Restricted funds	18		932,692		991,258
			18,949,877		19,313,284

These financial statements were approved by the Trustees on 28 October 2025 and signed on their behalf by:

[redacted]

[redacted], Chairman
Trustee

NEW LANARK TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 January 2025

	Note	2025 £	2024 £
Net cash provided by operating activities (below)		50,965	98,263
Cash flows from investing activities:			
Interest received		394	1,933
Payments to acquire tangible fixed assets		-	(8,301)
Proceeds from sale of tangible fixed assets		7,160	-
Net cash flows provided by/(used in) investing activities		7,554	(6,368)
Increase/(decrease) in cash during year		58,519	91,895
Cash and cash equivalents at 1 February 2024		120,226	28,331
		178,745	120,226
Cash and cash equivalents at 31 January 2025	12	178,745	158,790
Bank overdraft	13	-	(38,564)
		178,745	120,226
RECONCILIATION OF NET (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITES			
Net (expenditure)/income for the year *(as per the Statement of Financial Activities)*		(363,407)	1,395
Adjustments for:			
Depreciation of fixed assets		57,353	151,114
Interest received		(394)	(1,933)
Decrease in stocks		114,257	7,417
(Increase) in debtors		(159,776)	(109,825)
Increase in creditors		371,528	24,888
(Gain)/loss on disposal of assets		(7,160)	10,525
Write off of fixed asset costs		-	17,396
Less bank overdraft movement in creditors		38,564	(2,714)
Net cash provided by operating activities		50,965	98,263

1. ACCOUNTING POLICIES

(a) Basis of preparation of the accounts

The accounts have been prepared under the historical cost convention and are in accordance the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Trust constitutes a public benefit entity as defined by FRS 102.

These financial statements consolidate the results of the charity and its subsidiaries on a line by line basis.

The functional and presentational currency of the financial statements is the Pound Sterling (£) and amounts are rounded to the nearest £.

Going concern

The group relies upon grant funding from outside sources in order to meet its day to day working capital requirements. The Trustees have prepared cash projections until January 2027. The income projections are based upon past performances together with reasonable estimates of other income, whilst expenditure forecasts are based upon known fixed costs together with reasonable estimates of expected costs based on prior experience. These projections indicate that the charity should return to surplus position for the forthcoming year and will be able to operate within their available facilities.

The charity's and group's free reserves have been decreasing over the past years . The Trustees continue to review all costs of the organisation and ensure that these are kept to a minimum. They also continue to consider ways to increase the future funding of the charity both through improving income streams.

Cash projections have been prepared until January 2027 on a prudent basis. The Trustees have no reason to believe that their principal income sources will be materially reduced, or that the existing cost base will increase significantly and have prepared the projections on this basis. Based upon these assumptions, they are of the opinion that the charity should again be in a position to ensure that all expenditure is covered by income receivable during the year.

The accounts have been prepared on the going concern basis. The Trustees are of the opinion that the charitable group can continue to meet its obligations as they fall due. The operating climate and cash flow financing continues to be challenging. Further detail on this is contained in note 23.

(b) Income

All income is included in the Statement of Financial Activities (SOFA), net of any VAT, when the charity has entitlement, probability or receipt and the amount can be quantified with reasonable accuracy. Income is only deferred where it must be spent in a future period, as specified by the funder. The following specific policies are applied to particular categories of income:

1. ACCOUNTING POLICIES (continued)

- Where entitlement is not conditional on the delivery of a specific performance by the charity, income from donations and grants is recognised when the charity becomes unconditionally entitled to the amount. Where related to performance and specific deliverables, income is accounted for as the charity earns the right to consideration by its performance.
- Gift aid from subsidiaries is recognised in the year in which the distribution is declared by the subsidiary.
- Investment income is included when earned.
- Rental income and income from recharged expenses is included in the SOFA in the year in which the service is provided.

(c) Expenditure

Expenditure is recognised on an accruals basis, as a liability is incurred, and is reported as part of the expenditure to which it relates:

- Expenditure on raising funds comprises the costs of generating donations and expenses recharged.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its charitable activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, including audit fees and costs linked to strategic management.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource.

(d) Goodwill

Goodwill, being the amount paid for the acquisition of the trade of an ice cream manufacturer and distributor in 2013, is being amortised evenly over its estimated useful life of five years.

(e) Heritage assets

The Trust holds heritage assets in support of its primary objectives to restore and preserve the historic village of New Lanark and to increase the knowledge and understanding of the village and the industrial development of Scotland. Assets include historic buildings, machinery, paintings and historical artefacts and exhibits either donated to, or purchased by, the Trust.

The Trustees consider that owing to the diverse, unique and incomparable nature of the village and museum pieces, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Trust and users of the accounts. Where reliable costs are known, usually with more recent restorations or acquisitions, the asset is recognised on the balance sheet and stated at cost. Where assets have been donated, or a reliable cost is not readily available, no value is reported on the Trust's balance sheet.

The assets are not depreciated as they are deemed to have indefinite lives and the Trustees do not therefore consider it appropriate to charge depreciation.

1. ACCOUNTING POLICIES (continued)

The Trust has a policy of acquiring any assets which are relevant to its objects, where possible. Acquisitions are made by purchase or donation. Purchases are initially recorded at cost, however, donations are only valued where a comparable value can be obtained at a reasonable cost. Subject to the approval of the Trustees, the Trust may dispose of items, although this will only happen in exceptional circumstances, where, for example, the cost of maintaining the asset is excessive or it is unsuitable for public display.

Preservation costs
Expenditure which, in the Trustees' view, is required to preserve or prevent further deterioration of individual items, including preservation work to buildings and walls, is recognised in the statement of financial activities when it is incurred.

Further information on the heritage assets is given in Note 7.

(f) Non-heritage fixed assets and depreciation

Fixed assets are initially recorded at cost and only assets costing in excess of £2,500 are capitalised. Depreciation is provided on tangible fixed assets, other than heritage assets, land and housing, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life.

The rates are as follows:-

Assets under construction	-	nil
Buildings	-	1%
Plant and machinery	-	10%
Fixtures, fittings and equipment	-	10% - 25%
Motor vehicles	-	25%
Hotel fixtures, fittings and equipment	-	20% - 25%
Housing fixtures and fittings	-	10%

(g) Stocks

Stocks are stated at the lower of cost and net realisable value.

(h) Pensions

The Trust operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

(i) Restricted and unrestricted funds

Restricted funds represent funds subject to specific conditions which are imposed by the donor.

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Trust. In order to ensure that money is available for specific projects, certain funds are put aside and designated by the Trustees. Such designation carries no legal restriction.

(j) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand. In the cash-flow statement, cash and cash equivalents are shown net of any bank overdrafts.

1. ACCOUNTING POLICIES (continued)

(k) Operating leases

The costs of operating leases, where the risks and rewards of ownerships remain with the lessor, are recognised in the Statement of Financial Activities on a straight line basis over the life of the lease.

(l) Financial instruments

The Trust 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 to subsidiaries, since these are repayable on demand.

(m) Debtors

Debtors are recognised at the statement amount after any trade discount offered. Prepayments and other debtors are valued at the amount repaid net of any trade discounts due.

(n) Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

2. NET MOVEMENT IN FUNDS

This is stated after charging / (crediting):	2025 £	2024 £
Auditors' remuneration:		
audit services	24,061	28,820
non-audit services – accountancy	6,330	7,670
Depreciation	57,353	151,114
(Gain)/loss on disposal of assets	(7,160)	10,525
Operating lease rentals	29,087	55,131

No trustees (2024: no trustees) received (2024: £nil) expenses from the Trust in respect of travel to attend Trustees' meetings. The Trust paid Angus James Associates Limited, of which [redacted] is a Director, £1,317 in the current year (2024: £1,313). The Trust paid £1,276 for the purchase of indemnity insurance to protect the charity from loss arising from the neglect or default of its Trustees, employees or other officers (2024: £1,242).

3. STAFF NUMBERS AND COSTS

The aggregate payroll costs for the year were:	2025 £	2024 £
Wages and salaries	2,147,170	1,847,157
Redundancy costs	37,913	-
Social security costs	156,817	139,399
Pension contributions to defined contribution schemes	51,457	42,501
Other staff costs	61,692	81,580
	2,455,049	2,110,637

3. STAFF NUMBERS AND COSTS (continued)

The policy for redundancy follows the statutory redundancy provisions. Redundancies took place in the year due to the closure of Ice Cream and Wool production in the year.

There was no employment ended by way of a Settlement Agreement in the year (2024: nil). No compensation was paid for termination in the year (2024: £nil).

The number of employees earning more than £60,000 per annum can be analysed as follows:

	2025	2024
£60,000 - £69,999 (including employer pension contributions)	-	2
£70,000 - £79,999 (including employer pension contributions)	2	-
£80,000 - £89,999 (including employer pension contributions)	-	-
£90,000 - £99,999 (including employer pension contributions)	1	-
£100,000 - £109,999 (including employer pension contributions)	-	-
£110,000 - £119,999 (including employer pension contributions)	-	1
£120,000 - £129,999 (including employer pension contributions)	1	-

Key management personnel received total remuneration amounting to £803,541 (2024: £462,048) during the year, including employer pension contributions.

The number of persons employed by the charity full-time during the year, on a head count basis, was as follows:

		As at 31 January		Average for Year	
		2025	2024	2025	2024
		No.	No.	No.	No.
New Lanark Trust:	Management	7	6	7	6
	Administration	2	4	2	4
	Maintenance	7	7	7	7
New Lanark Trading Limited:	Management	1	1	1	1
	Sales	4	2	2	3
	Catering	15	12	10	9
	General	17	15	11	13
	Hotel	59	-	41	-
	Leisure	7	-	4	-
New Lanark Hotels Limited:	Management	-	1	-	1
	Hotel	-	54	-	47
	Leisure centre	-	6	-	7
		119	108	85	98

4. DONATIONS AND GRANTS RECEIVABLE

Body	Purpose	2025 £	2024 £
Revenue grants			
Historic Environment Scotland	Maintenance and Repairs	75,000	360,000
	Learning and Outreach Programme	20,000	20,000
	World Heritage Site volunteer co-ordinator	50,000	20,000
Co-op	Administration*	-	3,000
Scottish Government	General Repairs Budget	-	435,000
South Lanarkshire Council	VC Upgrade Project	-	9,950
	Website evolving	-	25,000
National Heritage Memorial Fund	National Heritage Memorial Fund	542,715	-
		687,715	872,950
Revenue donations			
Other donations	Unrestricted Funds*	9,125	3,526
		9,125	3,526

*Included above are unrestricted donations of £9,125 (2024: £6,526). All other grants and donations were restricted in both the current and previous years.

5. EXPENDITURE

	Basis of Allocation	Hotel £	Visitor Centre £	Occupied Property £	Village Preservation £	Education & Promotion £	Governance £	Social Housing £	2025 Total £	2024 Total £
Costs directly allocated to activities										
Purchases	Direct	396,251	417,327	-	-	-	-	-	813,578	626,223
Other direct operational costs	Direct	334,091	24,790	-	-	-	-	-	358,881	314,474
Wages and salaries (Note 3)	Staff time	1,201,838	534,722	-	232,658	-	-	-	1,969,218	1,719,203
Other staff costs (Note 3)	Direct	-	61,692	-	-	-	-	-	61,692	14,893
Premises costs	Direct	43,533	6,824	2,912	562,277	-	-	-	615,546	327,660
Marketing and promotion	Direct	15,887	12,791	-	-	-	-	-	28,678	86,822
Other office costs	Direct	58,130	34,566	-	-	-	-	-	92,696	8,240
Communications and travel	Direct	3,299	4,778	-	-	-	-	-	8,077	38,749
Bad debts	Direct	21,175	3,867	-	-	-	-	-	25,042	11,331
Professional fees	Direct	7,723	78,014	-	-	-	-	-	85,737	94,963
Auditor's remuneration	Direct	-	-	-	-	-	30,390	-	30,390	36,490
Bank charges	Direct	36,593	45,031	-	-	-	-	-	81,624	88,814
Support costs allocated to activities										
Wages and salaries (Note 3)	Staff time	100,733	121,940	21,207	100,733	79,526	-	-	424,139	391,434
Premises costs	Usage	261,257	174,947	-	180,514	61,363	-	91,946	770,027	710,935
Marketing and promotion	Usage	21,009	21,010	-	4,203	4,203	-	-	50,425	91,954
Other office costs	Usage	1,389	1,509	1,263	6,215	10,954	-	-	21,330	44,444
Communications and travel	Usage	700	1,400	-	2,716	2,183	-	-	6,999	9,222
Professional fees	Usage	47,872	47,872	-	143,615	-	-	-	239,359	300,948
Amortisation, depreciation and loss on disposal	Usage	18,785	26,168	5,240	-	-	-	-	50,193	161,639
Bad debts	Usage	-	-	-	(31,910)	-	-	-	(31,910)	-
		2,570,265	1,619,248	30,622	1,201,021	158,229	30,390	91,946	5,701,721	5,078,438

Included above are £746,281 (2024: £839,256) costs allocated to restricted funds.

6. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 31 January 2024	29,000
Disposals	(29,000)
At 31 January 2025	-
Amortisation	
At 31 January 2024	29,000
Disposals	(29,000)
At 31 January 2025	-
Net book value	
At 31 January 2025	-
At 31 January 2024	-

Goodwill represents the acquisition of the trade of an ice cream manufacturer and distributor in May 2013. The trading activity was initially operated through the Trust's subsidiary company, New Lanark Ice Cream Limited, but transferred to New Lanark Trading Limited in 2016/17, as shown at Note 10.

7. HERITAGE ASSETS

The Village's Heritage

The village of New Lanark was founded in 1785 by David Dale as an industrial settlement spinning cotton until production ceased in 1968. [redacted] made New Lanark famous as a model community and today the village, now a UNESCO World Heritage Site, is under the care of the Trust. The whole village is therefore classed as a heritage site. Assets include historic buildings, machinery, paintings and historical artefacts and exhibits, and are held as a working heritage centre preserving the historic village. The centre shows the development of the industrial settlement from 1785 to 1968, when the cotton spinning production ceased.

Preservation and management

The Trust seeks to revitalise the village by ensuring that all buildings are occupied and put to appropriate use. A rolling programme of major restoration, developed from the Buildings Conditions Survey, is followed, subject to sufficient external funding being available. Appendix I lists some of the planned activities.

New Lanark Trust has created a collections management policy to guide staff in the development and management of the Trust's collection, which encompasses material relating to the history of the site. All material held in 'the collection' is classed as a heritage asset. The general policy is not to dispose of heritage assets, however, trustees will occasionally approve the disposal of an exhibit where, for example, the cost of maintaining it is excessive or it is unsuitable for public display. The proceeds on disposal of items that are not recognised as fixed assets are reported in the statement of financial activities. Disposal proceeds are also separately disclosed in the notes to the accounts.

7. HERITAGE ASSETS (continued)

	Historic Buildings Institute/ Village Store/ R. Owen's House/ Millworkers' House £	Mill One £	Mill Two £	Mechanics Workshop £	Other Buildings £	Wee Row £	Townscape Heritage £	Steam Engine/ Turbines £	R. Owen's School £	Social Housing £	Total £
Cost											
At 31 January 2024	2,119,769	7,119,409	2,633,530	229,241	26,683	617,184	1,894,978	208,117	3,843,994	510,987	19,203,892
At 31 January 2025	2,119,769	7,119,409	2,633,530	229,241	26,683	617,184	1,894,978	208,117	3,843,994	510,987	19,203,892
Net book value											
At 31 January 2025	2,119,769	7,119,409	2,633,530	229,241	26,683	617,184	1,894,978	208,117	3,843,994	510,987	19,203,892
At 31 January 2024	2,119,769	7,119,409	2,633,530	229,241	26,683	617,184	1,894,978	208,117	3,843,994	510,987	19,203,892

Heritage assets not recognised on the balance sheet

The Trust holds a number of historical artefacts which have not been recognised on the Balance Sheet as cost information is not readily available. The Trustees believe no comparable value exists for these assets and the benefits of obtaining valuations would not justify the cost. The vast majority of the items were acquired many years ago.

8. NON-HERITAGE ASSETS: LAND AND BUILDINGS

	Car Park and Road Improvements £	Total £
Cost		
At 31 January 2024	1,025,761	1,025,761
At 31 January 2025	1,025,761	1,025,761
Depreciation		
At 31 January 2024	229,479	229,479
Charge for Year	9,858	9,858
At 31 January 2025	239,337	239,337
Net book value		
At 31 January 2025	786,424	786,424
At 31 January 2024	796,282	796,282

Car Park and Road Improvements includes land at a cost of £40,000, which is not depreciated.

9. NON-HERITAGE ASSETS: OTHER TANGIBLE FIXED ASSETS

	Plant and machinery £	School and Visitor Centre fixture, fittings and equipment £	Other fixtures fittings and equipment £	Motor vehicles £	Hotel fixtures fittings and equipment £	Social housing fixtures and fittings £	Total £
Cost							
At 31 January 2024	1,153,007	1,379,639	254,085	279,007	1,345,017	96,674	4,507,429
Disposals	-	-	(9,646)	(19,445)	-	-	(29,091)
At 31 January 2025	1,153,007	1,379,639	244,439	259,562	1,345,017	96,674	4,478,338
Depreciation							
At 31 January 2024	(1,089,194)	(1,346,070)	(253,382)	(279,007)	(1,300,221)	(55,222)	(4,323,096)
Charge for year	(16,593)	(6,175)	(703)	-	(18,784)	(5,240)	(47,495)
On disposals	-	-	9,646	19,445	-	-	29,091
At 31 January 2025	(1,105,787)	(1,352,245)	(244,439)	(259,562)	(1,319,005)	(60,462)	(4,341,500)
Net book value							
At 31 January 2025	47,220	27,394	-	-	26,012	36,212	136,838
At 31 January 2024	63,813	33,569	703	-	44,796	41,452	184,333

Included in the total net book value above are assets with a net book value of £74,613 (2024: £97,382) that are used for direct charitable purposes. Assets with a net book value of £62,223 (2024: £86,951) are used for other purposes.

10. INVESTMENTS

Subsidiaries

The Trust received, by way of gift in prior years, title to the entire issued share capital of New Lanark Trading Limited, New Lanark Hotels Limited and New Lanark Ice Cream Limited. Details of these companies are as follows:

Subsidiary	Activity	Ordinary Shares	Country of Incor-poration
New Lanark Trading Limited	Operation of visitor centre, textile production, generation of hydroelectric power and production and sales of ice cream	100%	Scotland

New Lanark Trading recorded a deficit of £271,477 (2024: deficit £613,369) for the year ended 31 January 2025 and had capital and reserves in deficit of £1,605,884 (2024: deficit £1,334,407) at that date. The management of the hotel and waterhouses was taken on by New Lanark Trading Limited on 31 January 2024 when New Lanark Trading Limited acquired the trade and certain assets and liabilities of New Lanark Hotels Limited. A liquidator has been appointed on 12 April 2024 for winding up New Lanark Hotels Limited.

New Lanark Ice Cream ceased trading on 31 January 2016 and was dissolved on 9 April 2024.

New Lanark Trust is also the sole member of New Lanark Homes Limited, a company limited by guarantee. The company was incorporated in Scotland on 9 October 2008, commenced trading on 1 January 2009 and obtained charitable status on 3 August 2009. Its principal activity is the provision of housing and associated amenities within the New Lanark village; the charity manages the housing owned by the Trust, which is shown at note 7. The company recorded a profit of £nil (2024: profit £nil) for the year and had closing reserves of £182,483 (2024: £182,483) as at the year-end. On 1 May 2020, the activity of New Lanark Homes Limited transferred to the Trust with New Lanark Homes becoming dormant and the process for donating the closing reserves to the Trust is in progress at the date of the signing of these accounts.

Snow Newco Limited was incorporated on 10 April 2024, with New Lanark Trust holding title to the share capital. The company does not yet trade and has had no activity to date.

11. DEBTORS

	2025 £	2024 £
Grants receivable	-	30,000
Trade debtors	53,140	62,147
Prepayments and accrued income	298,518	102,936
Other debtors	3,346	145
	355,004	195,228

12. CASH AND CASH EQUIVALENTS

	2025	2024
	£	£
Cash in hand	5,185	7,000
Bank: Immediate access	173,560	151,790
	178,745	158,790

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Loans (note 15)	282,400	82,400
Trade creditors	577,665	464,788
Taxation and social security	103,947	21,826
Accruals and other creditors	348,999	236,771
Bank overdraft	-	38,564
VAT	371,748	297,118
	1,684,759	1,141,467

14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2025	2024
	£	£
Loans (note 15)	34,334	116,734
Trade creditors	85,644	175,008
	119,978	291,742

15. LOANS

The following loans are included within creditors and are due for repayment as shown:-

	2025	2024
	£	£
Amounts repayable		
In one year or less	282,400	82,400
In more than one year but not more than two years	34,334	82,400
In more than two years but not more than five years	-	34,334
	316,734	199,134

16. OPERATING LEASE COMMITMENT

The following operating lease payments were committed to be paid as at the year end:

	Land and buildings	
	2025	2024
	£	£
Within one year	36,047	37,446
Between one and five years	59,347	79,858
	95,394	117,304

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	-	19,537,714	589,440	20,127,154
Net current liabilities	(1,488,051)	87,500	343,252	(1,057,299)
Long term liabilities	(119,978)	-	-	(119,978)
Net assets at 31 January 2025	(1,608,029)	19,625,214	932,692	18,949,877

	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	-	19,585,065	599,442	20,184,507
Net current liabilities	(1,058,797)	87,500	391,816	(579,481)
Long term liabilities	(291,742)	-	-	(291,742)
Net assets at 31 January 2024	(1,350,539)	19,672,565	991,258	19,313,284

18. CAPITAL AND RESERVES

	Balance at 1 February 2024 £	Income £	Expenditure £	Transfer between reserves £	Balance at 31 January 2025 £
Unrestricted non-designated funds					
General Fund	(914,674)	320,600	(1,615,827)	200	(2,209,701)
Capital Reserve	300	-	-	(200)	100
Reserves of Trading Subsidiaries	(531,148)	4,347,128	(3,309,391)	-	506,589
General Fund of Charitable Subsidiary	94,983	-	-	-	94,983
Total unrestricted non-designated funds	(1,350,539)	4,667,728	(4,925,218)	-	(1,608,029)
Unrestricted designated funds					
Heritage Assets	18,692,905	-	-	-	18,692,905
Land and Buildings	781,537	-	(9,704)	-	771,833
Other Tangible Fixed Assets	110,623	-	(37,647)	-	72,976
Repairs Reserve of Charitable Subsidiary	87,500	-	-	-	87,500
Total designated unrestricted funds	19,672,565	-	(47,351)	-	19,625,214
Restricted funds					
Heritage Assets: Housing	510,987	-	-	-	510,987
Land & Buildings – LEADER, Car Park	14,745	-	(154)	-	14,591
Other Tangible Fixed Assets:					
Housing Fixtures & Fittings	41,452	-	(5,240)	-	36,212
Visitor Centre Plant & Machinery	32,258	-	(4,608)	-	27,650
Maintenance and Repairs - HES	180,000	75,000	(98,564)	-	156,436
Maintenance and Repairs - NHMF	-	542,715	(542,715)	-	-
Turbine Expansion	186,816	-	-	-	186,816
Website	25,000	-	(25,000)	-	-
Volunteer	-	50,000	(50,000)	-	-
Education	-	20,000	(20,000)	-	-
Total restricted funds	991,258	687,715	(746,281)	-	932,692
Total funds	19,313,284	5,355,443	(5,718,850)	-	18,949,877

19. CAPITAL AND RESERVES

	Balance at 1 February 2023 £	Income £	Expenditure £	Transfer between reserves £	Balance at 31 January 2024 £
Unrestricted non-designated funds					
General Fund	(557,893)	420,739	(1,310,858)	533,338	(914,674)
Capital Reserve	300	-	-	-	300
Reserves of Trading Subsidiaries	(1,474,818)	3,789,144	(2,845,474)	-	(531,148)
General Fund of Charitable Subsidiary	94,983	-	-	-	94,983
Total unrestricted non-designated funds	(1,937,428)	4,209,883	(4,156,332)	533,338	(1,350,539)
Unrestricted designated funds					
Heritage Assets	18,702,000	-	-	(9,095)	18,692,905
Land and Buildings	791,241	-	(9,704)	-	781,537
Other Tangible Fixed Assets	194,292	-	(73,146)	(10,523)	110,623
Goodwill	-	-	-	-	-
Repairs Reserve of Charitable Subsidiary	87,500	-	-	-	87,500
Total designated unrestricted funds	19,775,033	-	(82,850)	(19,618)	19,672,565
Restricted funds					
Heritage Assets: Housing	510,987	-	-	-	510,987
Motor Vehicles – LEADER, Electric Bus	58,238	-	(58,238)	-	-
Land & Buildings – LEADER, Car Park	14,899	-	(154)	-	14,745
Other Tangible Fixed Assets:					
Housing Fixtures & Fittings	46,715	-	(5,263)	-	41,452
Visitor Centre Plant & Machinery	36,866	-	(4,608)	-	32,258
Maintenance and Repairs - HES	501,514	795,000	(615,000)	(501,514)	180,000
Turbine Expansion	277,500	9,950	(100,634)	-	186,816
Learning and Outreach Programme	-	20,000	(20,000)	-	-
World Heritage Site co-ordinator	-	20,000	(20,000)	-	-
Website	-	25,000	-	-	25,000
Fire Detection System	12,206	-	-	(12,206)	-
Community Engagement Officer	15,359	-	(15,359)	-	-
Total restricted funds	1,474,284	869,950	(839,256)	(513,720)	991,258
Total funds	19,311,889	5,079,833	(5,078,438)	-	19,313,284

Unrestricted designated funds

The *Heritage Assets, Assets Under Construction, Land and Buildings* and *Other Tangible Fixed Assets* funds represent the net book value of unrestricted fixed assets, which are not available as working capital.

19. CAPITAL AND RESERVES (continued)

Restricted funds, Motor Vehicles, Land & Buildings

The *Heritage Assets* and *Other Tangible Fixed Assets* funds represent the net book value of social housing and fixtures and fitting therein. The purposes of other restricted funds are as follows:-

Maintenance & Repairs: Historic Environment Scotland and National Heritage Memorial Fund grant for conservation repairs and site maintenance.
Turbine Refurbishment: is a Scottish Government grant for repair/refurbishment of the hydro power turbine
Website: grant from South Lanarkshire Council for website construction
Volunteer: Historic Environment Scotland grant towards the World Heritage Site co-ordinator salary.
Education: Historic Environment Scotland grant towards the salary of the learning and outreach staff cost.

Transfers

The transfer from the Maintenance and Repairs Fund to General Funds is to contribute towards the working capital of the charity as permitted by the funder. Other Transfers were made to fixed asset designated funds, representing the cost of asset additions funded from unrestricted funds in the year.

20. CAPITAL GRANTS AND DONATIONS

	Heritage Assets	Land & Buildings	Other Assets	Total 2025	Total 2024
	£	£	£	£	£
At 1 February 2024	2,683,501	755,266	39,106	3,477,873	3,565,609
Amortisation	-	(9,809)	(8,035)	(17,844)	(87,736)
At 31 January 2025	2,683,501	745,457	31,071	3,460,029	3,477,873

21. CONTINGENT LIABILITY

The grants from the Heritage Lottery Fund and Historic Environment Scotland are repayable in the event that the restored properties are disposed of without proper funder permission within 15 years from commencement of the grant. The trustees have no intention of making any such disposal.

The trustees have indicated to the directors of New Lanark Trading Limited that they will continue to support the company for the foreseeable future, and a period of at least 12 months from the date of these accounts. Support will be provided to assist cashflow through intercompany loans. At the year end it cannot be reasonably estimated how much this support will be, therefore, no provision has been recognised in these accounts.

On 29 September 2025, New Lanark Trust provided a cross guarantee over its assets to Santander Bank plc in support of a banking facility granted to its wholly owned subsidiary, New Lanark Trading Ltd. The guarantee was issued to secure an overdraft facility of £150,000 made available to the subsidiary.

22. RELATED PARTIES AND ULTIMATE CONTROLLING PARTY

The trustees have taken advantage of the exemption conferred by FRS102 not to disclose intra group transactions.

No other transactions with related parties were undertaken in either the current or previous year such as are required to be disclosed under FRS102. No one individual had control over the Trust during either the current or previous year.

23. GOING CONCERN

As highlighted in note 1, the accounts have been prepared on a going concern basis.

The impact of the Covid pandemic on the general economy and tourism and hospitality industries has had a serious impact on the operational activities of the Trust and its subsidiaries. Management and the board have taken steps to mitigate the risks imposed by these trading conditions, specifically, a new, experienced hotel General Manager, the refurbishment of the hydro power turbine, the improvement in the quality of retail stocks and a much improved internal process for identifying and securing grant funding.

The study into the expansion of the hydro scheme is ongoing and once completed this will have a transformative impact on the finances of the Trust.

Work to expand the hotel's room capacity is scheduled to commence in the first quarter of 2026. This will increase the room capacity from 38 to 55. It is anticipated that this will have a positive impact not only on the hotel's performance but will also increase general footfall to the site and benefit the cafe and Visitor Attraction too.

Additionally, in October 2025 New Lanark Trading Limited secured an overdraft facility with Santander bank and this will help with general working capital and will give more flexibility to New Lanark Trading Limited’s finances.

Projections and forecasts have been prepared that indicate liabilities can be met as they fall due and that the charity can continue to support its subsidiary undertaking, New Lanark Trading Limited. The trustees are satisfied that mitigation taken to date provides reasonable assurance that the charity can continue to operate for at least 12 months from the approval of these financial statements. However given the challenging economy and the dependence on the bank and outside sources to provide grant funding outlined above, a material uncertainty exists that may cast significant doubt on the group’s ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

24. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

As described in Note 10, the Trust owns the entire share capital of one active trading subsidiaries, New Lanark Trading Limited, which gift aid their taxable profits to the Trust and pay interest on loans from the Trust. New Lanark Trust is also the sole member of New Lanark Homes Limited, a charitable company limited by guarantee with no share capital. A summary of the results of each company and their overall contribution to the group is shown below. Audited financial statements for all companies are filed with the Registrar of Companies.

	New Lanark Trading Ltd £	New Lanark Homes Ltd £	Intra group eliminations £	2025 Total £	2024 Total £
Turnover/income	4,350,252	-	(3,461)	4,346,791	3,787,504
Cost of sales	(817,039)	-	-	(817,039)	(626,223)
Surplus	3,533,213	-	(3,461)	3,529,752	3,161,281
Administration costs	(3,805,026)	-	1,312,674	(2,492,352)	(2,219,250)
Indirect charitable expenditure	-	-	-	-	-
Interest payable	-	-	-	-	-
Interest receivable	336	-	-	336	1,639
Net (expenditure)/income from subsidiaries	(271,477)	-	1,309,213	1,037,736	943,670